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BACKGROUND PAPERS



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DEPARTMENT OF STATE
BRIEFING PAPER

ROK DOMESTIC POLITICAL SITUATION

Park's Repressive Measures 1971-74

Since he seized power in a coup in 1961, President Park Chong-hui has invigorated the ROK bureaucracy and created a favorable climate for rapid economic growth. In 1971 he undertook to reduce tensions in the Korean peninsula through dialogue with the North. Over the past three years, however, his domestic problems have mounted as Park became increasingly authoritarian and promulgated a series of measures aimed at strengthening his regime and perpetuating himself in office:

--In December 1971 Park declared a state of national emergency, enabling him to impose press censorship and issue economic decrees.

--In October 1972 he dissolved the National Assembly and imposed martial law.

-- In November 1972 a referendum conducted under martial law and in which no opposition was permitted, approved a new constitution providing for a rubber-stamp electoral college instead of direct election of the President; presidential appointment of one-third of the legislature; arrest without hearing; and curtailment of free speech and assembly.

-- In August 1973, from a Tokyo hotel room, Korean CIA agents abducted Kim Tae-chung, Park's opponent in the 1971 presidential election, returning him to virtual house arrest in Seoul.

--In January 1974 President Park authorized special courts-martial empowered to sentence up to 15 years anyone who "defamed" or tried to change the November 1972 constitution or criticized these same measures.

--An April 1974 decree authorized the death penalty or life imprisonment for anyone planning, supporting or participating in student anti-government demonstrations.

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The Growth of Opposition

Initially there was almost no overt resistance to Park's gathering in of power. The only voices to protest against the changes were the Roman Catholic cardinal and a lone Protestant minister. The opposition party felt too weak to act; students were intimidated just before the first emergency declaration by the indiscriminate arrest and beating of students on a Seoul campus; customarily outspoken intellectuals were cowed by Korean CIA coercion; and the press was under strict censorship. Generally, the Korean public -- faced with shifting international power relationships, hopeful that the newly-instituted reunification talks with the North would show progress, and conscious of continuing strong economic growth -- seemed willing to give strong-man rule a chance.

Open opposition began in late 1973, when in the aftermath of the Kim Tae-chung kidnapping university students demonstrated, demanding Kim's release and the restoration of civil liberties. At the same time opposition politicians were successful beyond expectation in a signature campaign petitioning Park to restore the old constitution.

The government responded with court-martial trials, sentencing dissenters to death (none yet carried out) or long prison terms. (Included in those sentences are Catholic and Protestant leaders, a prominent poet and a former president.) These measures succeeded in squelching the signature campaign and heading off the anticipated spring 1974 student demonstrations. But resistance by Christians surfaced in August when 2,000 Catholics and Protestants attended a mass said for a Catholic bishop who had been sentenced to 15 years at hard labor for allegedly aiding anti-government students.

Controls Relaxed

In the midst of a Park speech on August 15 an assassin's shot missed Park but killed his wife. It was widely expected that Park would respond by imposing additional strict measures. His initial reaction, however, has been in the direction of relaxation. On August 23, possibly reasoning that public sympathy over the death of his wife would take much of the steam out of any renewed protest, he lifted the decrees banning dissent.

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In subsequent moderate actions:

--Newspapers have been permitted to report outspoken demands by the recently-elected chairman of the opposition New Democratic Party that the government restore constitutional safeguards on civil liberties and free all persons arrested on political grounds.

--The government has used restraint in dealing with a renewed round of demonstrations by Christians and students, for example imposing jail sentences not exceeding thirty days.

Prospects

Protest activity, suspended temporarily out of public sympathy over the death of Park's wife, soon resumed. Since late September, Christians and university students have held almost daily peaceful demonstrations, their size held down by school closures aimed at dispersing the students. The students are becoming more persistent in their demands; the government has been forced to respond with tear gas.

Thus discontent obviously continues to fester among these two important groups in South Korea. There is little prospect that it will dissipate as long as Park refuses to move toward significantly greater political liberalization, something which at this stage he shows no inclination to do.

But if serenity is not in sight, neither is upheaval. A number of factors are in Park's favor.

--During his thirteen-year rule, Park has ruled autocratically but has shown himself flexibly capable of compromise when necessary, shifting between tighter and looser controls.

-- Park retains the loyalty of the bureaucracy and military leaders.

--The government possesses strong instruments of control over security and public order.

--Park employs talented officials, works hard and provides government which is in most ways effective and relatively efficient.

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-- For many South Koreans, the military threat from the North provides a rationale for autocratic government.

In the rather unlikely event that university student demonstrations should swell to the point where Park felt that violent repression was called for, there could be some question as to how the government and military establishment -- mindful of the student disturbances which overthrew Syngman Rhee in 1960 -- would react. An additional complication might ensue if the opposition proved capable of making a truly popular issue out of the economic difficulties now beginning to impinge on the general public.

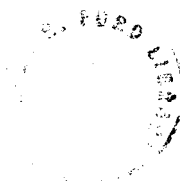
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DEPARTMENT OF STATE
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The South Korean Economy

South Korea is moving into its most pronounced economic slump in a decade, largely because of the economic downturn in the major industrial countries that take the bulk of Korea's exports and supply a large share of investment funds. Although real growth this year will average 8%-10%, practically all the gains came in the first half. The downturn will extend well into 1975 when real growth will probably register considerably less impressive gains. Problems stemming from slow growth will add to Seoul's already growing political problems.

The Emerging Slump

The economy expanded rapidly during the first half of 1974, but the pace slowed sharply after mid-year. Real gross national product during the first half was 15% above the first half of 1973 while industrial output was 20% above last year's average. In recent months, however, industrial output has stagnated. In some industries production has declined because of weak foreign demand for South Korean goods. With no turn-around expected in the months ahead, real GNP may register little or no gain during the second half of 1974. However, a poor second half should not detract from Korea's performance because the low growth rate is by comparison with the preceding year in which Korea had a record real growth rate of 16.5%.

So far the downturn has been concentrated in relatively few industries. The hardest hit include textiles--with output down nearly 10% from the early 1974 peak--electronics, and other light consumer industries producing for the export market. Heavy industry continues to do relatively well, but output in recent months has been increasing at a slower pace.

Unemployment, although not yet a serious problem, is on the rise. Some 60,000 workers, somewhat less than 1% of the labor force, have been laid off this year with further substantial layoffs planned by several major US and Japanese firms.

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Most foreign and locally-owned firms, however, are maintaining their labor force, preferring instead to reduce work hours. Nonetheless, employer groups and the government are concerned over the likelihood of increased labor unrest, particularly in urban areas.

Government Policies

Seoul has shifted from seeking to control inflation to efforts to maintain employment and output. Increased spending on public works to offset the decline in private sector employment as well as on welfare, defense, and government industrial projects has brought the budget--in surplus during the first half of 1974--into sizeable deficit.


Seoul is also providing special loans to businessmen to help avoid bankruptcies. Practically all of the at least \$100 million being used for this purpose is going to small and medium-sized firms facing the most serious financial problems. Large firms are better able to handle financial problems now that credit restrictions are being eased. In some instances they have been able to increase their foreign borrowing.

Efforts to stimulate domestic demand will tend to aggravate Korea's inflation problem. With higher oil and other commodity costs the chief factors, consumer prices by September were about 28% higher than the year before and wholesale prices rose even faster. Higher labor costs are now also becoming an important cause of inflation. In an effort to control inflation next year, the government has pressed employers and unions to keep wage settlements moderate.

Trade and Payments

Higher oil and other commodity prices have boosted Korea's trade deficit sharply and it will reach \$1.2 billion for 1974. Next year's deficit will approach that level. Because of weak demand in the US and Japan, which take about 70% of Korean exports, Seoul will have to lower its 1975 goal of

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a 40% increase in overseas sales. If export growth slips too far, the government could resort to devaluation even at the cost of more inflation.

This year's current account deficit will approach \$1.5 billion, compared with \$300 million in 1973. Most of the deficit is being offset by long-term capital inflows stemming in part from investment commitments made last year. However, there is some slowdown in direct investment particularly from Japan where the decline reflects bilateral political problems as well as economic reasons. New US investment is customarily moderate but investment approvals of US equity is already ahead of the modest total for 1973.

To compensate for reduced long-term inflows the Koreans have substantially increased their short-term borrowing abroad. This borrowing reached \$400 million during the first half of 1974 and will nearly double by year end. Korea's good international credit rating and low debt service payments--10% of exports in 1973 compared with 20% the previous year--has made it relatively easy to obtain these funds. To help finance next year's payment deficit, Seoul is reportedly trying to obtain long-term loans from Arab oil exporters.

The ROK announced at the beginning of this year that increased costs of commodity imports, especially oil, would require a significant increase in gross capital inflow. The figure of \$1.55 billion for 1974 was endorsed at the Consultative Group Meeting at Paris in March. One third of the amount was to come from official sources. By mid-1974, \$900 million of that amount had been committed. However, the remaining \$650 million may be difficult to obtain in the present tight money market unless exorbitant interest is applied.

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Christians, students, intellectuals, journalists and, most recently, some politicians -- have been agitating for political reform. Most would probably settle for a return to the pre-1972 system of limited representative government; others seek Park's removal from power.

One persistent threat in the thinking among these relatively sophisticated South Koreans is the belief, justified or not, that the U.S. government is in a position to bring decisive pressures on Park to modify his authoritarian policies. They seem to believe, for example, that in August when Park rescinded some of his more onerous decrees, he was largely responding to U.S. press, congressional and, ultimately, official criticism. Indeed, through their extensive contacts in U.S. political and intellectual circles, Park's opponents were able to provide substantial backing for this summer's congressional attacks on military aid programs for South Korea.

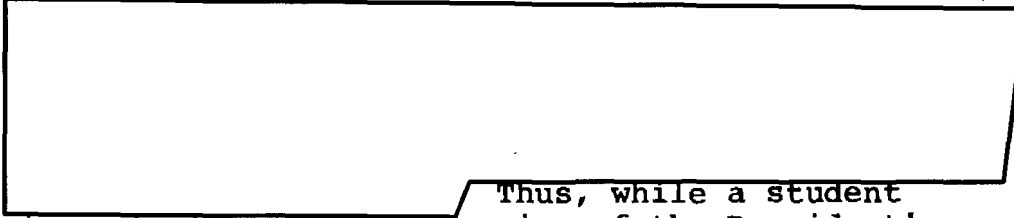
It is virtually certain, therefore, that Park's domestic opponents will at least try, before and during President Ford's visit to South Korea, to impress the U.S. leadership with the need to lean on Park to ease up at home -- to release political prisoners, restore representative institutions, and provide for constitutional guarantees of civil liberties. Their tactics will probably include efforts to attract the notice of President Ford -- and accompanying U.S. journalists -- with personally passed notes, hand-held signs, and small-scale demonstrations. The possibility of a more dramatic protest -- a ritual suicide or mutilation, for example -- cannot be dismissed.

Students. Any such anti-government manifestation on the occasion of President Ford's visit would most likely be carried out by university students, always among the most active opponents of the Park government. In recent weeks the police have largely confined student demonstrations to the campuses, and many colleges have been shut down.

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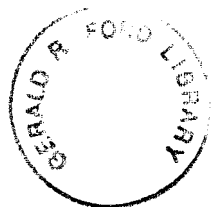


Thus, while a student demonstration on the occasion of the President's visit may occur, any action involving more than a handful of participants is unlikely to take place near the President.

Christians. Of other vocal domestic opponents of the Park government, only the Christian social action groups -- Protestant and Catholic -- appear capable of creating disturbances when President Ford is in Seoul. With the streets certain to be closed to them during the Presidential visit, however, any organized Christian effort to advertise the anti-Park cause would probably be confined to the churches. The government might even approve holding church meetings, as in the past, for their value as a political safety valve. A few Christian activists, however, including foreign missionaries, might attempt to mount small demonstrations in the streets.

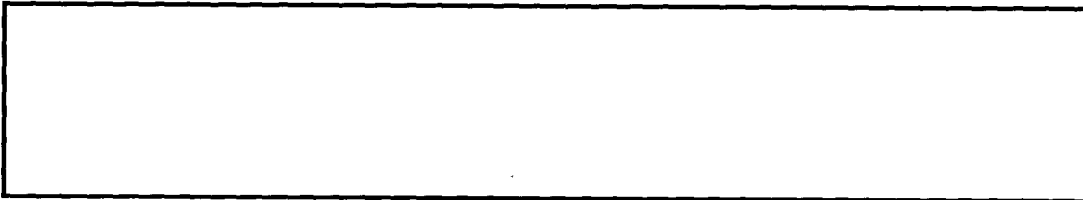
Security Precautions. South Korean security agencies will attempt to forestall any activist street activity by rounding up known troublemakers beforehand and by stern warnings to all dissident groups. In any case, tough and experienced police and -- if needed -- military detachments would move quickly and effectively to quash any threatening situation.

The South Korean security agencies that will be directly responsible for the protection of President Ford are the Presidential Protective Force (PPF), the Korean National Police (KNP), and its local arm, the Seoul Metropolitan Police Bureau (SMPB). In the unlikely event that military assistance were required, it could be provided by the elite Capital Security Command (CSC) and other well-trained army units in the Seoul area.

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Possible Attempts to Assassinate Park

Another attempt on the life of President Park cannot be excluded. There have been three: North Korean agents tried in 1968 and 1970, during a period of unusually intense North Korean hostility toward the South; and, on August 15 of this year, a Korean resident of Japan seeking to kill Park killed his wife. Extraordinary protection measures were taken at Park's one public appearance since August 15.

There is particular concern, at this point, over the possibility that foreign terrorists such as members of the "Japanese Red Army" (which carried out the Lod Airport massacre in Israel) will enter South Korea to kill Park. Extremely tight immigration and travel procedures in South Korea will be further tightened through the period of President Ford's visit. President Ford himself is not believed to be a target of this terrorist group.

It is unlikely that North Koreans leaders would order an attempt on Park's life at a time when they are working hard to establish themselves as responsible members of the international community. (The United Nations debate on the Korean issue may begin only a few days after President Ford leaves Korea.) North Korea is even more unlikely to order an attack on President Ford; its current diplomatic strategy appears focused on winning U.S. acquiescence in direct talks on the future of Korea.

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DEPARTMENT OF STATE
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Prospects for Stability on the Korean Peninsula

Key Conclusions

The possibility of another war in Korea seems remote under present circumstances.

- The presence of US forces in South Korea and the mutual security treaty with the US deter North Korea from major military adventures.
- North Korea cannot rely on the firm support of its allies for another invasion of the South.
- The North does not have the military strength to deliver a knockout blow to the South at the outset of any invasion.

There has been only very limited progress, however, in defusing the inherently unstable Korean situation.

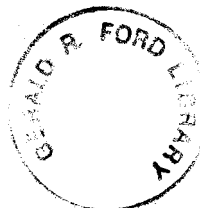
- The USSR and China appear constrained by their competition for favor in Pyongyang from moving towards recognition of the South.
- The North-South talks have had no concrete result.
- Occasional military incidents continue to hold the potential for escalation into serious clashes.
- The North has not given up its hope of unifying the peninsula under communist rule. Political instability in the South, if it becomes much worse, might entice the North to act in support of anti-Pak elements.

Involvement of the Powers

The prospect of renewed hostilities on the Korean peninsula has decreased basically as a result of Moscow and Peking's unwillingness to endorse or support North Korean aggression. This attitude has

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been reinforced in recent years by the changes in relations among the major powers. The deepening of the Sino-Soviet split, the Sino-US rapprochement, and progress in US-Soviet detente have created an atmosphere in which the powers -- and Japan as well -- now share a common interest in preserving stability in Korea and removing the peninsula as a potential source of friction among them. In practical terms, this has meant unspoken approval of the continued division into "two Koreas."

Despite this common interest, there has been only limited cooperation among the powers in dealing with the Korean problem. Since Korea remains an integral element in the rivalry between Moscow and Peking, they have found it important to their interests to court North Korea as an ally. This has permitted Pyongyang to play one against the other - and to seek and obtain increasing quantities of sophisticated weaponry as the price for good relations. The quest for influence in the North has also inhibited Moscow and Peking in responding to overtures from the US for mutual recognition of the two Korean governments.

Mutual recognition by the major Communist powers has so far been strongly opposed by Pyongyang which sees it as a major step in the direction of ratifying the permanent division of the peninsula. Peking, however, did cooperate with the US a year ago in working out a compromise resolution on the Korean question at the UN. The Chinese helped avert an acrimonious debate in which the presence of US forces in South Korea would have been loudly attacked. The Soviets also went along with the compromise. Pyongyang's disappointment was lessened somewhat by a concurrent agreement to dissolve the UN political apparatus in South Korea.

The North Koreans are again asking for the withdrawal of all "foreign troops under the UN flag" at the UN this year. The Soviets are backing Pyongyang, though without enthusiasm. Peking's support for the hard North Korean line seems firmer than a year ago, though the Chinese may again show interest in a last-minute compromise if - as is likely - a pro-Seoul resolution has the votes to pass.

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The North-South Dialogue

While changed relationships among the powers have reduced the possibility of a new Korean war, they also have generated anxieties in both Pyongyang and Seoul, neither certain of the reliability of its allies. Their most notable adjustment has been an exploratory dialogue opened in 1971. At high tide, in July 1972, this dialogue produced a joint communique in which the two sides agreed to work for peaceful reunification. By mid-1973, the dialogue had foundered on conflicting views of its objectives. During the past year, Pyongyang and Seoul have returned to the pattern of harsh propaganda exchanges which prevailed before 1971. Neither side, however, has moved to end the bilateral talks. Neither wants to accept the onus of doing so. Both find uses, however marginal, for the forum.

Diplomatic Competition

In the changed international environment, North and South have also undertaken a wide-ranging search for additional sources of political, economic, and military support. Pyongyang has had dramatic success in increasing the number of states with which it has official relations. Some 70 states now recognize Pyongyang, compared to 38 before the 1972 joint communique. Many of the Third World and European countries that have recognized North Korea previously had ties only with Seoul; in most cases, these ties have been maintained. Pyongyang accepts this duality as a necessity if it is to achieve international parity with the South. Pyongyang is making considerable progress in expanding its foreign trade beyond the confines of the communist world, especially with Western Europe and Japan.

The South Koreans still have relations with more countries than Pyongyang - 94 at last count. But Seoul is seriously concerned that it has lost the diplomatic initiative to the North Koreans. In particular, South Korea wants to open contacts with Peking, Moscow, and the Eastern Europeans to balance Pyongyang's gains in the West. Efforts to do so, however, have had no significant success.

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The Military Balance

The military balance on the peninsula favors South Korea with respect to ground forces, but North Korea in the air and on the sea. Both, however, remain dependent on external support to sustain any major military operation beyond a few weeks duration. This situation is unlikely to change for some years despite increased emphasis in both countries on developing independent capabilities for carrying on warfare against the other. This effort includes increased military budgets, the provision of additional domestic weapons production capacity, and increased interest in overseas procurement of relatively sophisticated equipment, especially from Western Europe.

Thus, while the opposition of the major powers to renewed hostilities is a strong inhibiting factor, it is also leading to a situation in which the Koreans, over time, will be less restrained by their respective allies. Pyongyang, for example, will soon for the first time have extensive oil storage capacity - now an inhibiting factor in its war planning. The North, moreover, has recently demonstrated willingness to initiate provocative actions in the open seas and near the DMZ. With regard to Seoul, there is reliable reporting that it is bent on developing a nuclear deterrent as soon as possible.

North Korea's Internal Situation

Among the major concerns of the South Koreans is the nature of the competing regime in the North, one of the most disciplined and assertive in the world. State and party are dominated by the 62-year old Kim Il-song, the object of a personality cult of extreme intensity. There is no sign that Kim, after more than 25 years in power, is threatened by any segment of the North Korean party, bureaucracy, or army. But he does have domestic critics and has felt compelled at times to respond by switching major domestic and foreign policy lines. Nepotism is one criticism of Kim that has not been met. Kim has groomed a younger brother and, more recently, a son as potential successors to his leadership. Speculation on the succession, however, centers heavily on the extraordinary difficulties any new Northern leadership would encounter in maintaining tight control.

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US-Korea Economic Relations

For twenty years following WWII, the US was the principal economic benefactor of the ROK, providing large amounts of assistance, mostly grant aid. Beginning with normalization of relations between Korea and Japan in 1965, Japan has been an increasing source of stimulus to the Korean economy with emphasis on commercial trade but with appreciable amounts of concessional finance. US participation in today's greatly expanded Korean economy is about equal to Japan's participation.

US-ROK Trade

Korea is a major trading partner of the US, ranking thirteenth among our export markets in 1973. However, the US share of Korea's imports was only 28% in 1973 (\$1.24 billion). If that ratio can be maintained through 1981, the US share of Korea's projected imports in 1981 would be \$2.9 billion.

Korea's Voluntary Export Restraints

In 1971, Korea agreed to restrain textile exports to the US, and a bilateral five-year agreement was concluded which provided for a comprehensive quantity quota and quantity ceilings on component categories and items. Negotiations are underway to adjust this arrangement to conform to the GATT Multifiber Agreement of December 1973.

Korea also agreed to restrain exports to the US of canvas top, rubber-sole footwear and a rubber and plastic protective footwear. This agreement expires in 1975. (Korea is the only country that restrains footwear exports although exports from other countries are currently causing concern to US producers.)

Mushroom imports from Korea, among other countries, have been a matter of concern to our domestic industry and to certain Congressmen, and the Department has requested both Taiwan and Korea to voluntarily restrain processed mushroom exports to the US. The matter is still under discussion.

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Trade Reform Bill Provisions

The Koreans have expressed concern that their exports will not benefit and, in some cases, even be adversely affected by the US generalized preferences system (GSP) included in the trade bill. Unfortunately this will probably be the case in the short run since Korea's six major exports to the US -- textiles, shoes, steel, plywood, wigs, electronic tubes and transistors -- are not likely to qualify for preferential treatment. In the long run, however, given the country's rapidly diversifying economy we expect it to be one of the major beneficiaries of our GSP, as its economy adapts to take advantage of preferential margins.

Capital Flow

Foreign Loans

The US has been the ROK's principal source of loan capital. The cumulative total of US-source loans committed to Korea from 1959 through 1973 was \$1.67 billion, or 42% of total loans from all sources. (Japan was the next largest source with 24% of the total.)

Equity Investment

Private equity capital from the US has been lagging for the past two years while Japanese equity has been surging. The latter accounted for \$129 million in 1973 to reach a cumulative total double that of the US, namely \$242 million compared to \$122 million from the US. Data for the first half of 1974 indicate an increase in 1974 for the US and a decrease for Japan.

Promotion of Bilateral Relations

Intergovernmental Meetings

The ROK Ministry of Commerce and the US Department of Commerce have met annually beginning in 1967 for discussion of mutual goals and problems. The focus of the meetings is primarily commercial, with emphasis on those practices that impede the flow of commodities and services. Non-commercial matters are not within the responsibility of the Minister of Commerce but they are noted with an indication that they will be referred to the appropriate agency of the ROK government.

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Trade Center

The US opened a Trade Center at Seoul in March 1974. This Center is not the customary Trade Development Center (Commerce-staffed and Commerce-financed.) The Seoul Center is State-staffed and State-financed with construction modifications paid for by Commerce and Commerce supplying limited support applicable to a few types of presentations.

Private Missions

The David Kennedy Mission spent the better part of a week in Korea in May and claims to have generated \$35 million in US private investment in Korea. The US-Korea Economic Council spent most of one week in Korea in September, primarily in response to the invitation of its counterpart Korean organization, the Korea-US Economic Council, and the Korean Government. While no value result was attributed to the Council's visit, the Council was reassured concerning the favorable climate for investment and considers that it fulfilled the need for establishing a high level of rapport with Korean business firms.

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Foreign Policy of the ROK

Overview

South Korean foreign relations grow out of being half of a divided nation, militarily allied with the United States and located at a confluence of major power interest. For a quarter of a century mutual hostility between the two Koreas paralleled the confrontation of the great powers. Seoul and Pyongyang were ranged against each other even more rigidly than were the U.S. and Japan against Moscow and Peking.

International detente and the U.S. drawdown of its military forces in East Asia changed this situation, compelling Korean readjustment. In 1972 the North and South agreed to hold reunification talks, but direct relations between the two have not progressed. The reunification talks have been stalemated almost from their inception. In late 1973, Pyongyang induced alarm over continued access to several South Korean-held islands off the North Korean coast; this and lesser incidents at sea in ensuing months were a reminder that notwithstanding the atmosphere of international detente, sudden North-South tensions cannot yet be entirely ruled out.

Meanwhile a priority ROK effort to open diplomatic relations with Communist countries has been mirrored by North Korean approaches in the opposite direction. To date Seoul has far less to show for its diplomatic campaign than does Pyongyang, which has gained diplomatic recognition from 43 non-Communist governments and substantially expanded its trade with the West.

In preparation for this year's UN session, the ROK, with U.S. support, has made a worldwide lobbying effort to persuade the General Assembly not to call for the withdrawal of foreign (U.S.) troops or to terminate the UN Command without providing for continuation of the 1953 armistice arrangements in appropriately modified form. The issue will be considered in the UNGA at the end of November. The

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current estimate is that we will be able to defeat the other side's resolution.

Economic goals have become more important in Korean foreign policy over the past decade. Export promotion has been a major aim of Seoul's diplomacy since the mid-1960s. More recently, the oil crisis and the desire to increase capital imports have resulted in a major South Korean effort to improve relations with Arab nations.

Specific ROK Foreign Policy Goals

Preserving U.S. and Japanese Ties. Although the ROK is far less dependent on the United States for military and economic support than in the past, Seoul continues to consider close ties with the U.S. essential to its survival. Close consideration is also given to Japan, a new ally -- diplomatic ties were established in 1965 -- but an important one. The complications of Korean-Japanese relations are treated in a separate paper.

Developing Relations with Communist Countries. Following U.S. initiatives to improve relations with the Communist powers, President Park in August 1971 declared the ROK's willingness to develop relations with "any nation -- irrespective of political system or ideology -- that respects our national independence and does not engage in hostile acts against us". In 1973 Foreign Minister Kim Dong Jo declared that he gave top priority to normalizing relations with the Soviet Union and the PRC. But the results of ROK efforts to implement this new approach have been meager:

-- The Soviet Union initially displayed a moderately receptive attitude. In early 1973 Moscow expanded private contacts with Seoul and allowed several ROK citizens to visit the USSR. But when the Soviets issued visas permitting the ROK to compete in the August 1973 Universiad Games in Moscow, the incensed North Koreans withdrew from the games.

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Moscow then cancelled the projected visit of two ROK musicians and has not subsequently admitted ROK nationals to the USSR nor made other conciliatory gestures toward Seoul.

-- The PRC has given no distinct response to repeated approaches from the ROK directly and through third parties. (Recently, a British journalist alleged an approach by a PRC representative that the PRC was prepared to consider contacts if the South Koreans would agree to sever all ties with Taiwan.)

-- Contacts with Eastern Europe, never extensive, have been particularly limited this year. Occasional ROK official travelers and tourists had visited Poland, Bulgaria, and Romania, but applications this year have been turned down. Romania admitted a ROK delegation to an International Parliamentary Union meeting in April but refused to admit a delegation to the World Population Council in August.

Diplomatic Recognition. In the continuing race for formal diplomatic recognition, North Korea has gained considerable ground on the ROK. In 1971 the DPRK was recognized by only 35 countries compared to 82 for the ROK. The respective figures today are 70 for the North and 94 for the South. Among the more important nations newly according recognition to Pyongyang are Australia, Malaysia, and the Scandinavian countries. The South has gained significantly by raising its relations with India and Indonesia to the diplomatic level.

Economic Aims. As part of the Park government's efforts to foster economic growth, the ROK since the mid-1960s has strenuously promoted exports. Korean diplomats are briefed on what the ROK has to sell and are urged to find customers. Their career advancement depends in part on their success as salesmen. The international economic crisis of the past year has prompted a special ROK effort to expand ties with Arab countries. The ROK has had visits from officials of Saudi Arabia and there is talk of joint Saudi-Japanese investment in an oil refinery in the ROK.

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DEPARTMENT OF STATE
BRIEFING PAPER

The Korean Question in the United Nations

The post World War II history of the Republic of Korea has been closely linked with the United Nations. Only in recent years has the ROK re-assessed the pros and cons of this linkage as the United Nations itself has become more dominated by the "third world" and the ROK has begun direct contacts with North Korea. Day-to-day developments on the UN Korean item are followed closely at the highest levels of the ROK Government.

Background

Following the unsuccessful efforts of Soviet and American military negotiators in 1946 and 1947 to arrange for the establishment of an all-Korean Government, the United States placed the question of Korean independence before the UN General Assembly in September 1947. Two months later, the Assembly established a UN Commission for Korea and outlined detailed steps, including elections under UN supervision, for establishment of a national government. While the North Koreans rejected all aspects of the UN plan, it was reaffirmed by subsequent UN General Assemblies through 1970 as the basis for a Korean settlement. During this period, the ROK derived substantial political support from annual "endorsement" by the United Nations and the UN Commission continued to reside in Seoul.

In 1971, ROK policy was undergoing transition and in 1971 and 1972, the US (and others) successfully urged the UN General Assembly to postpone debate on the Korean issue. In this period the North-South (Korea) communique was issued July 4, 1972, and President Park made a dramatic announcement on June 23, 1973, inter alia removing ROK objections to North Korean participation in international organizations. By pre-arrangement, the UN Commission recommended its own dissolution in its September 1973 report to the General Assembly. In November 1973, both North and South Korea's supporters in the UN agreed to a compromise "consensus" approving the dissolution of the UN Commission and endorsing the North/South dialogue.

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By HA NARA, Date 4/3/11

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The UN Command

The UN Security Council in 1950 authorized the establishment of a "unified command" under the United States, and the use of the UN flag, to coordinate the military contributions of 16 UN members to repel the North Korean attack. The organizational instrument through which the US exercises the unified command is the UN Command. Although the US commander in Korea wears the hat of Commander-in-Chief UN Command, US troops in Korea are not part of the UN Command and are deployed under the US-ROK Mutual Defense Treaty of 1954. The UN Command now comprises only token units from the UK, Thailand, and Philippines. We have been engaged since June 1974 in a sensitive negotiation with the PRC for terminating the UN Command while maintaining the 1953 Armistice Agreement. (See separate paper.)

Recent Events in the UN

In light of last year's consensus statement, the Korean question did not appear on the provisional agenda of the 1974 Assembly session. North Korea's supporters nevertheless called for a discussion of it, and to protect its tactical interests, the ROK/US and friendly countries also submitted an agenda item. Debate is scheduled to begin on November 25 in New York.

The North Korean proposal, supported mainly by East Europeans, the PRC, and the more militant non-aligned, seeks Assembly approval of "withdrawal of UN foreign troops under the UN flag from South Korea" (tantamount to the dissolution of the UN Command). The North Koreans have said they consider this to include the withdrawal of US troops from the ROK. The friendly draft resolution endorses the 28th UNGA consensus, urges continuation of the North-South dialogue, and expresses hope that "the Security Council will in due course give consideration, in consultation with the parties directly concerned, to those aspects of the Korean question, including the future of the UN Command, which fall within its responsibility." We have made clear that this means we are prepared to dissolve the UN Command provided that the Armistice Agreement remains in effect.

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Given North Korea's adamant opposition to concurrent UN membership for both Koreas and PRC support for this position, our resolution (unlike last year and as a conciliatory gesture) does not refer to this subject.

The US, ROK, and other co-sponsors are consulting closely in New York on lobbying efforts and other aspects of the forthcoming debate. While vote counts are still tentative, we calculate a seven to ten-vote majority for our draft resolution which, having been introduced first, is expected to be voted on first. A vote to defeat the other side's resolution would be much closer, but it may not be put to a vote if our resolution is, as we expect, adopted.

Our overall objective remains prevention of adverse Assembly action on the UN Command or US troop presence in South Korea. By building support for our conciliatory draft resolution while continuing to indicate that we are willing to consider another consensus outcome, we best protect our interests at the UNGA without damage to possibilities of success in our talks with the PRC on termination of the UN Command.

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