

## BULLETIN

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### NORTH ASIA - ASIE DU NORD

#### JAPAN/JAPON

- House Majority Leader Richard Gephardt and seven other Democrats have asked the Administration to investigate Honda and other transplant automakers to determine if they are in compliance with the FTA. The Congressmen cite Custom Service allegations that Honda evaded US tariffs by importing Civics assembled in Ontario that had less than 50% local content.
- M. Owada, vice ministre adjoint du MAE, devrait se rendre aux Etats-Unis à la fin de juin, pour évoquer avant le sommet de Londres, la question de l'aide à l' Union Soviétique et harmoniser les positions des deux pays les plus réticents au sein des 7 devant ce genre de perspectives.
- Tokyo stock prices rose 85 points on the Nikkei index Thursday after falling almost 1,100 points since Monday. Declining stock market prices have been, in part, due to expectations of continued high interest rates. Thursday's increase was in reaction to a ¥2 fall in the US dollar which closed at ¥139.1.
- For the first time in eight years, the level of Japanese companies' direct foreign investment fell. A Finance Ministry official said this could show that most of the concerns' expansion plans abroad have been completed for now. In the year ending March 31, Japanese companies' invested \$56.91 billion overseas, down 16% from the previous year's \$67.54 billion.
- The US Ambassador has urged Japan to open its rice market. He stated that Japan cannot expect the Uruguay Round of the MTN to be successful without Tokyo putting a sensitive commodity on the bargaining table.
- NEC is swapping its 15% stake in French computer maker Bull's US subsidiary, Bull NH,

for an interest in the French parent. The deal was first approved in early May by former PM Michel Rocard, but his successor Edith Cresson, ordered a review after she took office.

- Hiroshi Mitsuzuka is the new leader of the LDP's second largest faction. He was first elected to the Diet in 1972, and has held the Transportation, MITI and Foreign ministries.

- Les principaux dirigeants du parti socialiste et Mme Doi se sont réunis pour discuter du rapport du comité pour la réforme du parti que préside M. Tanabe. M. Yamaguchi, le secrétaire général du parti, et M. Yamamoto, un des vice-présidents, s'en sont pris aux tentatives de M. Tanabe de faire reconnaître la légitimité des forces d'autodéfense et d'abandonner les idéaux de neutralité et de désarmement.

- The Defence Agency will develop its own reconnaissance helicopter, the OHX, despite expected pressure to buy the US Army's next-generation assault-reconnaissance helicopter.

- A report by the Committee for 2010 states that the shrinking labour force, a lower savings rate, and restrictions on energy and natural resources will cause Japan's economic growth to decrease to 2-3% per year between 2000-2010.

#### CHINA/CHINE

- Ministry of Foreign Affairs has declared China's support for US President Bush's proposal for a Paris conference of the P-5 on arms control in the Middle East.
- China Daily reports that Vice Premier Tian Jiyun expressed hope that China and Canada will adopt positive steps to bring the normalization of bilateral economic and trade

relations. He made the statement at a meeting with a delegation from the Canada-China Trade Council.

- The US "Intellectual Property Rights and Market Access Delegation" announced at the end of its five-day Beijing visit that it has invited Chinese Trade Officials to continue talks in Washington D.C. in August.

- Press reports indicate that PM Li Peng will visit Kuwait in early July, but the topics to be discussed have not been announced. Saudi Arabia, Iran and Egypt - and possibly Syria and Jordan - may also be visited by Li Peng to underline China's regional interests.

### KOREA/CORÉE

- According to the Bank of Korea, the country's net foreign debt has been swelling in recent months, nearing US\$10 billion in May, doubling the figure registered at the end of last year.

- A draft "stock market opening plan" announced by the Ministry of Finance proposes that the Korean financial market be opened in January 1992. Non-resident foreigners in Korea, as well as Koreans residing abroad, will be allowed to buy up to 10% of a listed company's total shares in the Korean stock market, and they will be able to remit abroad all principle and interest accrued on their investment in the domestic securities market.

- Korea Development Institute forecasts 9% growth in the economy this year, with the current account deficit widening to US\$3.8 billion. The trade account deficit is estimated to grow to US\$3.2 billion based on exports of US\$72.6 billion and imports of US\$75.8 billion. Also, consumer prices are projected to increase 9.7% in 1991 compared to 9.4% in 1990.

- Media reports state that President Roh has directed his cabinet to begin preparations in earnest for national reunification which he predicted will come during the present decade. Roh underlined the need for an intensive study of the German case so Korea will not experience "trials and errors" following unification.

### TAIWAN

- China is willing to ease its diplomatic offensive against Taiwan if Taipei agrees to begin talks on reunification, a member of Taiwan's ruling Nationalist Party said after returning from a private visit to Beijing. According to the Asian Wall Street Journal, Lin Yu-Siang said Chinese officials signalled they may end a boycott against Taipei's efforts to join international bodies such as GATT.

### VIETNAM

- La secrétaire d'État aux Affaires extérieures, l'honorable Barbara McDougall, a annoncé aujourd'hui que le Canada ouvrira un bureau diplomatique à Hanoi, au Vietnam, le 01 juillet prochain.

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### ONGOING AND UPCOMING/ A VENIR

-Canada '91 - Cultural Activities (including: choral, symphonic, and chamber music; cinema; theatre; ballet; a book promotion; and, a variety of art exhibits), Tokyo & surrounding area, till July 31.

-Festival Canada - Trade & Investment; Tourism & Cultural Activities (66 projects in all), Hong Kong, June 9-July 1.

-CDA-JPN Interparliamentary Group - visit to Japan, June 22-July 2.

-Visit of ROK President Roh - Ottawa & Vancouver, July 3-6.

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