

BULLETIN

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NORTH ASIA - ASIE DU NORD

CHINA/CHINE

- The Public Security Ministry announced last week the release of 97 additional persons who had been detained since last year's June 4th crackdown. This is the third group of persons released, bringing the total to 881. Official figures indicate 334 still remain in detention.

- China showed signs of an improving trade position, recording a US\$ 380 million surplus in May, as tough austerity programmes sent imports tumbling. This was the third month in a row the country registered a favourable trade balance, bringing the nation's surplus for the year to US\$ 1.8 billion. In 1989, China recorded a deficit of US\$ 6.5 billion.

- Various media reports indicate the leadership of China's 3.5 million-strong People's Liberation Army (PLA) has been reshuffled to "ensure its loyalty to the Communist Party". It is believed a group of 10 elderly cadres now has control of the PLA, taking over from the Central Military Commission under Jiang Zemin who has no military background.

- The Vice-Minister of Agriculture, Mr. Chen Yaobang will attend a session of the Canada-China Joint Agricultural Committee in Ottawa, June 18-19. The meeting is a working-level visit on technical matters and will not deal with bilateral policy matters.

- A.T. and T, the American telecommunications company is reported to have signed a contract with China Electronic System Equipment Corporation (CESEC) for the supply of digital telephone exchanges.

- The first phase of a potash plant, the largest of its kind in China, has begun operation in Qinghai Province. The plant has a designed annual capacity of 200,000 tons and is in an area with an estimated 370 million tons of Potassium Chloride reserves.

JAPAN/JAPON

- Japan's ruling Liberal Democratic Party has failed to win a key by-election which would have made it easier for the party to control the Upper House of the Diet. Shigeko Mieno of the Japanese Socialist Party (JSP) won over Liberal Democratic Party (LDP) candidate Tokuhiko Sumiyoshi by an unexpectedly high margin of 120,000 votes. The election result is expected to give momentum to the JSP for the upcoming debates on the Consumption Tax and controversial farm policies.

- La visite du ministre soviétique des Affaires étrangères, M. Shevardnadze qui devait avoir lieu en mars, est reportée à la première quinzaine de septembre.

- Le Japon est passé au deuxième rang des pays d'origine des investissements directs étrangers aux É.U. (après la G.-B. et devant les Pays-Bas), et ce grâce à une augmentation des investissements directs de 32.4% à ÉU\$ 70,6 milliards, soit 17,6% des investissements directs étrangers aux É.U.

- The hard-won trade harmony between Japan and the US is in danger of crumbling, as each country begins to raise doubts about the other's commitment to trade promises. Prime Minister Kaifu confirmed that Japan will refuse to set a fixed target on government spending on public works against GNP, as has been demanded by the US in the final report of the SII talks. Instead, Japan will inform the US of all large scale public works projects and how much money the Government plans to spend on these projects.

- Canada's Triple Five Corp., developers of the world's largest shopping mall in Edmonton, and a Tokyo consulting firm, Commerce System Corp., have agreed to set up a joint venture company, International Malls Inc., to develop shopping centres in Japan.

KOREA/COREE

- According to recent reports by the Korea Institute for Economics and Technology (KIET), the Korean economy is expected to grow 8.8% this year, well beyond the expected target of 7%. Economic growth will be paced by the construction industry and domestic consumption, not by exports. Per capita income is expected to reach US\$ 5,600, up from approximately US\$ 5,000 in 1989. The Institute also forecasts that exports will rise by 4.3% this year, while imports by 11.5%; for an expected US\$ 3.5 billion trade deficit. The projections for external trade are based on the assumption the Korean currency will further depreciate against the US dollar.

- In order to control exports of strategic items to communist countries, the Korean Government will introduce a system of Import Certificate and Delivery Verification, effective July 1, 1990.

- Korea plans to build 12 new power stations with a combined generating capacity of 5.77 million Kilowatts, at a cost of US\$ 3.9 billion, by 1993.

- The Korean steel industry is showing steady recovery with the expansion in domestic sales and exports, while stockpiles are declining. Steel production during the first four months this year was up 12.5% over same period in 1989.

- The Ministry of Trade and Industry will increase financial aid to retailers and wholesalers in order to facilitate the modernization of the distribution industry. They will be eligible to receive up to US\$ 715 million in loans per year, from the present maximum of US\$ 430 million.

- NORTH KOREA: Seoul plans to ease regulations governing travel and trade between North and South Korea, according to press reports. Under the proposed revisions, any South Korean citizen aged 59 or older would be able to visit the North without Government permission, but would have to report to the authorities after the visit.

- Seoul is studying measures to induce Pyongyang to resume dialogue. Among those are plans to set up a Government Agency to specialize in arms control and disarmament issues on the Korean Peninsula.

TAIWAN

- Tout en campant sur leur position, les autorités chinoises qui avaient explicitement rejeté à la fin du mois de mai la proposition de dialogue du président taiwanais, ont estimé cette semaine que celle-ci représentait un progrès. "Taiwan souhaite établir des canaux de communication, et discuter de la réunification du pays, et nous approuvons", a déclaré Jiang Zemin, Secrétaire général du parti communiste chinois.

- Taiwanese investment now makes up the most important share of overseas investment in Fujian Province. Thirty to 40 Taiwanese business groups arrive in the Province each day.

- According to press reports, Taiwan's opposition leader, Mr. Huang Hsin-Chieh will visit China next month, at the invitation of President Yang Shangkun.

HONG KONG

- Guangdong television will boost the strength of its broadcasts to cover the Pearl River Delta area. The frequency used will be between those used by the Hong Kong Chinese language stations, thus interfering with reception of Hong Kong programmes in areas adjacent to the territory.

- La compagnie aérienne Cathay Pacific deviendra membre de l'Agence internationale de transport aérien (IATA) le 1er juillet 1990, suite à un assouplissement des pratiques restrictives de ce cartel.

ONGOING AND UPCOMING/A VENIR

- *Non-Ferrous Working Group-meeting, Beijing, June 25-29.*
- *International Council for Canadian Studies (ICCS)-annual meeting, Beijing, July 10-12.*
- *Association for Canadian Studies in China (ACSC)-annual conference, Beijing, July 12-14.*
- *Asia Pacific Economic Cooperation (APEC)-Ministers' meeting, Singapore, July 30-31.*
- *Canada-China International Management August 10-14. Contact: Dr. William W. Admin., Simon Fraser University. (604) FAX: (604) 291-4920.*

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