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were in Class I, 34 in Class II, and 41 in Class III-A. Of the total of 289, 145 had been promoted since training, including half to two-thirds of the trainees in each year through 1962. Although American advice on administration was given chiefly lip-service by the government until 1960, many ideas have rooted since then, and alumni of American schools and training programs have broken through the ostracism that formerly beset them.

Other steps to improve the civil service have been the increased authority of the Minister of Government Administration, and the choice of a highly capable and dedicated man for the job; the establishment of a pension system in 1960; several successive pay increases, which have moved somewhat faster than rising costs; reformation of the entrance examination; and the increased input into government service of graduates of two schools of public administration (both of which were stimulated and assisted by the United States). In the view of the AID Mission, "...ROK bureaucracy over the past years had in 1962 made a major impact upon many facets of rural life and upon the very satisfactory growth rate of the agricultural sector." The same can be said of the bureaucracy's contribution to the devising and execution of the First and Second Five Year Plans, and to the impressive improvement in tax collection, to name only the conspicuous areas of accomplishment.

Serious problems nonetheless remain in the bureaucracy. Not all ministries have shown equal improvement, nor have all shown equal willingness to move with the times. In 1962 "there were signs that the bureaucracy was torn between two conflicting forces--relatively change-oriented forces, on the one hand, and relatively status-quo-oriented forces, on the other;" this tension, though so far moving in favor of the former force, is not yet fully resolved. Neither improved pay nor improved motivation have yet sufficed to eliminate the time-honored practice of "squeeze." The outlook of the bureaucracy is still basically authoritarian; the impetus from the top down is far stronger than from the bottom up, with resultant losses in responsiveness and innovation capacity. Too many decisions are still made at highest levels. Concepts of operation are supported in theory more than they are put into practice.

Nonetheless, on balance the government hierarchy itself does not seem to be a serious political problem. If it continues to be led by a forward-looking executive, it has the growth capability to respond to its challenge. In the opinion of one qualified observer, if effective steps are taken, "there is little doubt that Korea will easily become the best organized and administered country in Asia within the next five to ten years." If the character of the top leadership changes, then the bureaucracy may suffer aggravated internal tensions, leading to loss of efficiency, possible retreat into ritualism and inaction, or under certain circumstances (in cooperation with other groups) to usurpation of authority. The civil service itself, however, is not a likely first source of major dissidence or revolt.

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The Civil Service may be disadvantaged in the future by competition with business for college graduates to fill junior positions. Students' former preference for government as a career has recently shifted. A 1966 Korean government survey found that only 1.8 percent of Seoul college students, and 3.1 percent of those in the provinces, preferred government service, compared with 14.5 percent and 10.9 percent, respectively, preferring college teaching and 13.7 percent and 16.0 percent preferring business careers.

It should be noted that there are important groups of government employees which are not considered part of the civil service. These include teachers (about 100,000); police and firemen (about 40,000); railroad employees (about); and communications employees (about). These three groups would not necessarily follow the civil service in a political crisis, although a crisis might draw all such groups together.

C.2 Legislature

The unicameral ROK National Assembly currently stands at the lowest level of power and influence in the Republic's history - largely as a consequence of the rigged 1967 elections and growing dominance by the Executive. Nevertheless, it continues to play a significant political role as a sounding board for complaint and criticism, a check on governmental excess and abuse, a means for keeping a weak opposition party alive, and a continuing (though ill-functioning) laboratory in the use of negotiation, compromise, and democratic political technique.

Of the 175 members of the National Assembly - elected to 4-year terms in 1967 - 131 were elected by single ballot to represent single-member districts. The remainder were elected by proportional representation on the basis of party lists, in such a way that the major parties are favored. This procedure also makes it possible to place party leaders in the legislature, irrespective of their popularity in a particular district. Additional provisions prevent defection of individuals from their parties and otherwise favor major parties against minor ones. As of January 10, 1969, there were 113 representatives of the DRP, 46 of the NDP, 14 from minor parties, 1 independent, and 1 vacancy.

The President has fairly firm control over the Assembly through his control of the Democratic Republic Party, supplemented by control through the President's Secretariat. The DRP lacks the two-thirds (117) necessary to pass a constitutional amendment (although it can doubtless increase its representation in case of need), and is inhibited by provisions requiring the presence of representatives of a second party for the passage of legislation. For most legislation, the DRP preserves effective discipline among its members by financial inducements and other pressures, and can count on another group of ex-DRP affiliates "expelled" in 1967 to meet constitutional requirements in lieu of the absent opposition. The opposition is therefore limited to critical oratory and delaying tactics.

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The leaders in the National Assembly are its principal officers - the Speaker, Yi Hyo-sun, two Vice Speakers, and 12 committee chairmen - plus the majority leader. The leader of the Opposition, Yu Chin-o, and two or three other Opposition Assemblymen; ex-Foreign Minister Yi Tong-won, leader of the Political Friends Society, which usually supports the majority; and a few Assemblymen who have influence because of their personal prestige or position, are secondary power centers. The Assembly has its own staff, headed by a Secretary General; some of the staff members have indirect influence because of their insights into government and the economy and their role in Assembly inspections of the Government.

The lack of consensus among the Korean elite on the priority of national over individual and partisan interest, and on the nature of the national interest itself (including the role of democratic process), appears most graphically in the behavior of the Assembly. Standards of moderation and courtesy in debate are frequently and flamboyantly violated. Factional positions are often expressed and maintained in extreme terms. Buying and selling of votes is common. The principal opposition party is out of date in its thinking, is not firmly disciplined, and is subject to some covert manipulation by the government. For its part, the Government is more inclined to run roughshod over the opposition than to waste time in negotiation. Assemblymen's responsibilities toward their districts are imperfectly understood by themselves and by the voters, who tend to view their representatives as channels for personal advantage or entree. For the DRP assemblymen allegiance lies in carrying out orders of the party and government leadership rather than representing the interests of their constituencies. Irregularities in the 1967 elections embittered the opposition and cast doubt on the legitimacy of some of the Assembly members. These facts, together with the clearly subordinate role of the legislature in the present Korean government structure, and the growing effectiveness of the Executive Branch, give the Assembly sessions a large measure of futility and confusion.

Nevertheless the National Assembly even under present circumstances gives some substance as well as form to democracy in Korea. Weak and backward as the opposition is, it nonetheless serves as a safety valve for Korean popular resentments and frustrations. Assembly debates and interpellations, which are somewhat protected from police interference, are widely reported by press and radio, and serve to a certain extent as a check on the Executive. (The Assembly's restraining power was being tested in December by a Presidential veto of two laws, sponsored by his own party, which failed to include provisions of dubious validity which he had demanded.) There is some negotiations and compromise between political groups, although the compromises may have hidden price tags. Assembly passage of basic laws affords a degree of vicarious popular participation in the political process, although since 1967 the passage of laws has not been easy or frequent.

Because of the Assembly's national prominence and its monopoly of open political debate, it is certain to be involved in any political crisis,

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and could either exacerbate or moderate one. The third-term issue will be an example. Executive high-handedness in the legislature could stir up serious political conflict, which might trigger demonstrations or possibly revolt if conditions in the country were otherwise troubled. In the absence of a clear cause, however, it is doubtful if any action short of shutting down or dismissing the legislature (both of which are illegal) would in itself lead to major instability.

Currently there is no member in the Assembly, with the possible exception of the Speaker - though probably not in the person of the present incumbent - who could utilize it as a base in a struggle for power, although some Assemblymen have other power bases. It is conceivable that this situation might change, as a result of the 1971 elections and further political evolution in Korea, but such a possibility does not now seem very likely.

The over-enthusiasm of the DRP and government agencies to produce a large Government majority in the 1967 Assembly elections, by any and all means, led to severe strains on Korean political institutions, including the Assembly. For a number of reasons, elections in Korea have acquired considerable symbolic importance, and a repetition of such large-scale irregularities in 1971 might very well provoke a crisis. This is one of the relatively few issues that could be seized upon by the remaining opposition forces - led by younger men such as ex-Assemblymen Yi Ch'ol-song or ex-Finance Minister Kim Yong-son - to mount a final desperate bid for power by appeals to students, the aroused public, and military.

C.3 Courts and Justice

Law in the prescriptive sense - the formal establishment of governmental institutions and legal codes - is highly developed in Korea. But law as a means of regulating social activity, and judicial processes as a means of conflict resolution, have lagged behind the development of other areas.

Historically, the Confucian-oriented agrarian society of Korea neither utilized nor respected the legal function in civil affairs. The family or clan head was called upon to settle family disputes. Community quarrels were settled by a prestigious person within the community, or in serious cases by a council of elders. These authorities could invoke community sanctions against individuals judged culpable. Such customs are still extensively followed. Although the number of civil cases in Korea is growing (for example, 66,529 cases were filed in the Seoul civil court in 1964, compared with 12,402 in 1955 - a somewhat greater proportional increase than the city's population), tradition is still strong; the 1964 figure is small in comparison with comparable areas in the US and other countries. Moreover, the civil law is largely derived from Japanese, German, and other alien sources; even as recodified, it may not always fully fit Korean circumstances.

In the area of law enforcement, the role of the judiciary is limited. The law enforcement agencies - the prosecutors of the Ministry of Justice,

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the National Police, and other security agencies - play an important role in controlling the Korean communities which goes beyond simple law enforcement. The judiciary rarely contradict their decisions. Over fifty percent of such cases are settled by the prosecutors before turning them over to the courts. Reports of prosecutors and law enforcement agencies are admitted to the court proceedings. Although the facts contained in the investigative files are not findings of the judiciary, yet they are given high consideration. Moreover, tradition makes the judiciary a part of the executive branch of government, complementary to the law enforcement function rather than controlling it.

The entire legal profession is structured much differently than in the West. Judges, prosecutors, and attorneys are neither united professionally nor organized under the same hierarchy. There is a whole profession of "scriveners" who prepare legal documents and handle procedural minutiae. Few of the men in any of these categories - with the exception of the Supreme Court and High Court judges - enjoy prestige comparable with their Western counterparts. Attitudes in the judicial and legal professions are still largely rooted in the old approaches and processes.

Despite these problems - which, as indicated below, will become more serious as Korea's development proceeds - there are important elements of strength in the legal and judicial system. The formal system is well organized. A Supreme Court of 13 justices, established by the Constitution, has under it three appellate courts and 9 district courts, plus 36 branches of the district courts and family and juvenile courts. In 1965, there were 375 judges (proportionally less than one-third as many as in the United States). In the Constitution and in law, the doctrines of an independent judiciary and of judicial review are recognized (although the latter is rarely practiced). Judges are selected by a process providing a voice for the legislature, the judiciary, and the legal profession as well as the Executive. All judges are appointed for ten-year renewable terms (except the Chief Justice, nominated by the President and confirmed by the National Assembly for a non-renewable six-year term). Selection of judges is based upon merit and competency, and their tenure is relatively secure. The judges are well-trained, and sensitive to interference in regard to their decisions or the performance of their duties. Thus, in most cases there are no governmental or political pressures on the decision, although such pressures may be applied where large issues or interests are involved. The prison system is effective, but treatment and facilities are sub-standard.

The greatest challenge of the legal and judicial system in Korea lies in the future. As economic and social change proceed, traditional authorities and customs based on family and village will break down. Effective institutions for equitable law enforcement and conflict resolution will become more and more important as Korea moves in the direction of small families, impersonal relationships, greater mobility, free choice, self-determination, and individual responsibility - all concomitants of an industrial society. If the legal and judicial system, and its recognition by the community, do not develop to meet this challenge, the result can be serious tension and social unrest.

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From the technical and administrative standpoint, progress has been made both by government initiative and through foreign assistance. In the early days of the Military Government, for example, "officers from the Office of the Judge Advocate General entered the Ministry of Justice to help draft legislation and to codify the confusion of laws inherited from ancient Korean practice, Japanese law, and American occupation regulations." American advisers worked with the Ministry of Justice for a number of years. The exchange program brought numbers of jurists to the United States. These measures, however, cannot profoundly influence the philosophy of law and justice. The courts have been most impervious to foreign influence among Korean government groups. There is some doubt whether the principal leaders of the present Korean Government, with their authoritarian conditioning, can bring about the necessary change before social pressures boil over.

Other problems besetting the legal and judicial system are subsidiary to the above, but are more or less related with it. The courts, prosecutors, and security agencies are not immune from bribery. The laws are sometimes unequally applied for political purposes, or by caprice or unwisdom, by the police and prosecutors; wide discretionary powers are allowed law enforcement officials, and appeals are difficult. (There are two human rights organizations which will take such cases to the newspapers.) There is considerable disparity, in any event, between practice and the prescriptions of the statutes. Controls over the people are stringent in view of the security situation. There is already popular dissatisfaction with the lack of impartial adjudication of their claims and interests. Tensions between government power and interests, on the one hand, and individual rights, on the other, will be aggravated as social development proceeds and as the population depends more and more upon institutions beyond the traditional primary and secondary groups of affiliation. Political and factional rivalries affect court and law enforcement personnel, often making organizational teamwork difficult.

The Asia Foundation is at present the organization most mindful of the problem. In a 1965 report, its Korean representative noted: "...It is on the basis of improved attitudes towards law, the proper functioning of legal institutions, and respect that the law is the formalization of societal patterns of power and morality that political institutions are built and that democratic...development under a reconciliation system can take place... It is doubtful that organized change, social progress, and economic growth can take place without respect for the impersonal nature of law..."

C.4 Internal Security: Police and Militia

The Korean National Police (KNP), composed of a total force of 41,600 men, is the primary action agency of the Republic of Korea (ROK) Government for maintaining peacetime law and order and internal security. Responsibilities cover law enforcement, public order, fire fighting and prevention, and maritime and air operations. Subject to supervision and control by ROK CIA, the KNP also is responsible for counter-insurgency, counter-subversion and

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counter-espionage, including prevention of infiltration of Communist agents. The same control is exerted by ROK CIA over the KNP's other extensive security activities targeted against the whole range of political, economic, social and cultural groups and persons deemed unfriendly to the Government.

In executing these responsibilities the police is the element of the ROK Government which is most often seen and in communication with the populace. Generally, relations with the public have improved considerably since the heavy-handed days of the Rhee era, when the police were utilized to maintain political control through manipulating elections and gathering information on activities of the opposition. Most of these functions in varying degree now reside with ROK CIA. They are conscious of the need to project a favorable public image and, indeed, probably enjoy more popular acceptance now than ever before. Riot control tactics are effective and less severe than they were during the 1965-66 student demonstrations against the ROK - Japan Normalization Treaty. The post-election student demonstrations in 1967 were handled without serious incident or public criticism.

Small-scale corruption continues to be wide-spread, largely due to low wages, long working hours and a resigned permissiveness on the part of the public. The recently passed Police Personnel Service Law is designed to improve police morale and performance by changing promotion procedures, improving the pension program, etc. As an organization, however, the KNP suffers from a low manpower to population ratio, a restrictive budget and a low position on the job seekers' lists. Controls and restrictions by ROK CIA limit its counter-intelligence role. Since 1967 the organization of the Combat Police Force and the responsibility given the KNP to furnish direction, organization, training and logistical support to the Homeland Defense Reserve Force (HDFC) has placed an additional burden on not only the Headquarters staff but also on all local police stations throughout the ROK. Finally, the KNP suffers from a lack of middle-upper level management expertise. US, AID and 50X1 though helpful, has not yet made an appreciable dent in the bent toward inefficiency.

Nevertheless, the police continue to do their job, surprisingly well in some instances. They have improved their system of coordination with ROK CIA, though resentment lingers over having to take orders from ROK CIA, submitting to annual inspections by them and, so it sometimes seems, continually feeding information to ROK CIA without receiving any in return. On the other hand, they are benefiting from receiving ROK CIA training courses for senior and middle-level KNP officials.

Homeland Defense Reserve Force

On May 10, 1968, after long, bitter debate, a bill was passed by the ROK National Assembly establishing the Homeland Defense Reserve Force (HDRF). The law delegates authority over the HDRF to the KNP, but a controversy has since arisen over who has control of the HDRF under what circumstances,

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resulting in confusion and disharmony between the Ministry of National Defense (MND) and the KNP.

The HDRF is, basically, President Park's idea. He supports its activity with enthusiasm and tends to overlook its weaknesses under actual operational use. The public, by and large, has accepted the establishment of the HDRF, but those called upon to leave farms and businesses for training, guard duty or actual anti-guerrilla search and destroy missions are not adequately compensated for their time and trouble and, consequently, present a large body of growing discontent from within the organization. ROK Government material support has been forthcoming and the opposition party, initially strongly opposed to the formation of the HDRF, has now moderated its stand and, in instances of obvious need, has supported legislation promoting the HDRF.

Combat Police Force (CPF)

The Combat Police Force (CPF) concept evolved from a US Country Team effort several years ago to foster civilian control over rear area counter-insurgency activities in the ROK. The initial body established was called the KNP Sweep Teams. These teams were to have functioned in conjunction with ROK CIA operated Combined Command Centers, a tactical intelligence gathering, coordinating and disseminating network. The Sweep Teams have now evolved to thirty-seven CPF companies which form mobile, para-military forces in key rural areas and cities throughout the ROK. Each CPF company is self-sustaining and consists of 106 uniformed combat trained personnel equipped with vehicles, weapons and up-to-date communications equipment.

The CPF companies have been trained by a US Special Forces unit and, in several instances, have proved the wisdom of their formation. Unfortunately, extended periods of inactivity between appearances of North Korean guerrillas have provided opportunities for graft and morale problems to arise. Efforts to channel spare time into civic service projects have not achieved the desired success. The basic value of the CPF remains, however, in the fact that it is a civilian organization, operating, ideally, in areas personally familiar to individual members of CPF units. Consequently, CPF members are known by the local populace and receive their support in the form of quick reporting of agent guerrilla sightings. The operational activities of a locally stationed CPF company in a given area are also less alarming to the civilian populace than similar operations by military units rushed in from outside areas. /However, HDRF has performed well against guerrillas and CPF has not./

C.5 The Military Establishment

The ROK military is a large and powerful institution whose place in Korean politics must be recognized as substantially permanent. Having a coup and junta experience, the military are unlikely to remain totally indifferent to important affairs of state. The growing "institutionalizing" of the armed forces in tradition and career professionalism in recent years, however, has

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served to de-emphasize the military's earlier proclivity toward more direct political involvement.

During the 1950's and up to the 1961 Revolution, more than any other major government institution, the military was almost wholly organized, shaped and trained on Western standards. In many characteristics, the military was one of the most modernized institutions in Korea - out of balance in this respect with most government and educational institutions. Gradually, however, the military's "monopoly" on such Western foundations was balanced out by the mid-'60's with the rise in professionalism of the government bureaucracy and the rapidly expanded business community. Though a military career may still be viewed as one of the main channels to political leadership, it is by no means exclusive, given expanded professional opportunities in government and newly emerging domestic industry. While democratic institutions are still in the process of development, however, the military, and particularly the 600,000-man ROK Army (ROKA) remains the final arbitrator of political power in times of civil unrest or disorder. While relatively passive at present, this passivity in itself is a source of support. Since the founding of the ROK, the two major changes of political power were supported or engineered by the military. The role of the military has proven crucial in times of political turmoil.

C.6 Korean Central Intelligence Agency

Not entirely in keeping with its formal charter, the majority of ROK CIA's activity is currently directed toward domestic intelligence and security operations that are designed to enhance political support of the Park regime. In the name of national security, the 3,200-member intelligence organization controls the press, penetrates both the opposition and government political parties, intimidates and bribes politicians, censors the mail, and conducts telephone tap operations on a large scale. Political control is exercised in the provinces, as well as in Seoul, through base operations.

Within the Korean intelligence community, ROK CIA is unquestionably supreme. By charter, it coordinates the efforts of all intelligence agencies and it accomplishes this with a fair degree of effectiveness. Its role is further strengthened by holding more influence with the President and having more access to unaccountable funds and to sources of personnel, principally selected military officers.

ROK CIA Director Kim Hyong-uk is a shrewd and ruthless man, who has established close personal ties with President Park. To a large degree, the present pre-eminence of ROK CIA is due to his efforts and his personal relationship with the President, but it would be inaccurate to assume that the Agency's internal power position is identical to the Director and would fall with him. Though currently in a position of considerable personal power, the Director is always vulnerable. Should he be dismissed, there is every reason to believe that the Agency would continue in its position of power, responding, of course, to different loyalties according to whoever is appointed

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Kim's successor.

Recently, there has been some low-keyed public grumbling from those who favor presidential candidates other than Park for the 1971 national elections. Criticism is directed toward Director Kim and Presidential Secretary Yi-Hu-rak's campaign to retain themselves in power. ROK CIA anticipates that there will be adverse reactions from students, intellectuals, opposition politicians, and some dissident factions within the DRP. They are apparently confident, however, that with proper planning they can cope with these reactions. Should President Park seek re-election, and if there are no new factors not now anticipated introduced into the situation, it seems likely that the movement within ROK CIA to keep President Park in office in one way or another will prevail. The greatest danger with respect to ROK CIA activities during the pre-election period lies in the zealotness of Director Kim and his political associates to guarantee the President a "prepared electorate" on the key issue of constitutional amendment permitting a third presidential term.

The relationship between ROK CIA and the military does not seem at the present time to be particularly significant one way or the other. In professional operational positions, ROK CIA is staffed with as many as 75 percent military officers on active duty. Of the remaining civilians probably more than three quarters are retired military officers. ROK CIA has attracted the elite of the military intelligence agencies. Military promotions within the Agency have been faster than in the services at large. There are now two ROK Army major generals and one ROK Navy rear admiral holding positions as bureau chiefs. There has been no visible evidence since the reassignment of former ROK Counter-Intelligence Corps (ROK CIC) Chief Major General Yun P'il-yong in early 1968 of any particular friction between elements of the military and ROK CIA.

ROK CIA gives evidence that it is conscious of its public image and has taken steps during the past two years to enhance that image. It conducts indoctrination programs in which about 100 persons daily (village officials, police officers, military officers, government officials) are taken to its headquarters, given lectures, meals, and shown movies. This appears to have been effective in helping to neutralize adverse public opinion against the Agency. Similar programs are conducted by provincial bases. Also in its role as censor of the press, CIA is able to suppress unfavorable publicity. As a psychological warfare organ it distributes fairly sophisticated movies, periodicals and leaflets. ROK CIA is able to conceal its failures and publicize its triumphs. This is not to say that there is no criticism of the repressive activity of The Agency. There is, particularly from some press circles, but it can be characterized as "muted".

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APPENDIX D

THE CORRUPTION ISSUE

Korea is frequently criticized both by foreigners and by Koreans for the extent of corruption in political and social life. Corruption is often held to be a serious retardant to the development of the country. Frontal attacks are advocated to root it out, and the Korean bureaucracy has undergone periodic anti-corruption campaigns.

It is the purpose of this analysis to define the nature of corruption; to indicate its principal forms in Korea; and to consider its effects at present and in the future.

D.1 The Nature of Corruption

One recent book on the subject comments, "Bribery and corruption may involve no more than simple avarice, but this is usually by no means the only motive involved. Along with nepotism, they might be described as the acquisition, exercise and delegation of authority according to self-interest rather than merit." (Simpkins and Wraith, p. 56) More broadly still, corruption might be defined as the use of power in ways which do not conform with established cultural norms.

Korea, like other developing countries, is in a state of cultural flux between old and new, between indigenous and foreign. Many traditional norms are not really applicable to modern situations, but new norms to replace them develop slowly. Meantime, following one set of norms - e. g., supreme responsibility to one's extended family -- may lead to conflict with another set - e. g., that officials should appoint their staffs only according to individual merit. Moreover, cultural confusion encourages the holders of power to follow their own self-interest.

There are conflicts among cultural norms in even the most stable societies. What to one person may appear a rational choice of priorities may to another seem corruption -- e. g., use of official leverage to collect money for political party activity. Additionally, the cultural norms of the observer may not be applicable to the situation he observes. For example, American standards of Federal official probity do not now permit any form of payment for official favors, but Korean standards take such payments for granted so long as the amounts are not unreasonable.

Within the above definition of corruption, it is possible to classify abuses along two dimensions: one, the relative amounts of self-interest, group interest, and national interest served by the practices in question; the other, the clarity and consistency of the cultural norms applicable to the practices. At one extreme might be clearly illegal and unethical levies collected by officials for their own personal enrichment. At the other extreme might be the enforced collection from wealthy businessmen of funds

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to accomplish national purposes which could not be accomplished in any other way.

This range of corruption, from the obviously immoral to the almost moral, creates difficulties for political leaders which are greater in proportion to their official responsibilities and to the degree of existing cultural confusion. Since the shadings of wrongness within the whole gray area of corruption are difficult to distinguish, it is hard to tell where national interest leaves off and self-interest begins. If one raises an extra-legal fund for the government party's election campaign, is it wrong to use a little of it to build an addition on one's house so as better to accommodate meetings of party leaders? It is natural, under such circumstances, that self-interest should gradually intrude more and more into the leaders' calculations.

Corruption, also, is a function of the distribution of wealth and other social benefits. (In fact, some writers suggest that corruption can serve, faute de mieux, as a useful means of redistributing resources in a developing country.) Until recently, a very small number of political leaders in Korea had control over virtually all facets of Korean society and economy. Until recently, also, the average tenure of a man in a Cabinet post was six months. In these circumstances, a man was a fool if he did not use his position, during the short time he held it, to fortify himself and his family against the day when he would be turned out. Conversely, since the number of positions of prestige and wealth was small, and since wealth was very unevenly distributed, there was frightful competition for possession of key positions. The gradual improvement in average income, the stabilization of tenure in government office, and the growth of alternative positions of power -- especially in private industry -- have somewhat ameliorated the intensity of this competition in Korea, but it is still fierce. A related consideration is the readiness of the petty official to dip into the till or into his clients' purses when his salary is hardly above starvation level. This factor, too, has improved considerably in recent years in Korea; but habitual patterns of corruption have by no means disappeared.

D.2 The Forms of Corruption in Korea

A Presidential task force on Korea in 1961 gave considerable attention to the problem of corruption, which then (more than now) was regarded as a major obstacle to economic and social development. The report traced the origin of corruption to practices of the Korean monarchy and of the Japanese occupation. "The Republic of Korea inherited this legacy of corruption, which continued until it permeated the entire fabric of Korean society, including the defense establishment, the civil government, education, business and industry, and the press. The development and spread of corrupt practices... unquestionably was reinforced and intensified by widespread poverty and destitution occasioned by the war, as well as by the deterioration of moral values... Large-scale US economic and military assistance programs increased the opportunities for corrupt practice by the privileged few exercising control over the economy. Faced by responsibilities

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toward relatives imposed by the extended family system in a country without a social security system and about 35 percent unemployment or underemployment, the many with opportunity for lesser graft joined in."

The 1961 report continues by noting that at that time, "Military personnel have profited handsomely from black market activities in /petroleum products/, a practical monopoly in firewood, delivered in /Army/ trucks, the sale of used and obsolete material, and the handling and distribution of Army rations. The Coast Guard operated, and may still operate, Korea's largest smuggling operation. The National Police have levied illegal charges against business, agriculture and the general public. Officials in the Ministries of Agriculture and Home Affairs have derived personal gain from fertilizer distribution, while their counterparts in the Ministries of Commerce and Industry and Reconstruction and the Bank of Korea have used their official position to increase personal incomes through the issuance of import-export licenses, the awarding of privately sponsored projects and the manipulation of dollar auctions at the Bank of Korea.

"Corrupt practices by Ministry of Finance personnel /the Report continues/ have devolved around taxes and tax collections; illegal payments to legislators and other leaders of the dominant political party; the maintenance of uneconomic exchange rates and manipulation of the money supply to serve the purposes of a dominant minority; the extension of unsecured loans to political favorites through its control of the Korean Reconstruction Bank; and, together with other ministries, payment of blackmail to the press. College and university officials have taken advantage of popular demand for higher education by extorting from prospective students admission fees ranging as high as one million Hwan /roughly \$2000/. The Korean press has blackmailed and extorted money not only from Government ministries but also from individual officials, as well as from industrialists and businessmen. Korean industrialists and businessmen themselves have come to regard gratuities to and the bribing of government officials as part of normal business operations..."

To eliminate such corruption was one of the chief stated objectives of the military revolution of 1961. Bold initial reforms gave place, however, to the necessities of power, and the new leaders practiced organized corruption on a scale never before contemplated, though the object was generally -- in theory and in part -- the national interest. Most notorious was the rigging of the Korean stock market by KIM Chong-p'il, then the Director of the Korean CIA, to finance the political activities of his agency. More recently, the revelation in 1967 of official connivance with a big businessman in the illegal import of saccharine created a national scandal and brought about the resignation of the able Deputy Prime Minister and economic planning chief, CHANG Ki-yong. Officially arranged and countenanced forms of corruption, described below, continue for understandable and by no means wholly selfish purposes. Aside from this, however, some of the same forms of corruption already cited continue even under the somewhat firmer control

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of the present regime. Blackmail by the press continues, although it has been brought under some control by professional organizations set up in the late 1950's (see Annex B). Government payoffs to friendly pressmen are reportedly greater, rather than less. A recent National Assembly investigation of colleges revealed continuing financial irregularities as a result of pressures for admission. On the other hand, relaxation of elaborate fiscal and monetary controls and growing general prosperity have somewhat reduced both opportunity and temptation for corruption. Notable advances have been made, for example, in the field of tax collection, which is far more effective and somewhat more honest.

At the various bureaucratic levels of government, corruption in the form of accepting bribes in turn for favorable action on various administrative matters is virtually integrated into the governmental processes. Civil servants of all grades, plagued with what is considered to be inadequate income for their positions, readily permit the acceptance of extra income from bribes, and frequently demand payment for their services. The effectiveness of government administration undoubtedly is affected by the permeating influence of widespread corruption, but the practice is within the realm of public acceptance so long as the system is not excessively abused. On its own part, government sporadically launches anti-corruption campaigns within the bureaucracy, which all too frequently fall victim to time and passivity.

The uniquely organized system of Governmental controls over the lucrative business of corruption and the dispensation of favors has been formalized by confidential executive decree. Since 1965, select Presidential advisers, who serve in top Cabinet-level positions representing the Presidential Office, Korean CIA and the government party have performed the required tasks. All dispensations of political and economic favors, major commercial project approvals, etc., are reviewed and acted upon by this group or its individual members. This has been popularly referred to by even Government participants as the "one window concept" of political fund procurement. It has become customary that an applicant for a significant business endeavor is obligated to pay as much as 25 percent of the value or total costs of the proposed activity. In other cases, applicants are virtually forced to accept loans at more than 30 to 40 percent above actual project costs in order to absorb the excessive high costs of political payments to Government offices. All of these practices have become ritualized to the extent that the procedures followed are well established and generally accepted by all parties to a contract.

The excessive masterminding of political fund activities creates a vast and undisclosed wealth that is redistributed according to political priorities of the moment. Thus, the President and his immediate subordinates retain powerful financial budget controls over the DRP, as well as various covert action arms of the Government that become virtually dependent upon the Executive. On the political front, the Government (and DRP) retain the initiative to engage in a variety of political action ploys against the opposition camp through the dispensation of confidential funds. Such actions are often designed to divide and split the opposition party leadership over

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key national issues, as well as dissenting groups such as the student community.

D.3 The Effects of Corruption

On balance, it appears that although corruption in Korea angers and distresses both foreign observers and the Korean public, present levels are not a major retardant of economic development. It is arguable that corruption is not without favorable effects: it functions to some degree as a supplement to the tax system in redistributing wealth to meet social needs -- for example, the living costs of government officials and their families -- and it contributes to the organization and functioning of the government political party as an ostensibly democratic mobilizer of public opinion and parliamentary support.

Though the practice of corruption seems enshrined in Korean traditions, the Korean public is coming more and more to view it with distaste. Nevertheless, current attitudes toward specific instances of corruption are influenced to a certain extent by the purpose of the individual. If an individual is intent only upon enriching himself and his immediate family, then public condemnation will be strong; if he distributes the fruits of corruption among his subordinates or uses the money for the organization or office to which he belongs, then there will be a tendency to regard the practice as acceptable, though the degree of acceptability will depend importantly upon the attitude of the public toward the organization in question.

However, corruption is at base an indicator of the gap between the realities of current Korean political and social life, on the one hand, and the norms of the national culture, on the other. In the last analysis, the strength and efficiency of a nation depends upon the shared consensus as to proper ends and means of group existence which constitutes the culture. If the consensus is congruent with reality and widely supported, the many activities which make up the national life will function in harmony, and dysfunctions such as corruption will be minimized. On the other hand, cultural confusion and uncertainty makes for inefficiency.

Corruption cannot be effectively attacked as such; its causes must be attacked if it is to be eliminated. On the other hand, it is surely true that corruption itself can and does weaken the norms which are necessary for efficient social life. Accordingly, the incidence of corruption is of importance in the stability of Korea, both as indicator of trends, and as a potential reinforcer of the instability and confusion of which it is a consequence.

It is not possible to make a definitive judgment as to whether corruption is increasing in Korea or not. In the light of the 1961 observations quoted above, it would appear that probably the level of corruption is fairly stable; that some forms, particularly of deliberate, high-level corruption, have increased in magnitude and institutionalization, while others are either no worse or, as in the case of the tax administration, probably somewhat improved. In summary, the level of corruption in Korea at present is sufficient to be of concern, but not enough greater than in the

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past to be a source of immediate danger. If other aspects of the Korean polity develop satisfactorily, corruption will probably remain below crisis level.

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APPENDIX E
EXTERNAL FORCES

1. Introduction and Summary
2. The United States
3. North Korea and the Unification Issue
4. Other Communist Countries
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APPENDIX E

EXTERNAL FORCES

E.1 Introduction and Summary

Korea's cultural heritage and geopolitical circumstances have made the country peculiarly sensitive to the international environment, fearful of powerful neighbors, and dependent on outside support.

For well over a thousand years Korea was one of the tributary kingdoms of the Chinese Empire, in principle and often in practice. The Chinese colonized and directly governed part of North Korea for four centuries (108 BC - 313 AD), and thereafter played a role of varying directness in Korean affairs, not infrequently sending armed forces into Korea, but normally leaving the country to mind her own internal business. (The withholding of Chinese investiture of the first Yi Dynasty monarch - a general who seized power - was a source of considerable embarrassment to him.) Under the Yi Dynasty (AD 1392 - 1710), Chinese Confucian philosophy and usage were encouraged in support of the State institutions and authority. Court records were kept in the Chinese language. Necessarily, the status of China as the world's Middle Kingdom was thereby supported. The Mongols and Manchus both invaded Korea and forced accommodation or flight of Korean Kings. The Japanese made themselves increasingly felt, until they devastated the peninsula (1592-1597) in Hideyoshi's campaign to conquer the world. With the opening of East Asia by the West, Korea became a pawn in international politics among China, Japan, and the Soviet Union, with the United States and other European powers playing smaller roles. At this time, Christian missions became a channel for foreign ideas, somewhat as Buddhism and Confucianism had been.

The "sell-out" of Korea to Japan in 1910, so infamous in Korean history, can be viewed as a realistic recognition of the hopelessness of struggle against overwhelmingly powerful neighbors when the traditional symbiotic relation with China was shattered and no other power could take China's place. Yet the sense of ethnic identity of the Koreans resisted cultural engulfment by the Japanese, during 40 years of occupation, and the independence movement of 1919 offered political resistance as well.

At the end of World War II, the United States became for Korea the protector that China had traditionally been, filling for Koreans the Confucian role of elder brother. (Earlier, the failure of the United States to occupy this role in Korea's struggle against the Japanese, despite the friendliness shown by American missionaries and government officials toward Korea, was a great shock which is still remembered.) Since 1945, the general Korean awareness of the enormous disparity in power between a divided nation and three neighboring giants - all of them seen as hostile or at best untrustworthy - has reinforced the extraordinary bond between an Asiatic state

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and a distant Western one. The impact of a shattering war, which ravaged the Korean peninsula in a way not experienced since Hideyoshi, and the sacrifice made in Korea's behalf by the United States, made the tie vastly more binding.

Korea's international horizon was broadened greatly in the last generation - because of the United Nations involvement in the quest for independence, national identity and reunification; because Korea can make common cause with other developing nations in seeking economic assistance; and because the UN and other international ties can both cover and offset dependence on the United States. However, the Koreans have few illusions about the capacity of the UN or of other nations or groupings of nations, to support them in a crisis. (Proof of the latter point was the incomplete and ambiguous response to President Park's post - PEUBLO appeal for reaffirmation of support by the sixteen nations which contributed forces in the Korean War.) Not yet convinced of the permanence of their economic "miracle on the Han," and totally persuaded of the hostile designs of the Communists, the Koreans still look to the United States as the primary and, as yet, the indispensable outside source of national security.

Communism and the Communist nations of Asia inspired both fear and fascination among Koreans. Some factors favor Communism: the deep desire for reunification; the unsolved economic and cultural problems of developing nations which cry for pat solutions; grudging admiration for North Korean successes (recently eclipsed, however, by South Korean progress); anti-American feelings stimulated by Communist propaganda; past Communist support for the cause of Korean independence; currents of left intellectual thought from Japan and Europe; family ties between South and North. However, most South Korean people, though they may not be deeply loyal to their own regime, are not inclined toward Communism as an alternative. The experiences of the Korean War are still remembered by many. Nearly thirty years of anti-Communist indoctrination and leadership have left their imprint. The Koreans are no lovers of the Chinese, despite their cultural debt, nor of the Russians; there is even some southern Korean antipathy for northerners. Moreover, the Koreans know very well the importance of anti-Communism to the Americans. As long as material prosperity in the South grows, land ownership remains broadly distributed, and government exactions are not unduly oppressive, most Koreans realize they would have much to lose under Communism. There is accordingly no organized indigenous subversion, and there are few Communist sympathizers. The influence of the North Koreans in the South derives from their own and their allies' military power, their espousal (until recently) of peaceful unification, their capacity for infiltration, and a few isolated pockets of sympathy and support.

E.2 The United States

Background. Effective American influence in Korea dates from the nineteenth century days of Western expansion in Asia. Such things as an American medical missionary's role in saving the crown prince's life in 1884 and

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American diplomats' counsel for King Kojong in his domestic and international troubles, laid the groundwork for growing missionary and business activity in Korea and for Korean acceptance of the United States as a friendly power without imperialist ambition. Despite what the Koreans regarded as American abandonment to Japan in 1907, hope and trust in America was kept alive by missionary activity, including missionary sympathy for the Korean independence movement. Some of this feeling, encouraged by the "fourteen points," survived the rebuff of the Koreans by President Wilson in 1919. The United States harbored a few Korean exiles - notably Syngman Rhee - between the wars, although the American Consul General in Seoul was accredited to the Japanese.

Americans were received with both enthusiasm and respect when they came in 1945 to accept the Japanese surrender. Koreans have not appreciated many aspects of American policy, as they see it, since that time: support for a five-year international trusteeship in 1945, rather than immediate independence; the division of the country; three years of military government; withdrawal of American troops in the face of a Soviet-sponsored North Korean military build-up; apparent abandonment of Korea, in early 1950, as an area of prime American interest and responsibility. Yet the American defense of Korea in the 1950 invasion, and subsequent large scale economic and military support, have offset these American errors, as the Koreans see them, and have kept alive Korean faith in the United States as their special, powerful friend without ambitions of its own for hegemony.

The elder-brother image has probably been reinforced by the fact that America appears as the unproclaimed Middle Kingdom in the new cultural domain of political democracy and economic development. Experience and growing nationalism have lessened, but by no means eliminated, the appeal of the American model of democracy for Koreans. Growing Korean sophistication and national strength, and the growth of a new generation, have attenuated the emotional attachment to the United States. Yet the proven validity of American economic advice and support has made a considerable recent impact. American prestige thus continues at a high level, apart from the equally significant consideration of sheer power.

The primary Korean dependence on the United States is military. The US is virtually the only feasible source of supply and equipment for ROK forces and would have to provide support against the superior North Korean air force. The Koreans know very well they cannot stand alone against a combined North Korean-Chinese attack, or against a combined North Korean-Soviet attack (which may seem more likely to them than to the US), and look constantly and anxiously for reassurance that the US will rally to their defense in such a contingency. In some circles, despite the pride of Korean military success in Vietnam, there are probably lingering doubts that Koreans, left alone, would stand firm against the Communist hordes. Because of these facts, the ROK continues to accept operational control over its 600,000-man armed forces by an American general (as United Nations commander) and American military advisors to its major units. The Koreans

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are eager, also, to keep American combat units in Korea as collateral on the US contract to aid in her defense. They view the signs and portents of American policy with a practiced eye, watch each move and statement to see if it signals a reduction of the American commitment, and take such action as they can to keep the Americans securely locked into their defense. The Korean feeling of military dependence has probably been reduced by the proven competence of its own military forces. It would be greatly reduced, of course, in an era of detente with the Communists, although Korean leaders would probably be slow to accept the reality of a change in international climate.

Economic dependence on the United States is diminishing, and changing in character, but is still considerable; it therefore sustains a level of American influence which derives from past higher levels as well as current ones. A few years ago, the size of the annual American role of supporting assistance was a crucial barometer of Korean fortunes, and a measure of Korean Government skill in dealing with the Americans. This "mendicant mentality" has largely disappeared. It is replaced by Korean pride that supporting assistance can soon be eliminated, and that Korea is financing more and more development from domestic resources. However, government and private capital inflow is of great importance, both for its own sake and because it counterweights Japanese economic influence. Food assistance is important, both for itself and as a source of defense budget support. American markets for Korean exports are of large and growing significance. Technical assistance in various forms - directly sponsored by government, informal through American expert advice in planning, and implicit from private American business activity in Korea - has a declining but still significant role and influence in Korean economic development. Thus far, alternative sources of assistance other than Japan - United Nations agencies, the World Bank, government and private capital from economically advanced countries, export markets in various parts of the world - have been hardly more than a useful supplement for US assistance. They could not replace it, even at present reduced levels; moreover, under present circumstances, without some continuing US assistance, that of other countries might diminish.

The political, social, and cultural influence of the United States continues to be surprisingly large in view of the difference in culture. This dimension of influence is probably falling year by year. Nonetheless, it is rooted in the culture by at least two or three generations of indoctrination, and is reinforced by other sources of influence. It will therefore very likely continue for some time. (In some future Korean exigency, or conflict of interest with the United States, however, this positive influence could turn to the negative if opinion leaders in Korea were to make the United States a scapegoat and capitalize on latent xenophobia and youthful chauvinism. Such a possibility is illustrated by the Chinese case, and is consistent with well recognized psychological data, but it would arise only with considerable change in the overall Korean situation.) The principal positive and negative factors in this form of influence are:

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On the positive side:

The impact of Christianity in Korea. Only 5.5% of the population is Christian, and the Christians tend to be somewhat separated from the society as a whole, but they have contributed a disproportionate share of leaders and have won recognition for contributions to education, social welfare, and the cause of Korean independence. Americans have been leaders in Protestant Christianity since the 1880's, and have contributed heavily to Catholic missions.

The image of America as a virtual "heaven on earth," fostered by contact with Westerners, mass media, reaction to Japanese oppression, and (for the most part) by impressions of thousands of Koreans who visited the US.

The American role as principal advocate and practitioner of democracy - the principles of which, however imperfectly understood, have been enthusiastically espoused by Koreans both for their own sake and in reaction to Japanese rule.

American friendship dating from the 1880's and repeatedly proved in recent years, and lack of imperialist ambition. (Philippine independence in 1946 had a great impact on Korean leaders.)

American prestige as a world super-power, and American military power as proved in World War II and the Korean War.

The American role since World War II as a provider of objective advice, guidance, and information to Korean leaders of all non-Communist persuasions; as a reliable communicator among them, when the Koreans were (and are) mutually distrustful and even hostile among themselves; and as a discreet "lightning-rod" for their complaints.*

American capacity to get things done for Koreans - modest and limited, but often significant. Many cultural exchanges are valued for this reason as well as for their stated purpose. (Particularly in the military establishment and the business world, many a man owes his upward mobility to Americans - although in the latter case, the American influence is not always remembered with gratitude.)

Traditional Korean reliance on outside authority for cultural guidance, together with relative lack of strong native tradition. The shattering impact of the West on the Chinese culture had its repercussions in Korea, where

* "The political opposition, the Prime Minister complained, '...always oppose everything. They were opposed to the militia until you (The Ambassador) spoke to Yu Chin-o.' I (the Ambassador) said I did not speak to Dr. Yu. I simply said, in answer to Dr. Yu's question, that we favored better organization of internal security, in fact felt it necessary. Nothing more. Said (the Prime Minister), 'Well, I know he changed after you talked to him.'" (Seoul A-722, Aug. 9, 1968, "The ROK Government and the hoodlums: A Lesson in Sociology.")

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China had cultural weight almost comparable to that of Rome in medieval European society. Communism filled this void in China and North Korea. America and the West have filled it for South Korea. Even though alien, the culture of the West carries the reassurance and certitude of its demonstrated power in world affairs.

As a concomitant of several of these factors, America's "elder brother" role and the Korean sense of "younger brother" responsibility.*

On the negative side

American responsibility in Korean eyes, for many of Korea's troubles - abandonment to Japan in 1907, division of the country in 1945, advocacy of trusteeship, misguided or ill-informed policies under military government, abandonment to Communist oppression in 1950, mistaken (in Korean eyes) post-war economic reconstruction policies, and most recently, insufficient support of Korea's security problems and softness toward Vietnam and North Korea.

Resentment of continued American involvement in Korean affairs (concurrently with demands for more involvement, depending on individual and group interests) - coupled or not with growing nationalist feelings, especially among younger people, and nurtured by growing awareness of Korean national strength.

Simple xenophobia, which has been surprisingly absent in Korean-American relations but which is occasionally manifested and surely lies latent below the surface in a larger portion of Korean society.

Korean feelings of inferiority and envy, which translate into various kinds of resentment and criticism.

Philosophical opposition to American materialism and pragmatism.

Cultural differences, including (in Korean eyes) American boisterousness, lack of social finesse, and lack of personal feeling and obligation.

Historical Pattern

In the last few years American influence has played a less active role in Korean political affairs; it is uncertain, therefore, how much leverage remains at US disposal, should we choose to exercise it. In the past, US influence has had a moderating effect on Korean policies and politics; a considerable part of this influence probably remains. Beyond that, US action

* Illustrative of this point is the following excerpt from the 1968 despatch above cited: "The Koreans are a hardy and lusty race who do their best in their Asiatic way to please their American friends. As a consequence, some say, they built safeguards for individual rights into their Constitution more in deference to our desire than to their instinct. They want to be a people with whom we can live easily, whom we do not have to explain away, or look away from..." (A-722, August 9, 1968)

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or presence has been decisive at critical points in Korean history. Some examples of the latter follow:

- 1947 - US distribution of Japanese land to farmers laid the basis for land reform which is important in present day rural stability.
- 1950 - US influence deterred Rhee from cancelling scheduled Assembly elections.
- 1950 - US held the Korean Government together after the North Korean attack until defense could be organized.
- 1956 - US presence probably prevented falsification of opposition vice-presidential candidate's election victory.
- 1960 - US position was instrumental in the collapse of the Rhee regime and the formation of an interim government.
- 1962 - US influence helped curb power of would-be strong man Kim Chong-p'il.
- 1963 - US coerced Park Chung Hee into honoring his commitment for election of a civilian government.

American influence has been important in Korea, also, in a passive sense. The Koreans, as Ambassador Porter noted last year, "want to please us" and value the American appraisal of their performance. Thus, when domestic imperatives are not too strong - as they were in 1960 and 1963 - the Koreans tend to follow the path of moderation in part because the Americans are watching. This tendency has been reinforced in the past by good American-Korean interpersonal relations at the leadership level, both in and out of government, and by good American information on what is going on.

E.3 North Korea and the Unification Issue

The Soviet-sponsored Communist regime in North Korea was established in 1948 after the formation of the Republic of Korea under UN auspices. Its establishment marked the final failure of the U.S. and USSR to resolve their differences as to the course of Korean political development. Since that time, the North Korean regime has been an incubus on the back of the South, perpetuating the artificial division of an essentially homogeneous people, barring interchange between the two economically complementary regions, stimulating popular sympathies for the Communist approach to national development, and exacting an enormous toll of death, destruction, sustained military expenditure, and fear of renewed assault.

The bases of North Korean influence in the South are (1) its military power and its support by the Chinese Communists and Soviets; (2) its control

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of the potentially enormous contribution to the economic development, security, and national status of Korea which would result from reunification; (3) its diminishing but still strong image of progress, organization, social equality, and incorruptibility (only partly offset by the harshness of its controls); (4) its capacity for harassment through infiltration and subversion; (5) sentimental views deriving from ethnic feelings and family ties. At present, firm South Korean government control, coupled with the new optimism born of rapid economic progress, plus the large South Korean armed forces and U.S. security guarantees, neutralize the North Korean influence except for the continuing logical and emotional appeal of reunification. The unification problem is not now a major issue, but may well become more so in the future.

In the years following liberation in 1945, a considerable number of Koreans looked on the Communists as an alternative path to national development, and an organized Communist group in the South existed under increasing harassment and control until 1949. The leaders of the new Republic were firmly anti-Communist, and had all but eliminated Communist activity in the south by the time of the Korean War. Nevertheless, during much of that time, there was considerable admiration for the clear goals, firm organization and discipline, economic progress, and freedom from corruption of North Korea.

The experience of the Korean War solidified the anti-Communism of the South among the great bulk of the people. However, the difficult years of the reconstruction period wore on without rapid economic and social improvement, while the North made rapid and well-publicized economic progress and preserved its image of discipline and motivation. Social problems in the South, aggravated by the flood of refugees from the North and the dislocation of war, plus a high birth rate, were accompanied by growing authoritarianism and corruption in the Rhee government. While the contrast between the two regions probably did not win many actual converts to Communism, it led to an upsurge of sentiment for neutralism, socialism, and negotiations with the North for peaceful unification, particularly among students and intellectuals. The Democratic administration of 1960-61, during which the usual political restraints were weak or absent, was embarrassed by repeated public demonstrations and demands along these lines. The North Koreans encouraged such trends with propaganda for peaceful unification through trade, exchange of persons and mail, and other seemingly reasonable proposals.

The military government and the successor administration in South Korea have dampened sympathies for the North both by firm repression of opinions or activities considered inimical to the Republic's anti-Communist doctrine, and -- more significantly -- by bringing about sustained rapid economic development. At the same time, economic development in the North has slackened somewhat. Since 1966, moreover, the North has substituted a militant propaganda line, calling for revolution in the South, for the former siren song of peaceful unification. The attempted assassination of President Park by North Korean infiltrators in January, 1968, and the landing of over

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100 subversive agents on the east coast of South Korea in October, together with reports of large-scale training of infiltrators in the North, have turned public opinion more firmly against North Korea, as evidenced by general public support for the new Homeland Defense Reserve Corps, and the prompt disclosure of most known infiltration attempts.

As noted elsewhere, the South Korean armed forces are stronger than the North Korean except in the air. This fact, coupled with continuing US defense guarantees, largely offsets the threat of North Korean military power. The potential re-entry of the Chinese Communists in support of the North, however, is for Koreans a real consideration. The prospect of Soviet intervention is of much less concern, although Soviet supply of North Korean military logistics is an important consideration.

North Korea's prospects for establishing guerrilla bases in South Korea through infiltration, or for developing significant political support among the populace, are quite poor, at least over the next two years or so. Communist violence will, however, continue to be a costly distraction for the ROK Government and a potential cause of public dissatisfaction with the Park administration. The South has undertaken minor retaliatory and probing actions, and will undoubtedly continue to do so. Such actions create the danger of renewed hostilities as a result of miscalculation and consequent escalation, but the danger is modified by the probable reluctance of the North Koreans and their Communist allies to risk full-scale war at present.

In launching the course for economic development in the 1960's, President Park was clearly influenced by the case of West Germany as that country outstripped its rival regime for its place in Europe and the international community. Early in 1966, President Park moved to ward off undue public debate on national unification. By Western standards, public debate through communication media on the unification issue has been subdued if not detached. Press censorship and control on this issue appears to be overextended, creating some domestic reaction where none has previously existed. Former DRP Chairman Kim Chong-p'il probably echoed the President's attitude when he stated that "the 1960's would be the decade for gathering strength for the challenge to come in the 1970's for unification". There has never been any real challenge to this basic position of the government. Incidents such as the arranged meeting of a North Korean female track star with her father, who resides in the ROK, during the 1964 Tokyo Olympics and the then believed "defection" of North Korean News Agency Vice President Yi Su-kun in 1967 tend to focus emotional attention on unification, with the ROKG quietly, but firmly leading public attention away from the issue.

In the preface to the Unification White Paper (early 1967), So In-sok, Chairman of the drafting National Assembly Special Committee for Research on Territorial Unification, stated that, "...today's reality is the sum total of the decisions adopted by the Allied Powers individually or by agreement

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