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DPRK Charges South Korean Battleship Intrudes Into DPRK Sea

SK1205154788 Pyongyang KCNA in English 1531 GMT 11 May 88

[Text] Pyongyang May 11 (KCNA)—The south Korean puppets committed a grave military provocation by infiltrating a battleship into the territorial waters southwest of Changsan Cape on the west coast of our country from 16 hours 31 minutes to 17 hours 50 minutes on May 11.

It fled south when a naval patrol boat of the Korean people's army on its routine patrol duty made a sortie.

The south Korean puppets sent the battleship into the territorial waters of our country at a time when they, at the instigation of the U.S. imperialists, fired a heavy weapon at a post of our side in the demilitarized zone along the military demarnation line and continuously brought marious artillery pieces into the zone on several occasions. This vividly shows how premeditatedly they are working to artificially increase the tension on the korean peninsula.

Our people and people's army soldiers are sharply watching the provocative acts the U.S. imperialists and the south Korean puppets are committing successively, deliberately aggravating the situation in the demilitarized zone along the military demarcation line and in the sea.

The south Korean puppets should act with discretion, clearly mindful that they will be held entirely responsible for the grave consequences arising from the provocative acts.

DPRK Foreign Ministry Spokesman Issues Statement on Olympics

SK2305155088 Pyongyang KCNA in English 1517 GMT 23 May 88

[Text] Pyongyang May 23 (KCNA)—A spokesman for the DPRK foreign ministry issued a press statement today in connection with the fact that the United States and the Japanese reactionaries are more persistently resorting to despicable acts of slinging mud at the DPRK on the pretext of "olympic security."

Noing that they are taking issue with the DPRK at will, saying it might engage in "terrorism" to "prevent" a "successful holding" of the Olympics, and are loudly talking about taking measures against it, together with the south Korean puppets, the statement says:

The anti-DPRK smear campaign becoming all the more clamorous with the Olympic games drawing near vividly reveals the intention of the United States, Japan and the south Korean puppets to use the Olympic games to embellish the illegal "regime" of south Korea and create favorable conditions for their "two Koreas" plot through "cross contacts," "cross recognition" and so forth, and freeze the present division of Korea.

The U.S. imperialists openly announced that they would keep stationing their aggression forces including carrier flotillas which participated in the "team Spirit 88" joint military manoeuvres in south Korea and its surrounding waters pending Olympic games on the pretext of "olympic security," and the south Korean puppet army, the U.S. occupationist forces in south Korea and the entire U.S. imperialist aggression forces in Japan and the Philippines would be put on the "posture for emergency mobilization" and large-scale military exercises be held in the waters of south Korea.

Japan is zealously joining the United States in its frantic military actions.

The Japanese reactionaries are trying to stage combined naval exercises, the "largest ever since the war," in the East Sea of Korea, together with two carrier flotillas of the U.S. seventh fleet, by mobilizing their 170 naval warships and hundreds of airplanes timed to coincide with the opening of the Olympic games.

Such frenzied actions of the U.S. and Japanese reactionaries are a heinous insult to peace and the idea of the Olympics and a vicious challenge to us who are making consistent efforts to ease the situation on the Korean peninsula.

Judging from the fact that they are using the Olympics as an excuse for intensifying their war racket, it is clear that they have doggedly objected to the realization of the proposal for joint Olympics, after all, entirely with the aim of taking the Olympics as an occasion of hastening war preparations.

The fact itself that the U.S. imperialists intend to have the Olympic games held while huge aggression forces are massed in and around south Korea and gun reports are ringing, is an outspoken act of state trrorism threatening the Olympics.

This cannot be construed otherwise than an intention to fake up a despicable shocking incident again in case the crisis in south Korea should grow worse and the Olympic games fail to be held as they wished and then lay the blame for it at our door and start all sorts of tricks and even a play with fire against us.

If the Olympic games are held under the heavy pressure of the frantic military row of the U.S. and Japanese imperialists, what significance can it carry? When a military racket is held and people are dying under the murderous suppression by the fascist clique on the one hand, how can sportsmen play games, kicking the ballon the other? Such acts insulting the idea of the Olympiad must be checked without fail. Otherwise, it will leave an indelible blot on the history of the Olympics.

The United States must give up its reckless military adventure of hurling abuses and slanders against our republic and keying up the tensions on the Korean peninsula under the pretext of "Olympic security" and put an end to the manoeuvres to use the Olympic games in the "two Koreas" plot.

The Japanese reactionaries must stop their malicious anti-DPRK racket and moves for a permanent division of Korea now stepped up in league with the United States and the south Korean puppets and discard their foolish attempt to use the Olympic games in their purpose for militarist expansion.

The government of our republic and the Korean people will make efforts continuously to the end in order to ease the acute tension in Korea, provide a precondition favourable for her peaceful reunification and realize the co-hosting of the Olympic games by the north and the south.

Seoul Daily Examines Olympic Security

SK2905003188 Seoul THE KOREA TIMES in English 29 May 88 p 8

[Editorial: "Radicals, Violence vs. Security"]

[Text] Voices are being heard expressing worries over the nation's security and social stability with the 1988 Seoul Olympics approaching. The worry about threats to national security has been touched off largely by the mounting social unrest caused by violent demonstrations on and off campus by radical students that have accompanied the ongoing democratization in all sectors.

Notable warning signals are various provocative maneuvers attempted by North Korea and its terrorist agents to sabotage the upcoming Summer Olympics.

Also noteworthy is the mounting agitation by radical, anti-American students and intransigent opposition forces for free debate of ways of achieving the territorial unification of the Korean peninsula.

Drawing our attention in this context is President No Tae-u's warning during Friday's security conference, the first since his inauguration, that the nation is facing its gravest security crisis since the Korean War, in view of the North Korean Communists' Olympiad.

Also inviting no less attention is the latest testimony before a U.S. senate subcommittee by Gen. Louis C. Menetrey, commander-in- chief of U.S. forces in Korea that North Korea has introduced high fidelity weapons which pose a serious threat to the security of South Korea as their target range includes all South Korea.

So, it is appropriate that law enforcement authorities have decided to strictly deal with violent demonstrators who hurl stones and Molotov cocktails, for instance.

Government authorities are advised to closely analyze what has really led to the violent demonstrations and accelerate the democratization program, refraining from resorting to excessive crackdowns on dissidents.

On the other hand, we cannot condone any violence committed by student activists and radical dissidents even if their demands may be justifiable.

Now that the new National Assembly is to open this week, all popular demand for democratization and the urging of territorial unification through the takipg of a reconciliatory attitude towards North Korea, find their forum, with the legislature now dominated by opposition forces.

Both government and opposition political camps are urged to hammer out a national consensus in a joint effort to weather this crisis and allow the nation to successfully host the Seoul Olympics, now less than four months away.

SLOOC Negotiates Olympic TV Contracts

SK3105062188 Seoul YONHAP in English 0546 GMT 31 May 88

[Text] Seoul, May 31 (YONHAP)—The Canadian broadcasting corporation (CBC) Tuesday agreed to pay 4.8 million u.s. dollars for exclusive television rights in Canada for the Seoul Olympics, the Seoul Olympic organizing committee (SLOOC) reported.

SLOOC officials said a final contract was signed here by SLOOC vice president Kim Un-yong and Don Macpherson, head of the CBC's sports department.

The CBC paid three million dollars for TV rights for the 1984 Los Angeles Olympics and 3.15 million dollars for TV rights for the 1988 Calgary winter Olympics.

The CBC agreed to pay 3.6 million dollars for television rights for the Seoul Olympics in a provisional contract signed in Montreal, Canada, on Jan. 4, but the contract has since been revised.

The SLOOC and International Olympic Committee (IOC) resumed negotiations with the Canadian side to raise the amount after it became certain that the Seoul Olympics will be the largest Olympiad.

SLOOC officials said a total of 161 countries have informed the SLOOC that they will participate in the Seoul Olympics.

With Tuesday's agreement, revenue from the slooc's sales of TV rights for the Seoul games reaches at least 408.3 million dollars, up 42 percent from 288 million dollars in the 1984 Los Angeles olympics.

The National Broadcasting Co. (NBC) of the United States has agreed to pay a minimum of 300 million dollars for TV rights for the Seoul games while Japan's broadcasting pool will pay 52 million dollars. The European broadcasting union will pay 28 million dollars.

No final agreement has yet been reached with Puerto Rico and the Arabian States Broadcasting Union (ASBU).

POLITICAL

Talks Between No, Three Kims Noted

SK2805095488 Seoul YONHAP in English 0915 GMT 28 May 88

[By Chae Song-hui]

[Text] Seoul, May 28 (YONHAP)—Top leaders of south Korea's ruling and opposition camps saturday agreed to seek a suprapartisan stance on issues concerning the reunification of the Korean peninsula and to cooperate for the successful staging of the upcoming Seoul Olympics.

President No Tae-u, representing the Ruling Democratic Justice Party (DJP), met at his official residence with the so-called three Kims—Kim Tae-chung of the main opposition Party for Peace and Democracy (ppd), Kim Yongsam of the Reunification Democratic Party (RDP) and Kim Chong-pil of the New Democratic Republican Party (NDRP) — for four hours in a rare show of harmony since No won the presidential election last December.

After the meeting, presidential spokesman Yi Su-chung said No and the three Kims agreed to work together to map out proper economic policies aimed at redistributing the national wealth. Yi added that the four also expressed similar positions on a proposed restructuring of the functions of the nation's intelligence agencies.

The top political leaders, however, differed on how and when to tackle other major political issues including the release of political detainees, irregularities and political misconduct allegedly perpetrated by the previous administration and political complications arising from the Kwangju civil uprising, according to the presidential spokesman.

In a press briefing, Yi said the four leaders expressed similar views toward the notion that the leaders of the ruling and opposition camps should refrain from engaging in politics of confrontation and struggle and, instead, exemplify political maturity in tackling the pending national tasks.

Touching on the unification issue, Yi said the four leaders agreed to turn to the government as the sole official channel for inter-Korea contacts. The chief executive was said to have agreed to the opposition leaders' request that the government make public the information on reunification matters.

No and the three Kims agreed that south Korea should do its utmost up to the last minute to encourage north Korea to take part in the Seoul Olympics. No said that co-hosting of the Olympics by south and north Korea was impossible in a practical sense in view of the relevant regulations of the International Olympic committee (IOC) charter and the three opposition leaders accepted No's explanation, Yi said.

The opposition leaders were said to have expressed serious concern over an observation that certain groups of progressive students have increasingly tended to resort to violent protests.

The four leaders expressed identical views on the idea that the four major parties should positively pursue tax reform so that national wealth can be more evenly distributed to the unprivileged.

As for the thorny issue concerning an investigation into irregularities allegedly committed during the Chon Tuhwan administration, the three opposition leaders stressed the need to seek a thorough probe, saying, the proposed investigation should not be considered or pursued as political retaliation. no, however, expressed a more cautious view, saying that it was not desirable in a law-governing country to attempt to handle legal matters as political matters.

Regarding the alleged political wrongdoing of former president Chon, no said, this matter should be reviewed from a broad point of view with the common understanding that there should be no political reprisals. He reminded the three Kims that Chon stepped down as president to carry out his earlier promise to be a single-term president.

On issues concerning the 1980 Kwangju civil uprising, president No urged the three Kims to take more time in healing the scars left by the incident and build national harmony rather than provoke another conflict. The opposition leaders have said there should be no sanctuary left in the course of an investigation into alleged political wrongdoing of the previous administration while certain political watchers have warned of a political backlash from Chon's loyalists.

While urging the three Kims to make sincere efforts to end regional antagonism, No said his administration would adopt positive measures to seek balanced regional development.

The regional animosity, a result of the differing degrees of industrial development and accompanying prosperity between the nation's southwestern and southeastern provinces, reportedly worsened during the campaigning for last year's presidential election and the apil 26 national assembly elections.

Yi said that president No also asked the opposition leaders to cooperate in establishing special parliamentary committees to deal with reforms of undemocratic legacies.

The meeting among the top leaders also covered other topics, such as enhancing freedom of the press, promoting political neutrality of the prosecution and police, settling trade frictions with the United States and resolving the controversy over alleged election fraud.

Seoul Daily Questions Three Kims

SK0706082888 Seoul SEOUL SINMUN in Korean 15 May 88 p 3

[Article by Yom Chu-yong and Kim Kyo-chun: "Where Will the Three Kims Lead Us?"]

[Text] With the 13th National Assembly about to hold its initial session, we sent questionnaires to the presidents of the three opposition parties, the PPD's Kim Tae-chung, the RDP's Kim Yong-sam, and the NDRP's Kim Chong-pil. We arranged their responses in a manner designed to facilitate comparison of the Kims' views on a number of political issues.

[SEOUL SINMUN] What are your views on a prisoner release?

[Kim Tae-chung] All prisoners of conscience must be released immediately. Every one must be released, except those who clearly state that they are communists.

[Kim Yong-sam] All political prisoners must be unconditionally released except those who identify themselves as communists.

[Kim Chong-pil] All political prisoners must be quickly released except those who consider themselves communists.

[SEOUL SINMUN] What method should be used to investigate the Kwangju incident? Do you support the view that the investigation should conclude prior to the Olympics?

[Kim Tae-chung] An ad hoc investigations committee must be established in the Assembly and empowered to probe the executive branch. The investigation must begin as soon as the 13th Assembly opens, but a decision as to whether the committee should conclude its work prior to the Olympics is one that must be made at the time, based on the progress of the investigation.

[Kim Yong-sam] An ad hoc investigatory committee must be established in the Assembly, its work based on a review of all pertinent documents and the testimony of those directly and indirectly involved in the incident to reveal the facts in detail. Moreover, nothing at all must be allowed to interfere with or delay the investigation.

[Kim Chong-pil] An ad hoc committee to determine the facts of the Kwangju incident must be established in the Assembly, must be empowered to probe the executive branch, and must then reveal the entire truth about the incident. The committee must aim at creating a mechanism to ensure that such painful events do not reccur in this country. The committee should not aim to stir up emotions or seek retribution.

[SEOUL SINMUN] Once the investigation is over, how far should disposition go?

[Kim Tae-chung] The truth must be revealed unmistakably, but I do not favor punishment.

[Kim Yong-sam] The issue of whether the instigator of the Kwangju incident should be punished must be settled according to the will of all the Korean people. A political incident must be settled politically, and this knotty issued must be solved according to the Korean people's sympathies.

[Kim Chong-pil] We must reveal the facts of the incident, restore the honor of the injured and the families of the dead, and adopt measures to compensate these people. Once the investigation determines responsibility, then that responsibility must be addressed on political, moral, and legal grounds.

[SEOUL SINMUN] What method should be used to investigate the corruption of the Fifth Republic and how far should the investigation go? Do you believe former president Chon Tu-hwan himself should be a target of investigation?

[Kim Tae-chung] The National Assembly must thoroughly dig into the corruption of the Fifth Republic to put to rest concern about that administration and move on to other things. There can be no sanctuary when it comes to investigating the truth. Even a former president cannot be exempt from that, can he?

[Kim Yong-sam] We cannot condone someone who scorns the people, commits limitless violence, and monopolizes everything just because that person is called the "president." Democratic society is obligated to provide fair opportunities for everything to everyone. In a democracy, political, social, economic, and cultural advantages must be fairly available to all, and responsibility impartially allotted as well.

[Kim Chong-pil] An investigation must be conducted by an ad hoc Assembly committee empowered to scrutinize the executive. The committee must conduct its work in such a way as to remove all suspicions from the minds of the Korean people. All persons and all organizations involved in the corruption must be considered proper objects of investigation.

[SEOUL SINMUN] What will the three opposition party presidents discuss at their meeting on 18 May?

[Kim Tae-chung] We will concentrate mostly on discussing cooperation among the three opposition parties.

[Kim Yong-sam] We will talk realistically about how we as the opposition can effectively accomplish the tasks we face.

[Kim Chong-pil] I anticipate that we will discuss how to get the inaugural Assembly session off the ground, how to respond as an Assembly to the outstanding political issues of the day, and what kind of cooperative structure to establish among the three opposition parties. We will exchange views on the meeting between the one No and three Kims.

What are your views on a cooperative structure among the three opposition parties to develop opposition positions vis a vis the ruling camp?

[Kim Tae-chung] I have yet to hear the views of the presidents of the other two opposition parties, but I believe the key is to determine which party officials should be involved. I do not want to see us build a house on top of a house, and I don't want to see us trigger a lot of confusion. I think we could efficiently involve the party president, secretary general, and policy committee chairman levels.

[Kim Yong-sam] What is required is a comprehensive system of cooperation. We must adopt the most efficient mechanism, one that is permanent, and one that operates through official party channels. Any of the options currently under consideration should work well.

[Kim Chong-pil] I believe it would be best if we establish a permanent mechanism, but one that we would utilize on a case by case basis, deciding each time whether a given issue should be subject to interparty deliberations. We must fully address the people's desires on this issue, fully exploiting the cooperative mechanism to formulate joint responses to ruling camp strategy.

[SEOUL SINMUN] What are your views about the ruling camp's idea of providing briefings on government administration to the opposition parties, or establishing a joint policy council?

[Kim Tae-chung] The PPD would be pleased to receive briefings on outstanding issues, but as an opposition party I do not think we can consult broadly with the DJP. We are willing from time to time, of course, to seek consultations on certain issues or on elements of certain issues.

[Kim Yong-sam] We in the opposition must share responsibility with the DJP for the direction government takes. We in the opposition must also strive with the DJP to consummate the process of democratization. Thus, the government should be unsparing in all its efforts. I believe the era of monopolization of information and policy is at an end.

[Kim Chong-pil] I find it very desirable for the ruling camp to brief the opposition parties on government administration. I believe they need to provide verbal explanations as well as any and all documents necessary for us to understand what is going on in as many areas of government as possible. This is beneficial to us as opposition parties, of course, but in long run such cooperation would also benefit the overall process of governing.

[SEOUL SINMUN] What are your views about increasing the number of standing committees in the Assembly, and about making the Budget and Audit Committee a permanent committee?

[Kim Tae-chung] The Budget and Audit Committee must be broken into a Budget Committee and an Audit Committee, and both must be made permanent. They must become independent panels because of the need for precision in tracking disbursements.

[Kim Yong-sam] The Budget and Audit Committee, The Economics and Science Committee, the Health and Social Affairs Committee, and the Culture and Information Committee must be split since each is concerned with two major functional areas. Moreover the Budget and Audit Committee must become a standing committee to allow it to fully discharge before the people its responsibilities for financial management.

[Kim Chong-pil] We must increase the number of standing committees by three or four. We must divide into two those committees like the Economics and Science Committee and the Culture and Information Committee which contain two major functions each. We need to sharpen the focus of the resulting committees, and, yes, the Budget and Audit Committee needs to be a permanent panel.

[SEOUL SINMUN] Do you support the position that National Assembly sessions should be televised?

[Kim Tae-chung] There are two views on this. One contends that television coverage helps bring the people and the Assembly closer together. The other view is that cameras impede thorough and calm debate. I will listen to what the experts have to say and think about it awhile before I make up my mind.

[Kim Yong-sam] The Korean people are keenly interested in having the Assembly proceedings televised. The present situation in which the speaker is given discretion to decide on a case-by-case basis whether or not he will allow videotaping is simply no good. However, I do believe that live coverage would be hurtful if it provokes political grandstanding more than it promotes the cause of efficient government.

[Kim Chong-pil] We approve of live television coverage, of course, since that was one of our campaign promises. Now that it is obvious to all that politics must be

centered on the Assembly, then live, constant TV coverage of floor proceedings would not only remove feelings of estrangement on the part of the people, but also help them sort out and understand key issues.

[SEOUL SINMUN] What do you think about the notion that the National Assembly must adopt hearings as a permanent operational device?

[Kim Tae-chung] We need to push that idea vigorously. We should not confine the use of hearings to the Assembly itself. We must hold hearings in the provinces as well, and we must install subcommittees to the standing committees and empower these panels to conduct hearings. When necessary, the Assembly must also be able to subpoena witnesses by vote.

[Kim Yong-sam] We must adopt for use in the Assembly not only hearings, but any other procedure that will broaden the powers of the legislature. When problem issues arise, we must be empowered to take testimony not only from government officials, but also from the civilian sector.

[Kim Chong-pil] I support holding hearings, but some procedural problems must be thoroughly discussed.

[SEOUL SINMUN] Concerning the Assembly's authority to scrutinize the executive, do you believe it should be restricted to central executive agencies or extend to local organs under the local autonomy system?

[Kim Tae-chung] It must apply across the board. Of course, once local autonomy is in place, Assembly emphasis should be directed toward central government agencies. However, the Assembly must also exercise the right to inspect local organs because the central government controls local administrative agencies and because local entities will receive financial support from the national treasury.

[Kim Yong-sam] I believe we need to implement inspection of the executive branch, both central and local agencies, before we adopt local autonomy. Once local autonomy is in place, however, local assemblies will begin to function and can inspect local government. I belive the proper role of the National Assembly then will be to inspect the work of the central administration and national budget support to local governments.

[Kim Chong-pil] I believe this issue can be decided in detail during the process of putting together and passing the Executive Branch Inspection Bill and the related statutes.

[SEOUL SINMUN] Do you believe government inspection must be done on a set, scheduled basis? Do you believe it should applied only to certain, special cases?

[Kim Tae-chung] If we do not conduct it on a set timetable, the Assembly will loose the opportunity to scrutinize about half of what the executive branch does. Before the Assembly can intelligently deliberate the budget, for example, we must be given access to pertinent materials and have time to digest them before we act, must we not? I believe it would be well to adopt the inspection procedures we used in the Third Republic.

[Kim Yong-sam] The Assembly must probe executive agencies yearly. In addition, we must thoroughly investigate special cases as they arise, using ad hoc emergency investigation panels.

[Kim Chong-pil] We must inspect and investigate the executive branch each time an important issue arises, according to the original intent of the Assembly.

[SEOUL SINMUN] What are your views concerning President No's pledge to accept an "interim appraisal" after the Summer Games?

[Kim Tae-chung] President No made that promise, and I believe he will live up to it. After the Olympics, the PPD will review President No's attitude and the people's opinion and make a decision at that time.

[Kim Yong-sam] President No must conduct without fail a review of the people's confidence in him, and the method I believe the people understand and expect him to accept is a national referendum.

[Kim Chong-pil] I cannot understand why candidate No Tae-u made that pledge during the presidential campaign. However I believe it is inappropriate for either an opposition or ruling party to exploit his pledge for narrow political purposes. The Korean people elected a president to serve a 5-year term of office, and that is what he should serve.

[SEOUL SINMUN] When should local autonomy be implemented and to what level of government?

[Kim Tae-chung] We must establish local autonomy from the smallest to the largest administrative units. This is the only way the people will endorse and accept the working levels of government. As for the timing, it must be done late this fall or early next spring.

[Kim Yong-sam] Local autonomy must first be granted to the special city and province levels and later be extended to the city, county, town, and township levels. Democracy is not merely making decisions at local administrative levels, but also the people's exercise of executive responsibility.

[Kim Chong-pil] We should simultaneously implement local autonomy during the first half of 1989 at the special city, province, city, county, ward, town, and township administrative units. The chief executive officer at each level must be elected by direct, popular vote.

[SEOUL SINMUN] Do you intend to run in the next presidential campaign, 5 years from now?

[Kim Tae-chung] I have absolutely no intention of running. I want to work merely to perfect democracy, return power to society's neglected, and create an opportunity for unification of the fatherland.

[Kim Yong-sam] I have no intention to run. I am going to devote myself strictly to the party. What the RDP wants from me now is to boost the party's power, so that it will be strong enough to win in the 1990's. This will require democratizing the party, putting it on a scientific footing, and boosting its overall quality.

[Kim Chong-pil] I will have to follow the will of our party members, of course, but if I am given the opportunity I would like to run again.

Daily Criticizes DJP Nomination of New Assembly

SK3005070488 Seoul HANGYORE SINMUN in Korean 29 May 88 p 4

[Editorial: "The New National Assembly and Its New Speaker"]

[Text] The 13th National Assembly, which for the first time in our nation's political history has many more opposition seats than ruling party seats, will open tomorrow. That the ruling party failed to win the support of the majority of people despite an enormous amount of money and a large quantity of goods it scattered for the voters reflects the maturation of our voters' political consciousness. As a result, the No Tae-u government, which suffered a crushing defeat in the parliamentary elections, is now forced to seek a compromise with the opposition parties based on a weak political foundation, unlike ruling parties of the past. However, despite the practical efforts of the opposition parties for the approach, the DJP continuously put off full-scale discussions of the issue concerning the democratic composition of the 13th National Assembly.

The DJP's attitude of dealing with the people and opposition parties as they did in the past, failing to fully realize the people's will for democratization which was clearly reflected in the parliamentary elections, is extremely regrettable. Such an attitude by the DJP was also shown in the course of nominating the candidate for National Assembly speaker.

The speaker-designate was one of the key officials of the Democratic Republican Party [DRP] who illegally worked out the "notorious" plan to revise the Constitution to enable the president to be elected for a third term under the Pak Chong-hui dictatorship. Pushed out in the power struggle within the DRP regime, he disappeared from political activity and merely looked on idly at the people's pains since 17 May [1980].

The political insensibility of the ruling party, which is attempting to make such a figure represent the National Assembly of the new era for democratization and shortage of appropriate people, is indeed deplorable. Why can't the ruling party show a composed attitude of boldly asking the majority of the opposition parties to designate a candidate for speaker by actively corresponding to the new political circumstances?

The ruling party shows a passive attitude toward issues concerning the abolition and revision of evil laws; revision of the National Assembly Law; investigation of irregularities and corruption of the Fifth Republic, of the truth of the Kwangju massacre, and of election fraud; release of political prisoners and discontinuation of searching them, all of which are the practical content of democratization works aspired for by the majority of the people. If the DJP ignores such issues, to which all of the people pay attention, or merely takes them as the object for political negotiations, it will be branded by the people as a party that is incapable of achieving democracy and carrying out politics.

We also would like to ask the opposition parties whether or not they are attempting to push aside the demands of the workers, peasants, and the urban poor, whose existence has been constantly threatened under the repressive rule, on the pretext of a theory to introduce such demands into the political system. Indeed, these people made the opposition parties the majority force in the National Assembly by realizing the goal that "sovereignty should exist within the people."

The words "politics within the political system" and "politics outside of the political system" are a theory for national and popular division formulated by the dictatorial regime in order to isolate the national democratic movement initiated by the low echelons of society. We hope the opposition parties strive to open the horizon for democratization and reunification by crushing the false theory and carrying out politics with determination so as to carry out the movement according to the principle that sovereignty should exist within the people.

National Assembly Opens, Solons Sworn In

SK3105021388 Seoul THE KOREA HEALD in English 31 May 88 pp 1, 4

[Text] The opposition-controlled 13th National Assembly opened yesterday.

At its inaugural session, Kim Chae-sun, 64, of the ruling Democratic Justice Party, was elected speaker with an overwhelming 268 of 299 votes in a secret ballot.

No Sung-hwan of the Party for Peace and Democracy and Kim Chae-kwang of the Reunification Democratic Party were elected vice speakers with similar majorities.

After the election of the speaker and the two vice speakers during the morning session, the opening ceremony was held at 2 p.m. to start the Assembly's four-year run.

President No Tae-u, addressing the opening ceremony, called for a new era of mature politics based on dialogue and compromise.

No heads the largest party in the Assembly but it is the first ruling party without a majority in Korea's constitutional history.

He declared all-out war on violence, claiming that lawlessness is an enemy of democracy. No said that under no circumstances can violence or destruction be sanctioned by law.

"As Chief Executive I am responsible for the implementation of law," No said. "I pledge that to ensure genuine democratic development and to protect the precious lives and property of the people, I will do the best in my power to preserve law and order at any cost."

Serving his sternest warning against social disturbances since taking office in late February, No said, "Democracy is premised on th rejection of any and all forms of violence."

He asked National Assembly members to "think seriously about ways to defend our free, democratic system with the conviction that any and all forms of violence must be ruled out."

His 25-minute nationally-televised speech was interrupted by standing ovations 10 times.

All 299 assemblymen were sworn in during the opening ceremony before hundreds of dignitaries, including Chief Justice Kim Yong-chol, Prime Minister Yi Hyon-chae, cabinet members and foreign envoys.

The new speaker hosted a reception at the Assembly to celebrate the inauguration for about 800 people from all walks of life, including No and opposition leaders.

The president also said, "We the political leaders who are responsible for Korea today, must muster our energies to end for good the practice of young citizens turning their backs on academic pursuits and transforming campuses into arenas for political struggle.

"Likewise, we must also end the phenomena of some young people setting afire to themselves or otherwise destroying their precious lives to make a political statement."

Barely two hours before he began the speech, the funeral procession for a Tanguk University student passed through downtown Seoul. The student burnt himself to death after shouting anti-government slogans.

No promised that he will never let public authorities abuse power to repress citizens in the name of order and rule.

"I will see to it that state power will be properly applied to ensure, without fail, that honest and innocent citizens can lead stable lives," he said.

"Stability must not be made an excuse for repression. By the same token, no one should threaten instability in the name of democracy," the President said.

His speech was largely an appeal for political dialogue and compromise, stressing a campaign against violence and regional antagonism.

No told the inaugural National Assembly session that the new Assembly will be a hall of genuine representative democracy which will ensure national progress.

In a show of goodwill, particularly toward opposition members, No said, "I pledge that the administration I lead will cooperate to the best of its ability with the legislature to fulfill the wishes of the people and the dictates of the times."

In a similar gesture toward north Korea, he said the people should show brotherly love to the people in the north, regarding them as members of the same national family, not as adversaries.

He again proposed human, economic and cultural exchanges, which the north has persistently turned down on various excuses.

He gave a lengthy report on democratic reforms made since taking office.

"Arbitary repression by power or government by force has been done away," he said. "Torture and all other forms of infringement on human rights and dignity have been abolished.

"And freedom of the press has come into full bloom, with every citizen able to speak his own opinion and make criticisms without fear," No said.

In another remark to appease opposition lawmakers he said, "Gone are the days when on the strength of its numerical superiority, the ruling party could get away with arbitrarily running the legislature and forcing everything through it.

"Under the new situation, no political party can run the show alone and no party can reject politics of partnership and cooperation," he said.

In an opening speech, new speaker Kim Chae-sun called for politics to serve the people.

"Dialogue and compromise are essential to the smooth administration of the new Assembly, which is divided by four parties," he said.

He asked lawmakers to pool their wisdom to establish a firm tradition of compromise.

The two-day sitting will close today after a plenary sessions to form a special panel to revise the National Assembly Law.

The Assembly will convene again June 10 for a 30-day extraordinary session agreed upon by floor leaders of the four parties.

The extraordinary sitting will handle the formation of five ad hoc committees to investigate the Kwangju incident and alleged irregularities in the Fifth Republic, to revise or repeal undemocratic laws and study other issues.

Of the 299 assemblymen, including 75 proportional representatives, 125 represent the DJP, 71 the PPD, 60 the RDP, 35 the New Democratic Republican Party and eight are independent.

Students Shun Democracy, Seek Reunification

SK0206004588 Seoul THE KOREA TIMES in English 2 Jun 88 p 3

[Text] Anti-American sentiments are running high on campus these days. Student activists appear to care less about democracy.

Unification is put above democracy according to the values which students hold at the moment. The students' strong appeal to the nation for democracy to end "dictatorial" military rule last year seems to have died out.

What is prevailing on the campus at the moment is anti-American sentiment. In this milieu, students demand cohosting of the Seoul Olympics with Pyongyang as well as punishment of the people responsible for the Kwangju incident.

All of these moves are oriented to helping achieve national unification, which is worth trial at whatever cost.

At present, the anti-American issue cannot be disassociated from national unification. In other words, the presence of U.S. soldiers in South Korea only helps perpetuate territorial division, according to student activists.

In this context, students are drumming up support for the campaign against the presence of U.S. forces, the pullout of which is a direct and sure cut toward achieving territorial unification, which is the undercurrent consciousness of the activist students.

Already students have taken a step to seek a breakthrough in the stalemate in relations between South and North Korea. They proposed a meeting with North Korean students to discuss national unification.

The proposed date is set for June 10. However, North Korea's answer is to pass through the Red Cross dialogue channel, an answer which the Seoul's Red Cross society has refused to accept because it would not be conducive to unification. Instead, the Seoul Red Cross has demanded an immediate resumption of the stalled Red Cross dialogue.

Not caring about such developments, the activists are girding up their loins to show the power of students on the occasion of the proposed meeting date.

The activist students were effectivein achieving democracy. They are now aiming at a higher goal this time. "We did it for democracy last year. Why not give it a try for national unification.

A political observer said as long as the nation remains divided, student activism will go on without abating irrespective of whether democracy is practiced or not.

The cause of unification-conscious students is gaining support on campus, a development which is serious enough to cause the government and political parties to bristle.

The recent flood of TV programs revealing the life of European Communist nations has also helped students indulge in a kind of fantasy about communism which the people have long been inculcated to loathe.

Government Considering New Kwangju Measures

SK0306085088 Seoul YONHAP in English 0829 GMT 3 Jun 88

[Text] Seoul, June 3 (YONHAP)—In a major policy shift, the government of president No Tae-u plans to disclose the records of military operations during the 1980 civil uprising in the southwestern provincial capital city of Kwangju, a highly placed source in the government party said Friday.

The government is also considering the possibility of military officers testifying before a parliamentary ad hoc committee, to be formed shortly for probes into the uprising, according to the source.

The source said both the government and its party are considering the disclosure of the military records znd testimony of military officers before the parliamentary ad hoc committee in a bid to leave no room for doubts by providing equal opportunity for testimony by both the accusers and the accused.

With the records of the military operations, we will re-examine the situations at that time by hour and by date, he added.

Opposition parties, dissidents and kwangju citizens have charged that excessive military actions triggered the bloody clashes between the then martial law forces and the demonstrators leaving 191 people killed by official count and thousands of others injured in what has been described as one of the worst tragedies in the country's modern history.

the then martial law commander also admitted the excessiveness of some actions involved in the military operations aimed at suppressing the civil uprising when he was filing a written testimony at an ad hoc commission for national reconciliation organized early this year by no, then president-elect.

The government and its party will noo be able to reject parliamentary ad hoc committee's demands for testimony by the then military officers involved and the in-house records of the military operations during the 10-day uprising, the source said.

In addition, the source said the government and its party are seriously considering reenacting scenes of the uprising with commanders and soldiers of the then martial law forces and Kwangju citizens participating in a bid to determine where and how the soldiers and citizens acted during the uprising and what caused the incident.

Reenactment of the uprising scenes, however, will not be possible without the cooperation of the opposition parties and Kwangju citizens because it may provoke the emotions of citizens, he said.

The government party, which was stripped of its parliamentary majority by the three opposition parties in the April legislative elections, has bowed to an opposition demand to form a special committee in the new national assembly to determine the truth behind the uprising.

In a sharp departure from the position held by the authoritarian government of his predecessor, president No redefined the uprising as a part of the efforts for democratization and pledged to pay compensation to the victims and their families.

However, No and his government have opposed a reinvestigation of the incident, contending that such a probe would not be conducive to national reconciliation.

On May 17, 1980, the then military-controlled government expanded martial law nationwide and arrested a number of dissidents, including Kim Tae-chung, which triggered massive anti-government demonstrations by students in Kwangju, the capital city of Kim's home province and political stronghold.

Paratroopers sent into the city the next day to join the martial law forces reportedly beat, stabbed, and later opened fire on demonstrators, which led to bloody clashes.

Students and citizens subsequently armed themselves with weapons and vehicles they obtained from government arsepals, drove out the martial law forces and took control of the city. the martial law forces returned, however, and regained control of the city by suppressing the demonstrators nine days later.

Daily Outlines Correct Function of NSP

SK1405091188 Seoul TONG-A ILBO in Korean 9 May 88 p 2

[Editorial: "The Place Where the Agency for National Security Planning Belongs—Machine Politics Is Poisonous to the Regime as Well"]

[Text] Simply put, the correct function of the Agency for National Security Planning [NSP] cannot be omnipotent. Its nickname, "a special investigative body," explains the agency's limited objective and function. That very limited objective and function is where the NSP must put itself.

This being the case, we would like to view the recent change of command at the NSP as more than a mere shake-up of personnel, because we believe that it should serve as a great opportunity for reorganizing the institution and redefining its function as an institution faithful to its essential objective, that it is a special agency in charge of national security affairs.

Of course, it is not appropriate to unilaterally denounce the activities the NSP has thus far conducted. The devoted contribution made to national security by the members of the agency who have been faithful to the slogan "We aspire to move toward a sunny spot while working in the shady spot," a slogan that has continued since the agency's inception as the Korean Central Intelligence Agency, should be appreciated. It may be true that the security agency's successes are not well appreciated, while its failures are often denounced, as former U.S. President Kennedy said about the U.S. CIA.

However, it is obvious to everyone that it is impossible to appreciate the special agencies in our country on a par with the U.S. CIA. It is also undeniable that the mention of such special agencies always reminds one of such things as machine politics, torture, and the covering up of facts.

Clear evidence of this is the fact that even the Committee for Democracy and Reconciliation [CDR], a mere interim organization instituted during the transitional period, recommended that the NSP and Defense Security Command go back to their places. The gist of the

CDR's recommendations says that the NSP should confine itself to its essential responsibilities such as gathering, analyzing, and distributing domestic and foreign intelligence information as well as security affairs and that it should be under the command of the Supreme Public Prosecutor's Office when it is involved in an investigation of affairs related to communism. The CDR also recommends that the Defense Security Command go back to its place to devote itself to the duty of investigating military-related crimes and that it should stay away from investigating civilians.h

Our demand also is not far from what the CDR has recommended. Even without citing the stipulation of the law that governs the NSP, it is a fact that its members cannot interfere in domestic political affairs. To be more specific, machine politics cannot be their duty. The same is true of such forms of human rights abuses as torture. What is more, it is obvious that it cannot be their essential duty to use meetings of government offices concerned to take measures to cover up the torturing to death of Pak Chong-chol or the sexual abuse of a girl named Kwon In-suk by a police officer.

Now is the time for the special investigative bodies such as the NSP to go back to their places to carry out their special mission. To this end, the institution should be pared down to a small size and reorganized in a way that suits its limited objective and function. In other words, the institution should confine itself to gathering, processing, and analyzing information that is absolutely necessary for national security planning and should keep its investigative activity to the extreme minimum. It should not create disorder in investigative structure by always placing itself under the command of the Public Prosecutor's Offict whenever it h inevitably involves itself in an investigation.

Machine politics and excessess employed in its investigation only call into question the legitimacy of the special investigative body and ultimately cost it the public's trust. Also, the machine politics and abuse of human rights that contribute to achieving stability for those in power for the time being will in the long run throw those in power into trouble and eventually result in expediting their demise and collapse. We have witnessed the disservice produced by machine politics in our political history. The straying away of the special investigative body from its essential duty benefits no one. Not only the organization itself and those who work within its framework, but also the country and those in power will be hurt by its straying away from its essential duty. If it cannot turn its back on such facts, the special investigative body should not delay its effort to control its weight and readjust its function.

We hope the change of command at the top of the NSP will serve as a never-to-be-missed opportunity of carrying out such a task. It is a demand of the times as well as of the country that no one can ignore.

Daily Calls for Discretion in Prisoners' Release

SK1905005588 Seoul THE KOREA HERALD in English 19 May 88 p 8

[Editorial: "Pardon for Prisoners"]

[Text] The government is contemplating a pardon soon for a number of prisoners convicted on charges involving dissident and related offenses.

At the same time, opposition parties, some student activists and relatives of the prisoners concerned are demanding the wholesale release of what they claim to be "prisoners of conscience."

The scope of the proposed pardon has become a major bone of contention between the ruling party and the opposition. There exists a broad agreement on the desirability of clemency, but opinion is divided on specifics.

The first question concerns the definition of a prisoner of conscience, which is roughly identified with a political offender. Oppositionists tend to construe the concept as liberally as possible, in contrast to the government's desire to narrow it down as rigidly as possible.

Inasmuch as the pardon is conceived as part of the liberalization endeavor of the new administration, political consideration can hardly be ruled out. At the same time, however, it can hardly be effected without due regard for the integrity of the legal system as long as the rule of law is to be upheld.

It is to be expected and desired that prisoners convicted on criminal charges of a political nature should be freed and reinstated as members of the community.

But this should not necessarily mean release of the entire package of Communists, espionage agents and terrorists who committed arson and similar crimes of flagrant violence. Spies, saboteurs and terrorists cannot be made more palatable or less criminal by the spurious claim of political motivation.

Granted that pardoning them is a highly political act, it should not override the due process of law and the security needs of the state. Subversive activity cannot be tolerated even if it is done on the pretext of political activism.

An opposition leader has said that everyone, except those who profess to be Communists, should be set free. It is questionable how many Communists are ready to identify themselves.

Therefore indiscriminate wholesale release for the sake of political expediency is out of place. We expect discretion in selecting the largest possible number of these prisoners for pardons.

ECONOMIC

Training Center Planned With ILO, UNDP

SK2405010988 Seoul YONHAP in English 0054 GMT 24 May 88

[Text] Seoul, May 24 (YONHAP)—South Korea plans to establish and operate an international vocational training center by next year in a bid to systematically expand its technical cooperation programs for third world countries.

Officials at the labor ministry said Tuesday that the international labor organization (ILO) and the United Nations Development Program (UNDP) will share the building and operating expenses for the training center.

The officials said the center will substantially promote south Korea's technical aid programs for Gabon, Senegal, Indonesia and other developing countries in Asia, Africa and Latin America.

The officials said the labor ministry will send a delegation to the ILO general assembly early next month in geneva to discuss establishment of the training center with other ILO member nations.

The center will invite trainees from developing countries and other nations which have no diplomatic relations with south Korea while expanding technical cooperation projects. The center will also help south Korea expand its overseas markets through economic and technical cooperation with participating countries, the officials said.

To help promote the training center's establishment, the labor ministry will invite a total of 112 trainees by next year from Gabon, Jamaica, the Philippines, and other developing countries, including those which have no diplomatic relations with south Korea, for technical training programs ranging from two months to one year.

The ministry will invite a total of 45 trainees this year from those countries, including 22 from the Sudan, Gabon and 15 other countries who will undergo an 11-week training program beginning Tuesday in basic and applied courses for welding, machine works, automobile maintenance and wood craftmanship.

In addition, the ministry will send 10 vocational training experts to Gabon and Sri Lanka by next year to sound out the possibility of setting up technical cooperation projects, including the establishment of training centers in those nations.

South Korea has invited and trained a total of 203 foreign trainees over thellast 13 years since it began such programs in 1975.

Last year, south Korea set up the Korea-Indonesia vocation training center in Indonesia which has offered technology transfer programs in seven engineering fields — automobiles, machinery, electrics, electronics, sheet metals, woodcrafts and pipe laying.

Airport Linking West, Bloc Nations Planned

SK0106035488 Seoul YONHAP in English 0341 GMT 1 Jun 88

[Text] Seoul, June 1 (YONHAP)—South Korea plans to develop a large-scale international transit airport linking communist bloc and western countries in view of the recent trend of openness shown by such communist countries as the Soviet Union and China.

The disclosure came in a lecture tuesday on traffic policy by transportation minister Yi Pomb-chun at the national defense college.

Yi said the government has prepared for openness by the Soviet Union and China and is studying ways to develop an international transit airport under a plan that envisions Korea becoming a hub, or key point in air traffic, during the upcoming pacific era.

The proposed sites are Chongju, 105 kilometers south of Seoul, and Kwangju, 255 kilometers southwest of the capital, according to Yi.

Yi also said the government will seek to open air routes which pass over the territorial airspace of the two communist countries and eventually establish regular routes to the countries.

If the Soviet Union and China do allow air routes over their territory, the flight time between Seoul and European cities will be reduced from the current 20 to 22 hours to 15 to 17 hours.

Once the international transit airport is established, foreign airliners are expected to rely on it for flights between Japan and China or the Soviet Union. currently, foreign airliners flying between Japan and China or the Soviet Union bypass south Korea.

The ministry also plans to encourage Korean air (KAL) and Seoul air, south Korea's two civil airlines, to offer 20 air routes to 15 cities within five years in an effort to establish more connections with the international service route network, the minister said.

KAL currently flies on 39 routes to 24 cities.

Financial Reform Begun 'In Earnest'
SK2105032588 Seoul THE KOREA HERALD in English 21 May 88 pp 6, 7

["News Analysis" by staff reporter Choe Song-chin: "Financial System Faces Drastic Reform; Details To Be Finalized Through Public Hearings in First Half"]

[Text] Financial reform has started in earnest, heralding a "revolution" in the nation's financial system.

Though lacking in specific details and schedules, the draft plan of the Ministry of Finance, the first government program, touches on almost all fields of the domestic financial organization.

The plan which summarized future directions of each of the financial operational courses in a few abstract words will fundamentally change Korea's financial industry when the details are finalized through several public hearings, seminars and workshops in the first half of this year.

Reflecting the need to reform the financial system, various research organizations, including the Korea Development Institute (KDI) and the Bank of Korea, made draft schemes of their own to better influence the ministry's authoritative plan.

"The grand surgical operation of the nation financial system is inevitable in that the financial industry lags far behind the development of real-sector economy, because the former has lacked in competitive incentives under market theory due to the strict government control thus far," Yi Su-hyo, assistant minister in charge of banking and finance at the ministry, said.

According to the fund circulation flow charted by the central bank, the portion of outstanding domestic financial resources out of the nation's GNP is 3.58 percent in Korea as of 1986, compared with 5.65 percent in Japan, 4.51 percent in the United States and 4.03 percent in Taiwan, indicating the underdevelopment of the country's financial industry.

The government's guidance in determining interest rates and its restrictions on the development of new financial instruments have also discouraged the financial intermediary function to meet the increasing demand for possessing various financial assets with the increase of national savings.

The execessive policy loans under the excuse of developing key industries, although not altogether wrong, also distorted the resource distribution role of the financial institutions.

The ratio of policy loan extension out of the total lendings by deposit banks stood at 18.8 percent in 1970, 27.5 percent in 1980, 23 percent in 1985 and 25 percent last year.

The lack of supplementary relations among financial institutions weakened their adjustment function between fund supply and demand.

While the financial industry mired in such doldrums, the domestic and ipternational economic climates have rapidly changed.

"Along with the political democratization, the need to respect self-regulation and creation in various sectors of the economy has sharply risen," an expert pointed out.

The massive international payment surplus has changed the nations' economy from the past financial resources deficit era to a surplus era to a surplus era, causing the need for a new intermediary function of the industry.

Against this backdrop, the government's draft reform plan aims at leveling up the underdeveloped industry to keep pace with its external expansion.

Experts here agree that the government is to blame for the industry's backwardness because it has regarded finance as a mere policy tool to achieve economic development rather than as an independent industry and even caused the industry to shrink by forcing it to shoulder the burden of poorly-managed and insolvent businesses.

Based on such past experiences, the proposed plan should be h promoted with the firm resolve of the government if it is to ear any fruit, the expert argued.

The financial industry, which has sat idle under the government's protection, may find it hard to readjust to the drastic reform but should try to grope for long-term development plans of their own, they said.

The following are sector-by-sector policy objectives contained in the ministry's financial reform program:

— Self-regulating management; The government plans to abolish the prior approval system for managerial details of financial institutions and allow the additional establishment of business networks if they meet minimal requirements.

— Interest rate deregulation; It will deregulate deposit and lending rates of non bank financial institutions such as financing and investment companies, investment trust companies, and merchant banking corporations.

The lending rates of banks will also be deregulated but their deposit rates will remain unchanged to prtvent overheated competition among commercial banks to lure more deposits by raising the rates.

The prime system introduction is under consideration to harmonize the various interest rates by narrowing the gap among them.

It will be implemented either by readjusting the central bank's rediscount rates on its loans to commercial banks or by interbank consultation.

— Monetary control system; The present direct control system through the issuance of monetary stabilization bonds will be replaced by an indirect system through utilizing the rediscount system and open market operation.

It will also consider the development of a new index guaging the money supply trends instead of the present M2, which is the total currency in curculation and time and demand deposits.

— Policy loan cut; Although it plans to slash the policy loans, the credit extension to small- and medium-sized firms and agro-fisheries industry will be increased.

— Rearrangement of business domaip; To reduce harmful effects resulting from the current specialized business system, the government will encourage financial institutions to engage in other business areas under the "department store concept" of the financial industry.

The financing-investment companies and securities brokerage firms will be urged to merge with into one or turn to business areas of each other. [sentence as published]

The business domain rearrangement will reshuffle the financial industrial picture and is subject to much controversy due to conflict of interest.

— Independence of the Bank of Korea; To keep neutral the government's monetary and credit policy, the roles of the Ministry of Finance and the central bank will be readjusted.

Considering that the central bank has persistently demanded independence from the government, the ministry's plan to mainly strengthen the function of the Monetary Board will fall short of sufficing the central banks' bankruptcies.

To improve their financial structures, it will induce the institutions to increase capital through direct financing and limit the lending amount to large shareholders or other specific individuals.

— Fostering short-term money market; it will foster dealers and brokers to play an intermediary role in the short-term financial market and establish a call transaction-specializing firm.

— Internationalization of financial market; it will fully liberalize the foreign exchange transactions by changing the foreign exchange control system from the present positive system to negative system, under which the government only set few restrictions on unpermissible trade practices.

It plans to join the Article VIII country group of the International Monetary Fund, which should meet the three general obligations of avoidance of restriction on current payments, avoidance of discriminatory currency practices and respecting convertibility of foreign-held balances.

— Privatization of state-run banks; it will privatize the Citizens National Bank and Korea Foreign Exchange Bank by putting their shares to public subscription under the national stock system and expand employees' shareownership in the banks.

Country To Deregulate, Privatize Banks

SK2405043188 Seoul THE KOREA HERALD in English 24 May 88 p 6

[Text] Commercial banks will be deregulated to help them regain their original role as mainstays of the financial market.

Some state-run banks will be gradually privatized in step with the changing economic environment of the nation.

To maximize the effectiveness of these systematic changes, bank and nonbank lending rates will be liberalized step by step.

These changes are contained in a plan drafted by the Bank of Korea (BOK) to liberalize and internalize the nation's economy.

The BOK draft is part of the Ministry of Finance plan announced last week to reform the nation's financial system.

Under the BOK plan, the management of commercial banks will be deregulated with the general meetings of shareholders regaining the right to control personnel affairs.

To create sound management, the size of paid-in capital in commercial banks will be enlarged.

Such improper businesses as mutual savings and finance and trust financing for industries will be abolished, while the limit on the issuance of certificate of deposits (CD) will be eased.

As for specialize banks, the Korea Exchange Bank (KEB) and the Industrial Bank of Korea (IBK) will be privatized. The KEB will gradually be changed into a commercial bank while the IBK will be a special institution to finance small and medium industries and grant small loans to the general public. To facilitate the financial support to small and medium industries, the mutual savings and finance companies will be expanded and private credit guarantee fund will be newly established, according to the plan.

The Korea Housing Bank will keep the present system for the time being before the environment to introduce the market for housing mortgage bonds is matured.

The Korea Development Bank will be separated into a tentative "industry fund" and a private long-term credit bank.

Non-banking financial institutions will be encouraged to expand their business domains and to merge with each other to prepare the financial liberalization and internalization.

Investment and finance companies will be encouraged to play a role as a partner of the central bank in open market operation by intermediating commercial papers.

Investment and trust companies and securities companies will keep their present systems with self-regulation in the management to be encouraged.

Mutual savings and finance companies will expand its business domain while the commercial banks give up the mutual savings and financing business.

Life insurance companies will be encouraged to enforce its characteristics as insurance institutions and to play a role as institutional investor.

To this effect, the General Banking Act will be revised to enforce the self-regulation of banking and non-banking institutions. The other acts related to specialized banks will also be revised to make possible the systematic changes in those banks.

To readjust the business domains among financial institutions, the proper businesses of each institution will be expanded, while improper businesses will be reduced or abolished.

The lending rates of banks and non-banking institutions will be also readjusted in a reasonable way, it said.

KOTRA Estimates 1987 Wage Scales

SK2305004888 Seoul YONHAP in English
0014 GMT 23 May 88

[Text] Seoul, May 23 (YONHAP)—The wage standard of south Korean workers was far below that of their counterparts in Taiwan but similar to that of workers in Hong Kong last year, the Korea Trade Promotion Corporation (Kotra) reported monday.

Kotra estimated the monthly average wage of korean workers in 1987 at 452 U.S. dollars, compared with 590 dollars for Taiwanese workers and 453 dollars for Hong Kong workers.

The monthly average wage for Korean and Taiwanese workers was based on their wages earned from january to december last year while that for Hong Kong workers was based on wages earned in the January-September period.

The average salary of Korean workers in the manufacturing sector was 383 dollars compared with 483 dollars for Taiwanese workers and 447 dollars for Hong Kong workers.

Textile workers received an average of 299 dollars a month, far behind the 499 dollars for Taiwanese workers last year and 412 dollars for Hong Kong workers, according to the Kotra report.

Korean workers in the footwear industry received an average wage of 268 dollars compared with 396 dollars for Taiwanese workers and 436 dollars for Hong Kong workers.

Korean workers' monthly salary in the machinery industry averaged 450 dollars compared with 523 dollars for Taiwanese workers and 449 dollars for Hong Kong workers.

Korean workers in the food and beverage sector earned an average salary of 432 dollars while their counterparts in Taiwan and Hong [Kong] received 484 dollars and 456 dollars, respectively.

Country Continues To Record Account Surpluses

SK2705052288 Seoul YONHAP in English
0453 GMT 27 May 88

[Text] Seoul, May 27 (YONHAP)—Korea recorded a current account surplus of 880 million U.S. dollars in April, down from 1.25 billion dollars in March, the Bank of Korea said Friday.

The April surplus, however, was up 35.4 percent from the same month of last year.

The Central Bank attributed the decline in the current account surplus to a slowdown in export growth stemming from the appreciation of the Korean won currency against the U.S. dollar and a drop in remittances by overseas korean residents due to government measures restraining the inflow of speculative funds from abroad.

According to figures compiled by the Central Bank, the country's trade surplus fell to 692 million dollars in April from 924 million dollars in march. the April export growth rate was 23.6 percent over a year earlier, compared with 32.9 percent in march and 43 percent in April last year.

During April, the invisible trade balance attained a surplus of 78 million dollars, a drop from 122 million dollars in March.

The transfers sector posted a surplus of 110 million dollars in April, down from 208 million dollars in March.

The drop in the transfers surplus is an indication of the government's measures designed to control the inflow of speculative funds. One such measure, in place since the end of march, was a reduction in the tourists' report limit from 20,000 dollars to 5,000 dollars. Tourists visiting korea who possess more than 5,000 dollars must report to the national tax administration, the bank said.

During the first four months of this year, Korea recorded a current account surplus of 3.90 billion dollars, up 40.7 percent from the same period of last year. The total comprised 792 million dollars in January, 970 million dollars in February, 1.25 billion dollars in march, and 880 million dollars in April, according to the central bank.

In the January-April period, the trade surplus with the United States amounted to 2.58 billion dollars, down 4.4 percent from the same period of last year, while the trade deficit with Japan amounted to 1.31 billion dollars, down 29.2 percent from 1.86 billion dollars in the previous year.

Imports totaled 3.87 billion dollars in April, an increase of 20.9 percent from the previous year. Imports for export use increased only 10.2 percent due to declining demand for raw materials for export use stemming from such current export conditions as the strong won, while imports for domestic consumption soared 36.9 percent.

Meanwhile, the country recorded a surplus of 213 million dollars in capital transactions due to the growing use of short-term trade credit such as usance bills.

As of the end of April, Korea's outstanding foreign debts totaled 34.6 billion dollars, down 900 million dollars from the end of last year, the bank said.

The Central Bank forecast that exports will slow down in the latter half of this year due chiefly to the won's continuing appreciation against the U.S. dollar.

Survey Notes Cost of Labor Disputes

SK0106235888 Seoul YONHAP in English 2351 GMT 1 Jun 88

[Text] Seoul, June 2 (YONHAP)—Korea's manufacturing industries were hit by a total of 344 labor disputes during the first five months of this year, among which 309 disputes (89.8 percent) have been settled while 35 are under way, according to a trade and industry ministry survey thursday.

The ministry contacted 61 companies for the survey, each employing more than 300 workers.

The survey showed that the firms suffered direct production losses of 710.40 billion won (about 966.53 million u.s. dollars one dollar is worth about 735 won) and 262 million dollars in export losses.

The auto industry suffered the most production losses with 251 billion won, followed by the machinery industry (222.60 billion won), electric and electronics (89.60 billion won), shipbuilding (73 billion won), textiles (17.70 billion won), steel (14 billion won), metals (nine billion won) and others (33 billion won), the ministry said.

Total production losses including direct production losses and losses stemming from parts shortages due to labor disputes at other manufacturers also increased during the period.

Total losses suffered by the auto industry reached 1.23 trillion won (about 1.67 billion dollars) as of the end of may, the ministry said.

Major Companies Illegally Cross Invest

SK0106005788 Seoul THE KOREA TIMES in English 1 Jun 88 p 6

[Text] The illegal investments in other firms of 40 leading conglomerates recorded a combined total of 995,451 million won as of last March.

As the same time, their cross stock acquisition among their respective subsidiaries, also in violation of regulations, combined to total 58,004 million won.

The Fair Trade Commission, a wing of the Economic Planning Board, disclosed yesterday these violations in its report on an analysis of stock ownership of big business groups.

According to the Monopoly Regulation and Fair Trade Act revised last year, business groups with gross asset of 400 billion won or more will be prohibited from investing more than 40 percent of their net asset in other firms.

The law also stipulates that subsidiary firms of business groups are banned from acquiring stocks from among themselves.

Excessive investment of 31 business groups, which were designated as those subject to the law last year, amounted to 929,304 million won as of March 31, the report said. The 31 groups held 463 subsidiary firms.

The groups disposed of 365,364 million won through offering right issues or increase of paid-in capital for the last year to meet the requirement of the revised law.

The cross stock acquisitions of the 31 groups also declined from 398,861 million won in dominant stocks last year to 186,277 million won this year while the 76,842 million won in subordinate stocks fell to 26,225 million won.

The investments exceeded the permissible level in nine business groups, which were designated in March this year. They totaled 66,147 million won as of April 1 and their cross stock acquisition stood at 14,212 million won in dominant stocks and 7,387 million won in subordinate stocks. They have 98 subsidiary firms.

According to the law, the 40 business groups should dispose of their surplus investment by March, 1992 and of all the cross- acquisition stocks by March, 1990.

The government revised the law early last year to prevent business conglomerated from investing beyond their capability and rooting out cross stock acquisition which means no capital investment in real term.

Daewoo group topped the list in excessive investment with 396.1 billion won, followed by Hyundai with 147.2 billion won, Shindonga with 43 billion won, Sunkyong with 50.6 billion won and Kukdong Construction with 33.2 billion won.

On the other hand, Daelim, Samhwan, Korea Explosives, Kumho, Kohap, the Korea Shipbuilding and Engineering Corp. and Sammi sharply lowered their investment ratio to net asset for the last year.

But, Hyundai, Shindonga, Kukdong Construction, Kolon and Miwon were lazy in improving their excessive investment ratio.

In cross stock acquisition, seven groups including Sunkyong, Hail Synthetic Fiber, Doosan and Kolon disposed of all their cross acquisition stocks for the last year, while Shindonga, Dong-Ah Construction, Dongkuk Steel Mill and Dongbu failed to dispose of theirs.

Excessive and Cross Investments by Groups (as of March 31, 1988)

Business groups	Net Assets (in million won)	Excessive Invest-ment	Cross Investment Cases	Value
Hyundai	1,287,650	147,237	9	13,865
Daewoo	1,138,624	396,111	4	2,423
Samsung	813,744	23,678	4	709
Lucky-Gold	1,199,154	26,785	6	920
Ssangyong	424,165	16,399	3	449
Hanjin	148,850	-	5	217
Sunkyong	521,644	50,675	-	-
Korea Explosives	622,739	26,273	9	4,763
Daelim	203,838	5,506	-	-
Lotte	933,332	20,780	4	546
Dona-Ah Construct.	1,288	4,936	4	1,434
Hanil Synt	235,672	11,858	-	-

Excessive and Cross Investments by Groups (as of March 31, 1988)

Business groups	Net Assets (in million won)	Excessive Invest-ment	Cross Investment Cases	Value
Kia Motors	252,851	5,367	2	2,158
Doosan	198,586	35,330	-	-
Pan Ocean Ship-ping	-163,909	6,032	1	419
Hyosung	431,701	2,805	-	-
Dongkuk Steel	115,475	17,736	7	3,372
Sammi	93,899	11,611	1	0.09
Hanyang	25,955	640	1	282
Kukdong Construct.	104,268	33,260	-	-
Kolon	218,818	11,155	-	-
Kumho	152,465	9,179	-	-
Dongbu	151,438	3,790	4	551
Kohap	57,217	502	1	76
Hanbo	34,183	-	-	-
Haitai	-11,388	12,714	2	610
Miwon	122,967	555	-	-
Korea Shipbuilding	-284,368	888	-	-
Samwhan	138,312	4	-	-
Shindonga	-72,370	43,023	1	14,948
Halla	30,363	5,010	2	2,875
Subtotal	9,127,148	929,304	70	50,617
Woosung Construct.	18,860	41,810	1	5,957
Kukdong Oi	57,055	2,150	-	-
Tongil	207,647	373	-	-
Taekwang	176,780	-	-	-
Pacific Chemical	92,845	10,358	4	1,019
Poogsan Metal	29,767	-	2	93
Kangwon Industrial	72,292	268	-	-
Byucksan	60,583	1,185	3	318
Bongmyng	34,396	10,003	-	-
Subtotal	750,225	66,147	10	7,387
Total	9,877,225	995,451	80	58,004

SOCIAL

HANGYORE SINMUN Paper Begins Publication

SK1605023888 Seoul YONHAP in English 0219 GMT 16 May 88

[By Kim Chang-he]

[Text] Seoul, May 16 (YONHAP)—A new daily newspaper operated by hundreds of journalists dismissed under the authoritarian rule of former presidents Pak Chong-hui and Chon Tu-hwan, published its 36-page inaugural issue on Sunday declaring its absolute political and ideological independence.

The HANGYORE (ONE NATION) SINMUN pledged to carry out a self-appointed spokesman's role for the interests of the grass-roots. The newspaper is hailed as the first paper to be funded by some 30,000 private individuals who joined a drive to raise five billion won (6.8 million U.S. dollars).

Publisher Song Kon-ho, former managing editor of the influential daily TONG-A ILBO, wrote in the paper's inaugural message that the HANGYORE will never support or oppose a particular political party or group but will report and comment on political, economic, cultural, and social issues from an absolutely independent point of view.

He charged that most of the existing newspapers have lacked independence frequently changing their views overnight by following changes of power, which is an extremely dangerous attitude creating social chaos.

Song also wrote that the HANGYORE will never support or oppose a particular ideology unconditionally but will strive for the realization of full democracy in this country.

He insisted that the realization of a full democracy is an absolute precondition for the improvement of inter-Korean relations and especially for the reunification of the divided Korean peninsula.

In congratulatory messages from religious leaders around the country, Stephen Cardinal Kim Su-hwan, one of the paper's sponsors, expressed his hope that the HANGYORE would be a different medium not just another newspaper.

The Rev. Pak Hyong-kyu, a dissident protestant church leader, described the inauguration of the HANGYORE SINMUN as the birth of a torch bearer for the free press. A leading dissident Buddhist monk Song Wol-chu also expressed the hope that the paper would be a flag bearer in consolidating national independence as well as the foundation for national reunification.

Professors, novelists, poets, lawyers and other intellectuals known to be leading dissidents also contributed to the first issue which allocated more space to lengthy analytical stories than hard news stories.

The paper also printed its 13-point ethical code of conduct which called for opposition to commercialism and sensationalism in reporting and readers' right to appeal against stories which they feel are inaccurate or unfair.

The HANGYORE, a morning paper, will publish eight pages daily using a horizontal layout, marking the first time for a general daily newspaper in Korea to use such a format.

Since the removal of a press law by the government of president No Tae-u, who pledged to implement democratic reforms, including freedom of the press, more than 20 newspapers are preparing to resume or newly begin publication.

Former president Chon Tu-hwan conducted a sweeping reorganization of the country's news media in late 1980 that resulted in mergers of newspapers and broadcasting networks which left eight general newspapers and two economic daily in seoul, two major nationwide broadcasting networks, 10 newspapers in provincial areas—one per province and city- and one news agency.

New Daily Explains Principles

SK1705040888 Seoul HANGYORE SINMUN in Korean 15 May 88 p 1

[Editorial by publisher Song Kon-ho: "A Pledge to Become a True Newspaper to Speak for the People"]

[Text] We have published this first edition with excitement. When the news was spread on the founding of a newspaper through the contribution of the people, which was unprecedented in the world, several tens of foreign journalists visited us and we, too, have ushered in this day with deep emotion and with creative tension and excitement over the publication of an entirely new newspaper.

The stockholders of HANGYORE SINMUN are not those who could spare money for investment. They are poor ordinary citizens who squeezed their pockets to invest, because they desired a genuine newspaper that will truly speak for the stand of the masses of the people. Accordingly, HANGYORE SINMUN recognizes itself as a true newspaper of the people speaking only for the interests and assertions of the masses of the people, unlike all other existing newspapers controlled by the interests of individuals.

With these points in mind, we will publish the new newspaper under the following principles:

First, HANGYORE SINMUN will never support or oppose any particular political parties or any particular political forces but will report and comment on political, economic, cultural, and social affairs, strictly under an independent stand which is a popular stand.

The reason this point is emphasized is that almost all newspapers, while talking about neutrality, have always reflected the views of the power in reality. They once supported the Yusin system. But following the inauguration of the Chon Tu-hwan regime, they all of sudden denounced it and stressed the new era and new order. Then, following the inauguration of the No Tae-u regime, they all in unison have started to denounce the Chon regime, which they used to look upon and uphold. This kind of subservient attitude that changes overnight in publishing newspapers is an extremely dangerous form of journalism that promotes social disorder.

This is precisely why we will not particularly favor or antagonize any political forces, including the ruling and opposition parties, but will only speak for the interests and assertions of the masses of the people.

The frequent about-faces by many journalists of the existing newspapers has been not because of their ethics and morality but because of the impure and dependent makeup of the press enterprises.

HANGYORE SINMUN can be fair toward political forces. This is, above all, because its capital has been raised from the bedrock of the people.

We would like to reiterate that only HANGYORE SINMUN is politically self-reliant and independent.

Second, HANGYORE SINMUN will never unconditionally support or oppose any particular ideology but will invariably exert itself for the democratization of this country.

We reiterate that we have an ideologically free stand within a framework not very far from the present circumstances.

We would like to make it clear that HANGYORE SINMUN will only seek to realize its desire to establish a democratic basic order in this society but will never distance itself from or associate with any ideology or concept without due cause.

Though some political soldiers proudly say that they have achieved growth after seizing power through a coup d'etat, our country is in an extremely dangerous situation in which the gap between the rich and the poor widens internally and the submissive economic structure is strengthened externally, thus making social instability increase further as growth continues.

It should not be overlooked that this is precisely why the defiant masses become even more defiant as economic growth continues.

The rulers have only stressed national security and supressed the defiant masses, instead of trying to settle the instability through democratization of the economic policy. They have monopolized information by suppressing the press on various pretexts. By wielding power, they committed irregularities and thievery and amassed astronomical amounts of money. This has been precisely the normal practice of those in power in our country.

Thus, it can be said that a free and independent press is the most credible movement to prevent power from becoming unbridled and corrupt, to promote people's civil rights, and to realize social stability.

The democratization of this country is an absolute condition to improving North-South relations and, in particular, to ending the military confrontation between compatriots and achieving the unification of the country.

For those who were frantic in seeking to amass wealth, North-South military confrontation was necessary, national security was stressed, and information was monopolized to continue the dictatorship. These have been the characteristics of the dictatorial regime of this country.

Therefore, we should realize that democratization is an essential condition to solving the North-South question, and the solution of the North-South question is an essential condition to democratization. We should realize that democratization and the improvement of North-South relations are inseparably linked with one another.

The question of North-South unification is a life-and-death matter directly linked with the interests of the whole nation. Thus, no one can monopolize this and, to this end, democratization must be realized.

Accordingly, HANGYORE SINMUN will take the lead in seeking to realize democracy, which has been exploited only as an ideology in this country, and to realize the freedom of the press.

We have scores of ambitious journalists who have come from the other existing newspaper companies in order to become true journalists, regardless of monthly salaries that are less than half of what they were earning. At the same time, we have many trainees who have passed through stiffer competition than at any other newspaper company, and we also have scores of former journalists who have endured all kinds of trials over the past 10 years in order to publish a genuine newspaper. Thus, we believe that the emergence of HANGYORE SINMUN will create a great impact and ripples among the existing news media organizations which have been indulged in inertia and indolence.

Thirty thousand stockholders of HANGYORE SINMUN squeezed their pockets and have made investments with the sole desire of having a genuine newspaper. However, this desire is not only a dream of the stockholders of HANGYORE SINMUN but also a dream of all 40 million people.

It is not an exaggeration to say that HANGYORE SINMUN is in charge of the aspirations of 40 million people. Accordingly, unlike existing newspapers, HANGYORE SINMUN will see the political, economic, social, and cultural affairs of the country not from above but from below, not from the standpoint of the rulers but from the standpoint of the masses of the people. It will see things from perspectives that differ from the other existing news media organizations.

On 15 May, founding day, we would like to tell all of our readers about the sleepless and restless efforts that our 300 company staffers have exerted in making preparations for the founding and we pray for warm support and encouragement for HANGYORE SINMUN which seeks true journalism.

FOREIGN RELATIONS, TRADE

NAEWOE TONGSIN Examines Kim Chong-Il's Power, Leadership

41070047 Seoul NAEWOE TONGSIN in Korean No 576, 19 Feb 88 pp 1C-6C

[Text] Activities on Kim Chong-il's 46th Birthday

On 16 February, north Korea celebrated Kim Chong-il's 46th birthday by hosting festivities which rivalled space age spectacles.

From early February, a wide variety of birthday activities were hosted in Pyongyang and other parts of North Korea under the slogan that Kim Chong-il's 46th birthday is the "nation's greatest holiday."

Propaganda agencies of North Korea actively heightened the public's enthusiasm and advertised the "leadership capability and revolutionary profile" of Kim Chong-il.

One of the main events of Kim Chong-il's 46th birthday celebration was the national athletic festival of the Korean Boys Corps held at the Pyongyang Gymnasium on 16 February.

This athletic festival has been an annual event celebrating Kim Chong-il's birthday, and this year it has enjoyed the participation of party and government dignitaries such as Pak Song-chol (vice premier), Kang Hi-won (the Pyongyang municipal party head), and Ho Chang-suk (party secretary), representatives of the Cho-chong-ryon (the pro-Pyongyang Federation of Korean Residents in Japan), and over 15,000 youths and students.

At this event, the initiation ceremony for the Korean Boys Corps members was held. The ceremony was designed to affirm members' loyalty to Kim Chong-il by allowing the youth of North Korea to put a red scarf on him. Not only was the message from the members delivered to Kim Chong-il, but also the members being initiated read their oath, "As I enter the honorable Boys Corps established by our great leader, father Kim Il-song, and gloriously nurtured by our beloved leader, teacher Kim Chong-il, I firmly pledge that I will always follow in thought and action the guidance of our father leader and our teacher leader, I will become a reliable member of the reserve force to back up the chuche revolution, and I help build communism."

Photo exhibits were held at many places including Kangke, Hesan, and Pyongsong to idolize Kim Chong-il, and an admission ceremony was held at the Changjasan campground for the first-class prospective campers.

Concurrent to these events, propaganda agencies of North Korea published numerous articles celebrating Kim Chong-il's birthday which were filled with idolizing and deifying phrases such as "our great leader," "our great ideological theorist," and "the sun for our land."

On 16 February, Pyongyang radio tried to create a festive birthday atmosphere and engrave an image of Kim Chong-il's greatness by broadcasting editorials such as: "On this historic day when our bright future, rising from the peaks of Mt Paektu, is opening up in front of us welcoming this festive day of February which is most meaningful for the world's revolutionary people, we are filled with boundless admiration and fervent congratulations for our beloved, clear-sighted leader, Comrade Kim Chong-il."

This broadcast carried other excesses, which almost exceeded efforts for idolizing Kim Il-Song, such as "'Telegrams, letters, poems, and songs celebrating the birthday of our homeland's sun' are pouring into Pyongyang" and "This festive day of February, an honor for the world and pride of our people, promises a bright future."

Other propaganda agencies wasted no time in advocating the tenet of idolization such as "our great leader who is a great theorist, capable of sustaining and protecting the great revolutionary tasks of our great premier, and is prepared to pass on the chuche ideology through history."

Most of these idolizing editorials are designed to make Kim Chong-il a demigod in order to mobilize popular loyalty toward him. Many editorials list exemplary accounts of his leadership.

For example, it is reported that Kim Chong-il directed or supervised the production of over 800 art films, over 400 children's films, over 400 science films, and over 1,000 documentaries, totaling over 3,000 films. These figures are reported in such a way as to impart the charismatic leadership qualities of Kim Chong-il.

In addition, the pro-Pyongyang Federation of Korean Residents in Japan, a North Korean organization of Korean residents in Japan, held numerous activities celebrating the 46th birthday of Kim Chong-il. Highlights consisted of the "staff rally" on 10 February which was attended by Han Tok-su, head of the federation, and the "celebration party" and the "central rally of Korean residents in Japan" were held on 14 and 15 February, respectively. At these meetings, congratulatory messages were read aloud and sent to Kim Chong-il.

These congratulatory messages pledged blind loyalty by the federation to Kim Chong-il. To cite a few examples, they contained such expressions as "the birth of our comrade leader is a significant event that promises eternal happiness for our people and country, and marks a special day in the history of the liberation of the human race," and "the entire membership of the federation is firmly resolved to wage an unwavering campaign for the royal path of chuche ideology under the leadership of our beloved comrade." Similar messages were sent on 16 February by the National Democratic Front of Korea, which is a covert anti-South organization.

On and around 16 February, North Korea awarded medals and meritorious citations en masse to various organizations and production units, thereby arousing a sense of loyalty to Kim Chong-il. The "Kim Il-Song Honor Award for Youth" was conferred on 72 members of the League of Socialist Working Youth of Korea, and the title of "Guard Laureate" as well as the title of "Guard" was given to 12 production units including the Myongsu and Sinmi Mines. In addition, the No 26 honor citation for an exemplary plant was awarded to 8 plants including the Pyongyang Youth Editing Plant, and the Red Flag of Three Revolutions was given to 5 centers such as the management center of the Mt Paektu Milyong Revolutionary Battlefield.

In connection with the 46th birthday of Kim Chong-il, messages of congratulation were sent by President Sihanouk of Cambodia, and the Second Secretary of the Cuban Communist Party Raul Castro, and birthday presents by Iranian Deputy for Political Affairs 'Ali Reza Mo'ayyeri and Pakistani Minister of Culture and Tourism Nisar Mohammed Khan. Members of the foreign diplomatic offices in Korea sent bouquets and letters of congratulations.

Overseas activities celebrating Kim Chong-il's birthday reportedly included viewing of movies and photo exhibits idolizing Kim Chong-il in such pro-Pyongyang Middle East and African nations as Madagascar, Equatorial Guinea, Benin, and Sudan. It was reported that in Sudan some 500 youths were mobilized to celebrate the 46th birthday of Kim Chong-il and to hold athletic festivals.

Each year over a period of one month, North Korea disseminates through its propaganda agencies various overseas reactions and celebrations related to Kim Chong-il's birthday. These propaganda activites are all designed to arouse a sense of loyalty in the people and are usually carried out by North Korean personnel.

These pre-modern birthday activities reflect the fact that North Korea is a closed society. They are measures designed for the purpose of the patrimonial power transfer from Kim Il-Song to Kim Chong-il.

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KOREA TIMES Urges 'Prudent Approach' to ROK, PRC Trade

SK2505005188 Seoul THE KOREA TIMES in English 25 May 88 p 8

[Editorial: "Seoul-Beijing Trade Ties"]

[Text] Recent news reports strongly indicate that moves have been stepped up to promote trade and economic relations between South Korea and China despite the two countries' lack of diplomatic ties.

There seem to be increasing signs that a new phase of economic cooperation between the two countries will be developed in the near future, according to several news dispatches reaching Seoul this month.

Notable among them is the report that Gov. Jiang Chunyun of China's eastern province of Shandong has hinted that Beijing's decision to establish a "special economic zone" in Shandong is aimed at promoting economic links with South Korea across the Yellow Sea to get help with tis ambitious modernization program.

According to another noteworthy report, the leader of a Chinese economic mission, while on a recent visit to Japan, told a Japanese news agency that a three-nation joint venture firm involving South Korea, China and Japan may be set up in China as early as 1989, making public the plans for a joint venture project, which had been kept secret until then.

According to other similar news reports, a Chinese business mission has recently visited Seoul to negotiate the import of Korean plant, while Beijing seems to be considering allowing South Korean trading companies to open offices in the Chinese capital.

Of course, Beijing has long wanted to expand trade with Seoul. However, the largest obstacle in the way of promotion of economic ties has been Beijing's nervousness about North Korea's reaction.

Taking into account a series of recent Cginese moves on this matter, it appears almost certain that Beijing now wants to make the promotion of economic links with Seoul something that even Pyongyang will have to accept.

In fact, there are difficulties and risks for us in increasing trade and economic ties with China with which we have no diplomatic ties. Accordingly, we ought to take a prudent approach to promoting links with China, making astute preparations that will allow us to cope realistically and on a reciprocal basis.

Firm To Begin Direct Shipping to PRC

SK2605045788 Seoul YONHAP in English 0452 GMT 26 May 88

[Text] Seoul, May 26 (YONHAP)—South Korea's Chunkyung Shipping Co. Ltd. will begin a direct shipping service between south Korean and Chinese ports around the end of July, business sources here said Thursday.

Semicontainers will be placed on the non-regular line between the south Korean ports of Pusan and Inchon and the Chinese ports of Shanghai and Tianjin, according to the sources.

The direct line service will rely on Chunkyung tramps chartered by a Hong Kong shipping company.

Chunkyung reported the plan to the Korea maritime and port administration at the end of last year, the sources added.

The Hong Kong shipping company was known to be a locally incorporated firm of a Japanese shipping company. Chunkyung, and the Hong Kong and Japanese shipping companies are agents for one another.

South Korea's Heung-a Shipping Co. ltd. is currently providing direct service to and from the Chinese ports of Dalian and Qingdao, chartering Jasmin Prince, a Hong Kong flag-carrier. Other shipping companies, including Dongnama Shipping Co. ltd. and Hyundai Merchant Marine Co. ltd., are contacting Chinese officials to open a direct line to and from China, with which south Korea has no formal ties, the sources said.

Hong Kong's Vigour Line Shipping enterprise Ltd. is providing direct service between south Korea and China through its south Korean general agent, Sejin Shipping Co. ltd., while Fair Weather Steam Ship Co. Ltd., another Hong Kong shipping company, is also offering the same service through Pan Asia Shipping Corp., its Korean agent.

Country To Import Soviet, PRC Crude Oil

SK0706045588 Seoul YONHAP in English 0442 GMT 7 Jun 88

[Text] Seoul, June 7 (YONHAP) — South Korea plans to import crude oil from China and the Soviet Union which are geographically proximate to it in an effort to diversify import sources, according to the energy and resources ministry.

A ministry official said Tuesday although crude imports from the two communist countries were regarded as unfeasible in the immediate future in light of the absence of diplomatic ties, it may be able to be traded strictly on a commercial basis as other commodities if political understanding on the matter is established between Seoul and the two nations.

The official said the matter depends on whether China fosters its oil industry as an export industry as it did with its coal industry and on the possibility of Korea participating in the Soviet natural gas exploitation project.

The ministry's revised sixth five-year plan shows that it will also raise its projection for the country's total energy demand for 1991 to 84.367 million tons of oil equivalent (hoe's) from the original projection of 79.109 million toe's.

The growth rate of the annual average total energy demand is projected at 6.7 percent from 1987 to 1991, compared with the original projection of 5.1 percent, according to the ministry.

The ministry also projected that the final energy demand, which excludes energy losses suffered during electricity generation, will reach 67.602 million toe's in 1991, up from the original projection of 64.086 million toe's.

The ministry also raised the projection of the annual average final energy demand during the cited period to 6.2 percent from the original projection of 4.8 percent.

The country's dependency on oil will reach 50.2 percent in 1991, compared with the originally projected growth of 46.0 percent, while dependency on overseas energy supplies will amount to 63.9 percent, down from the original projection of 67.3 percent, the ministry said.

The annual average growth rate of the energy demand per capita during the cited period will reach 5.4 percent, compared with the original projection of 3.8 percent.

The growth rate of the electricity demand per capita will be 8.3 percent, compared with the original projection of 5.9 percent, according to the ministry.

In an effort to smoothly push ahead with the readjusted plan, the ministry will seek to introduce crude oil from China and the Soviet Union, gradually lift controls on oil exports and imports, adopt the joint import system for liquefied petroleum gas (lpg), consider taxes on carriers of gas containers and fuel which pass through downtown areas, and gradually liberalize the price of yontan, coal briquettes, beginning with metropolitan areas.

The ministry's revised plan will be discussed at the Korea energy economic institute on Tuesday.

Soviets Propose Opening Seoul Trade Office

SK2105010988 Seoul THE KOREA TIMES in English 21 May 88 p 1

[Text] The Soviet Union has proposed setting up a trade office in Seoul soon after the Seoul Olympic Games slated for Sept. 17-Oct. 2 in order to promote economic relations with Korea.

The Soviet proposal was disclosed by Ku Yong-su, a manager of Goldstar, who returned home Thursday after taking part in an electronics show in Leningrad.

Fourteen electronic companies from five countries—Korea, Japan, Sweden, West Germany and the Netherlands are now participating in the Leningrad electronics show which opened on May 12. The exhibition will continue through Sunday.

Goldstar is one of the four Korean electronics makers taking part in the show. The other three are Samsung Electronics, Daewoo Electronics and Dongwon Electronics.

It is the first time that Korean businesses have participated in exhibitions in Communist countries with which Korea has no diplomatic relations.

Ku said that I.P. Kanaev, vice chairman of the Soviet Chamber of Trade and Commerce, told Sin Tong-ki, an executive managing director of Goldstar, that his country hopes to open a trade office in Seoul soon after the Seoul Olympic Games when he visited Goldstar's show room on May 16.

The Soviet official also asked Sin to mediate for the opening of the trade office in Seoul as soon as possible, according to him.

The Soviet proposal is drawing attention from both the government and business circles as it is the first reaction from the Communist country since Seoul asked the Soviet Union to establish its trade office in Seoul in a bid to open direct trade between the two countries.

Goldstar, the nation's largest electric and electronic home appliances maker, plans to report the Soviet proposal to the government as soon as possible after its team returns from the Leningrad exhibition.

Ku also said that Leningrad Mayor T. Kyrushin called upon Korean businesses to advance into the Soviet Union in the form of joint ventures with Russian industries when he visited the Goldstar's show room.

The Leningrad mayor was quoted as saying that "the Soviet Union wholeheartedly welcomes the advancement of Korean and foreign businesses on its open-door policy."

In the meantime, Yuriy A. Rainov, Soviet deputy electronic industry minister, reportedly said that the Soviet Union hopes to import microwave ovens, computers and office automation (OA) equipment from Korea and to export such items as magnetrons to Korea.

Among the Soviet businesses which visited the Leningrad exhibition hall to negotiate with the participating Korean companies for the purchase of Korean products were Sputnik and Leningrad TV Amalgamation, Ku disclosed.

Especially, Sputnik wanted to annually import 800,000 vacuum cleaner motors and Leningrad TV Amalgamation 200,000 color TV tubes from Korea.

Finance Ministry Approves Foreign Investments

SK1705043288 Seoul YONHAP in English 0423 GMT 17 May 88

[Text] Seoul, May 17 (YONHAP)—The finance ministry Tuesday approved the introduction of 271 million U.S. dollars worth of foreign capital in seven cases, ministry sources said.

The ministry's foreign capital project review committee authorized Lotte Corp. of Japan to invest 200 million dollars this year in constructing a hotel in the southeastern port of Pusan. Lotte plans to invest a total of 900 million dollars in the hotel's construction.

N.V. Philips of the Netherlands will invest 12.3 million dollars to establish a battery manufacturing company.

Sterling Products International Inc. of the United States will invest 10 million dollars in setting up a joint venture with Sterling Drug Korea Ltd. for pharmaceutical production while Alps Electric Co., Ltd. of Japan will invest 20 million dollars in establishing a joint venture with Alps Korea Electric Co., Ltd. for the production of computer peripherals.

Du Pont Tau Laboratories Inc. of the United States and a Korean firm will jointly set up a company for the manufacture of semiconductor photomasks.

Fujida Industries Ltd. of Japan will make an additional equity investment of 6.3 million dollars for renovation of the Hyatt hotel in Seoul.

Foreign investment in the first four months of this year amounted to 248.4 million dollars in 174 cases, a drop of 69 million dollars from the same period of last year. However, the number of cases increased 7.4 percent from 162 cases in the corresponding period of last year.

Ministry Reports on Tariff Reductions

SK1805020488 Seoul YONHAP in English 0154 GMT 18 May 88

[Text] Seoul, May 18 (YONHAP)—The average tariff on 247 general machinery products including turbines and looms is expected to drop from the current 18.3 percent to 14.4 percent next year and to 7.7 percent by 1993, the finance ministry said wednesday.

Under a plan drafted by the ministry, import duties on 120 non-ferrous metal goods will also be lowered from 18.1 percent on the average to 11.5 percent and then to 6.5 percent in the cited period.

The tariff cuts are part of a ministry plan to lower customs duty rates to the level of advanced countries within five years as decided in a meeting of the tariff revision consultation committee last month.

The ministry is expected to finalize the plan by September and submit the tariff revision bill to the national assembly for final approval.

The blueprint also calls for import duties on 11 types of home appliances including air conditioners, refrigerators and washing machines, to be cut from 30 percent to 20 percent next year and then to be gradually lowered to eight percent in 1993.

The 20 percent principal tariff rates now imposed on 169 types of general machinery for construction, mining, transportation, loading, printing and pulverizing will drop to 15 percent in 1989 and to eight percent by 1993.

The tariff on aviation motors, however, will remain at the current level of five percent while no tariff will be imposed on nuclear reactors over the next five years. So far, no tariff has been applied to reactors.

The government will also continue to impose a current five percent tariff on parts for carding and spinning machines, neither of which are manufactured in Korea.

In the non-ferrous metal sector, the tariff on cement copper and nickel mat will be cut to two percent from the current five percent next year through 1993 while the government will slash tariffs op copper, nickel and zinc scraps, now ranging between 10 and 20 percent, to five percent in 1989, four percent in 1991 and three percent in 1993.

Import duties on intermediary products such as copper and nickel ingot or powder, now 20 percent, will be halved next year and then drop gradually to nine percent, seven percent and five percent in the last three years of the plan period.

Among other intermediary and finished goods, the rates on semiconductor material and solar panels will remain at 10 percent until 1991 before falling to nine percent and eight percent in the following two years. Duties on household goods will be lowered from 30 percent to 20 percent next year and to eight percent in 1993.

Tariffs on rare metals, mostly traded in ingots and powder, will be slashed from 20 percent to five percent next year. The five percent rate will continue until 1993. Included in this category are cobalt, bismuth, cadmium, titanium, zirconium and manganese.

Exports Via Trans-Siberian Railroad Increase

SK0706013588 Seoul YONHAP in English 0118 GMT 7 Jun 88

[Text] Seoul, June 7 (YONHAP)—South Korea's exports via the Soviet Union's Trans-Siberia Railroad (TSr) increased substantially in the first quarter this year but began to decline in the second quarter, shipping sources said Tuesday.

Export goods shipped to the European and Middle East region via the Soviet railroad in the first five months of this year totaled 4,414 twenty foot equivalent units (teu's), up 77.9 percent from the same period of last year.

Some south Korean goods are shipped on the TSR to europe, including east bloc countries, and to such countries as Iran and Afghanistan.

Exports via the TSR increased steadily in the first quarter of this year but began to decline in the second quarter.

In May, export goods amounting to 813 teu's were shipped on the TSR, more than three times the 258 teu's shipped in may last year.

The figure in May, however, represented a 12.5 percent decline from April's 929 teu's.

The second quarter decline is due to a general drop in Europe-bound shipments in the aftermath of Korea's labor disputes in April, the sources said.

They expect Korea's exports on the Trans-Siberia Railroad will rise somewhat in the latter months of this year.

Ujin Shipping Co., which acts as a general agent of West Germany's poseidon Container Transport Co., collects the export goods bound for Europe and the middle east and delivers them to Y.S. Lines of Japan which ships the goods to the Soviet port of Vostochiny, near Vladivostok.

South Korea does not have diplomatic relations with the Soviet Union or with any communist country.

POLITICAL

Kim Chong-yol Issues 'Declaration of Conscience'

SK2405155888 Pyongyang KCNA in English 1523 GMT 24 May 88

[Text] Pyongyang May 24 (KCNA)—MINJOK SIBO, a Korean newspaper under the influence of the "ROK Residents Association in Japan" (Mindan) on May 1 carried a declaration of conscience published by Kim Chong-yol, former "prime minister" of south Korea, on March 23, under the headline "white paper to the people."

In the declaration he says:

I was one-time "defence minister" and then "prime minister" and "once again earned myself notoriety by being used for the purpose of Chon Tu-hwan and No Tae-u, assuming the pronoun of chief culprit in election frauds. with such background behind me, how can I have the face to meet my people?"

He says:

It is my wish to apologize for at least an iota of my grave mistakes by bringing to the open my unjust record to the aggrieved souls who departed this world while crying for democratisation.

I, Kim Chong-yol, think that my birth into this world itself was the origin of the great misfortune. None of the fraudulent elections from the March 15 vote rigging, to the April 27 fraudulent ballot counting and the computerised rigging on December 16, would have been successful without me, Kim Chong-yol.

But, the March 15 election rigging forced Syngman Rhee into exile, the April 27 rigging brought Pak Chong-hui to his death and the December 16 computerized rigging will force Chon Tu-hwan into exile and cast dark clouds ovr the future of No Tae-u. It is as clear as daylight.

Saying he wants to repent for his crimes to the nation and history by exposing all these records of irregulaities, Kim Chong-yol goes on:

I say that I have no more to repent of or regret because I would end my days for ever on the gallows, unnoticed by anyone, caught in the trap of evil laws set by myself by having brought to light the inside story of the December 16 "presidential election" last year, and I would be lucky if, by death, I could be a handful of compost for the future of democracy.

I hope the representatives of the political parties and major public organisations who read this white paper will make public these facts to the whole world so as to implant the conviction that justice overwhelms injustice, lead and awaken people to bar the dishonest men from insulting the honest and righteous men and foster the people's spirit of unyielding to injustice.

I know better of the real state of power than anybody else. I am going to boldly meet my remaining days which are numbered and willingly comply with my own crime and forthcoming destiny.

1) I expose to the people that the December 16 "presidential election" was a computerized coproduction of the U.S., Japan and south Korean "government".

2) I declare that the KAL incident was an international humbug conspired in advance by the U.S., Japan, Bahrain and south Korean "government" to give birth to the No Tae-u "regime".

3) Mayumi is a victim of a tricky drama which was deliberately staged at Bahrain airport. What is more surprising is that the Japanese government and the south Korean press in collusion with the Chon Tu-hwan "government" spread false reports in order to mislead the people. In return for this, I declare, over 3,400 million dollars flowed to Japan and the United States.

4) The woman who went by the name of Mayumi was a character of a case jointly planned by the United States, Japan and south Korean "government" to slay Kim Tae-chung during the "presidential election." When the south Korean "government" was about to slay Kim Tae-chung, the U.S. government pursuaded it to give up the plan. Thus Kim tae-chung was spared the murder.

5) A top-secret order r-7 was iesued to work out a plan to poison Kim Tae-chung to death during his "election" campaign in Cholla provinces.

6) Results of the computerized rigging in ballot-counting were sent to the representatives of the press organs and the two leading broadcasting stations, with information provided by U.S. assistant secretary of state Sigur, under the pressure of U.S. ambassador to south Korea Lilley and the final instructions of Chon Tu-hwan. The technical problem for the computerized rigging was successfully solved on October 3 last year under the direction of the "security planning board" and with the top-class technicians of the Samsong group and the two broadcasting stations.

7) A "plan for removing those hailing from Cholla provinces" was worked out at an annex to the Samchongdong by Chon Tu-hwan, No Tae-u, Kim Pok-tong, Pak Chun-pyong, Cho Pyong-tuk, Chong Ho-yong, Yu Hak-song and myself to drastically reduce and completely incapacitate those holding high posts of the army, police and "government officials."

8) When No Tae-u was relieved of "home minister" he was involved in the "new village" irregularities, a large amount of money of the "national treasury" flowed out

as "new village fund," and, all the more surprising, the case of policeman U in Uiryong was tragedy designed to hush up the Kwangju bloodbath. Through agreement between Chon Tu-hwan and No Tae-u drug was given to the policeman U to make him fire at random, with the aim of diverting public attention elsewhere. Policeman U shot only 5 or 6 people dead. But ill-famed paratroopers were hurled in at the time to shoot dead innocent people and disappear without leaving a trace.

9) No Tae-u must dispel the doubt of the people by giving them a detailed explanation why he must be beaten in humiliation by Chon Tu-hwan on January 21.

10) Ballot-counting by computerized broadcasting would, after all, "secure" a "state majority of seats" for the "Democratic Justice Party" and, when it is aired, no demonstration, to say nothing of resistance, would be allowed.

The "security planning board" and "security command forces" were at the ready with full preparedness for this. When words were abroad about a support of 55 percent, it meant that the faked-up number of "seats" had been confirmed. and this means, in fact, the enforcement of a "constitutional amenduents for the cabinet responsibility system", a permanent office system of the "Democratic Justice Party". The ballot-counting of the "general elections" would have to be accepted as final as long as the two leading broadcastings are used as the media. I hope the people and the entire democratic forces will rise up.

11) Over 13,200 million dollars of fortunes whisked off by Chon Tu-hwan abroad are deposited in different countries.

In conclusion Kim Chong-yol says there are many other points to be exposed, but he hopes they will be brought to light of their own accord.

I make it clear that there is no shadow of doubt as to all the fact mentioned above, he stresses.

Kim Won-chon Speaks on Significance of Musan Battle

SK2305045388 Pyongyang KCNA in English 0430 GMT 23 May 88

[Text] Pyongyang May 23 (KCNA)—A Yanggang provincial meeting was held in Samjiyon county on May 22 to mark the 49th anniversary of the victory of the battle in Musan area, Korea, (May 1939) organized and commanded by the great leader comrade Kim Il-song during the anti-Japanese armed struggle.

In his report at the meeting, Kim Won-chon, Chief Secretary of the Ryanggang Provincial Committee of the Workers' Party of Korea and chairman of the Yanggang Provincial People's Committee, said the Musan area battle was a historical operation for thrust into the homeland, which was of weighty significance in winning victory in the anti-Japanese revolutionary struggle.

At a time when the Japanese imperialists' brigandish suppression and plunder of the Korean people were stepped up and their moves to obliterate the Korean nation became undisguised in a malicious manner, comrade Kim Il-song put forward a policy of advancing into the homeland on the part of the main force of the Korean people's revolutionary army (KPRA) to deal successive blows at the Japanese imperialists who had suffered a defeat from their "winter operation" and to open a new phase of national liberation, the reporter said.

He pointed out that Comrade Kim Il-song, personally commanding the main force of the KPRA, crossed the river Amnok and arrived in the homeland on the morning of May 18 and instilled in the guerrillas the spirit of warm love for the homeland and people and towering hostility against the enemy. Leading the main force to Taehongdan, he annihilated the Japanese imperialist aggressors at a stroke with his outstanding strategy and tactics and superb methods of war and powerfully roused broad segments of the masses in the sacred struggle for national liberation, thereby bridging over the difficulties and opening a phase favourable for the victory of the Korean revolution as a whole, the reporter said.

He recalled that after the victorious offensive operation in Musan area comrade Kim Il-song administered telling blows continuously at the Japanese imperialist aggressors with superb large-unit circling operation in the area northeast of Mt. paektu, commanding the main force of the KPRA in person, to expand and develop the anti-Japanese armed struggle unremittingly.

It is thanks to the wise leadership of comrade Kim Il-song, the revolutionary spirit of Mt. paektu and indomitable fighting spirit that the historical cause of national liberation was successfully carried out and the korean revolution has won victory after victory and the Korean people are dynamically accelerating the realization of the cause of chuche, he stressed.

A meeting was held also in Taehongdan county on the same day to mark the anniversary.

KCNA Notes Capital Builders' Achievements

SK2105043988 Pyongyang KCNA in English 0430 GMT 21 May 88

[Text] Pyongyang May 21 (KCNA)—Today is the red-letter day of the Korean builders.

The builders of Kwangbok street and other major objects of the capital are greeting this day with significant achievements.

The housing constructors of Kwangbok street have increased the assembling speed of high-rise flats 50 per cent up on that before the 200-day campaign. during the last one month they erected apartment houses for more than 1,000 families.

The construction of the students anh children's palace, the circus theatre and youth hotel, too, is going forward at terrific clip.

The builders of the Angol sports village have erected sports establishments (nine gymnasiums and one stadium) and public buildings with a total floor space of 267,000 square meters and completed over 3,000 meters of road building.

The assembling of shade trusses has been completed at the Rungra-to stadium under construction, one of the biggest in the world. this means that 75 per cent of the total project has been carried out in the stadium building. In a short period, the builders there assembled more than 190 shade trusses, each measuring 100 to 120 meters, across 16 spans in a short time. now they are busy with galvanised sheet roofing and inside projects.

At the construction site of the Yanggak-to football stadium galvanized sheet roofing covering more than 22,000 square meters has been wound up.

The builders of the international communication center on a bank of the river Potong have completed the construction of the inside structures one month earlier than schedule. They have developed a speed 80 per cent faster than that in the pre-campaign days in exterior and interior finishing touches.

Dramatic results are reported from all the construction sites in the capital, among them the Pyongyang international airport, the international cinema house, the east Pyongyang grand theatre, the youth theatre and the Rungra bridge.

The Pyongyang International House of Culture, the Angol flyover and the Angol road have already been completed.

200-Day Campaign Ongoing in Sunchon Complex

SK2405154088 Pyongyang KCNA in English
1517 GMT 24 May 88

[Text] Pyongyang May 24 (KCNA)—The 200-day campaign is vigorously going on at the construntion site of the Sunchon Vinalon complex.

Since the start of the campaign, the results of work jumped to 207 percent in concrete tamping, to 147.6 percent in the assembling of steel frames and to 236.2 percent in the assembling of equipment on a daily average compared with the previous corresponeing period.

At the raw material district, the construction of a 75 ton boiler which is to supply steam to all districts of the complex reached the final stage.

The structural assembling of some part of the raw material transport, crushing and selection systems has been finished and the assembling of equipment for them is under way.

At the Methanol district, the project of a 15,000 cubic metre gas tank is near completion, and the architectural projects of methanol synthesizing and refining processes are progressing on the final stage.

At the vinalon district, the architectural projects of aldehyde, glacial acetic acid, polymerizing and spinning processes have been finished in the main.

A big progress has been made in the assembling of equipment and pipes.

The construction of a thermal power station, the expansion project of the songsan mine, the project of the waste water-channel, the construction of dwelling houses and other projects are also progressing apace.

ECONOMIC

Railway Workers Launch Extra-Traction Drive

SK1205151588 Pyongyang KCNA in English
1459 GMT 11 May 88

[Text] Pyongyang May 11 (KCNA)—The Korean railway workers have launched a dynamic extra-traction drive on the occasion of the Day of Railway Workers (May 11).

According to data available, in a little more than two months of the 200-day campaign their extra haulage was over 2.6 million tons more than that in the corresponding period last year.

"The drive for extra-haulage on schedule without accident to implement the decision of the 18th plenary meeting of the fifth central committee of the Workers' Party of Korea (June 1979)" is a massive innovation drive in railway transport.

In this drive all the engine drivers are required to operate trains without accident, hauling an extra 50-ton freight wagon more [as received] each.

Unprecedented innovations are being recorded these days in the heat of this drive.

The northern and eastern general railway bureaus transport more than 10,000 tons of extra freight almost every day in the 200-day campaign.

The West Pyongyang Locomotive Corps under the Western General Railway Bureau hauled 309,400 extra tons of freight in a month through the dynamic extra-traction drive. The Cholgwang Locomotive Corps hauled nearly 100,000 extra tons.

Other locomotive corps are carrying in time cement, steel, timber, etc. needed at major construction sites including the Sunchon Vinalon Complex, Kwangbok Street and the Taechon Power Station.

During the two months or more of the 200-day campaign the transport workers under the Haeju railway administration hauled over 200,000 more tons than in the corresponding period last year to overfulfil their commitments 20 percent.

Entering May, locomotive corps across the country are daily surpassing the rated capacity of haulage 20 percent through the vigorous extra-traction drive.

FOREIGN RELATIONS, TRADE

Shevardnadze Fetes Kim Yong-nam 29 April

SK0805131488 Pyongyang Domestic Service in Korean 2300 GMT 30 APR 88

[Text] Comrade Eduard Shevardnadze, member of the CPSU Central Committee Politburo and minister of foreign affairs of the USSR, on 29 April arranged a luncheon in Moscow for Comrade Kim Yong-nam, member of the WPK Central Committee Political Bureau, vice premier, and minister of foreign affairs of the DPRK, who is on an official goodwill visit to the Soviet Union. Invited to the luncheon were the foreign minister of our country and his entourage and Kwon Hui-kyong, DPRK ambassador to the USSR.

Also present on this occasion were Medvedev, secretary of the CPSU Central Committee; Klyuyev, Minister of Light Industry; Busygin, Minister of Timber, Pulp and Paper, and Wood Processing Industry; (Smirnovskiy), deputy chief of the CPSU Central Committee International Department; Rogachev, deputy foreign minister; (Sheptsova), deputy chairman of the Union of Soviet Societies for Friendship and Cultural Relations with Foreign Countries; Gennadiy Bartoshevich, Soviet Ambassador to our country; and functionaries of the relevant sector.

Comrade Eduard Shevardnadze spoke first at the luncheon meeting. In his speech he welcomed the visit to the Soviet Union by the foreign minister of our country and his entourage, and, saying that the friendship between the two countries, the Soviet Union and Korea, is invariable and firm, he noted: The meeting between Comrade Gorbachev and Comrade Kim Il-song in October 1986 gave important impact to this process. The realization of the fundamental agreements achieved in the meeting defined the considerable content of the work to enrich bilateral relations. The relations between the two countries have a firm basis. The Treaty on Friendship, Cooperation, and Mutual Assistance firmly connects the relations of alliance between us. We intend to complete relations in all fields on this basis. The purpose of this is more effective forms of economwc cooperation.h

He noted that perestroyka in the Soviet Union is continuously evoking more broad masses, and mentioned that the entire party membership and the entire country are now preparing now for the meeting of the 19th All-Union party delegates.

He said: We know how energetically and extensively the Korean people are conducting socialist construction under the leadership of the WPK.

He continued: This year is a significant year when the DPRK will greet the 40th anniversary of the founding of the Republic in September. This is our festive day, too. We share with them proud resolve to build a socialist country on the Korean peninsula with modern industry, highly productive agriculture, and advanced science and culture.

The USSR and the DPRK are struggling together for peace and the security of the Asian and Pacific region and the entire world. The Soviet Union is convinced that the future of our planet largely depends on the situation in this region. Therefore, Comrade Gorbachev, in his speech at Vladivostok, put forward an idea on adopting a comprehensive attitude for ensuring the security of Asia with the efforts of all countries concerned.

He called for establishing an atmosphere for peaceful and equal cooperation in the Pacific region. Commenting on the situation on the Korean peninsula, he noted that the source of tensions continues to remain there, and continued: The fundamental cause of this is that the southern part of the peninsula has been converted into a large military base, a forward nuclear base of the United States. The process of militarizing South Korea itself is in progress in an even more intensive way. Conducting such large-scale military exercises as "Team Spirit-88" far from contributes to easing the situation. As proposed by the DPRK, the show of strength should be completely called off on the Korean peninsula. Like our Korean friends, we believe it fundamental to eliminate military and political confrontation. This would be precisely the result of implementing the idea of making the peninsula a nuclear-free zone. The DPRK has already virtually declared its territory to be a nuclear-free zone. The next step is now up to Seoul and Washington, that is, to remove U.S. nuclear weapons from South Korea. If this happens—and we persistently urge it of the Americans—the Soviet Union would be ready, together with the other major nuclear powers, to guarantee the nuclear-free status of the Korean peninsula.

As Korea and the ASEAN countries proposed, if a nuclear-free zone is established in Southeast Asia, it will greatly contribute toward expanding the international movement to save the planet from nuclear calamity when added to the nuclear-free zone proclaimed in the South Pacific.

Another proposal of the DPRK to reduce the armies and the arms of the North and the South in stages, cutting their military strength respectively to 100,000 men by 1992, while the U.S. troops are withdrawn would contribute to easing tensions. It is self-evident that this will not encroach upon anyone's security, the North or the South.

It is believed in the Soviet Union that it is necessary to establish a constructive inter-Korean dialogue, the aim of which would be to achieve Korean reunification on a peaceful democratic basis without any interference from the outside. Saying that initiating dialogue toward this end is important, he referred to the need to convene the North-South joint conference proposed by the DPRK government.

He continued: We hope that the national reconciliation called for by the DPRK will ultimately become reality and that the peaceful reunification of the country—the long cherished desire of the Korean people—will be realized. I sincerely wish you success over this course. I wish long life and good health to the great friend of our country Comrade Kim Il-song, general secretary of the WPK Central Committee, and President of the DPRK; and to Comrade Kim Chong-il, member of the Presidium of the Political Bureau and secretary of the WPK Central Committee.

Finally, he expressed his conviction that the invincible friendship between the two parties, two countries, and two peoples of the Soviet Union and Korea will further develop.

Comrade Kim Yong-nam spoke next. He stressed that the friendly and cooperative relations between the two countries have developed more rapidly since the great leader Comrade Kim Il-song had a historic meeting with respected Comrade Mikhail Sergeyevich Gorbachev. He noted that the contacts and discussions between us have been close and the exchange of opinion on problems of mutual interest has been frequent, and this was very beneficial for promoting the mutual understanding and solidarity and for intensifying mutual support and cooperation between us.

He said that the Soviet Union has in recent years made many peace proposals—such as proposals to ban nuclear tests, to realize nuclear arms reduction, to prevent the militarization of space, and to completely abolish nuclear weapons and chemical weapons by the end of this century, as well as the proposal to convert the Asian and Pacific region into a zone of peace and cooperation free of nuclear weapons—and has been actively struggling to realize them, and said that we extend full support and solidarity with the peace-loving initiatives and measures taken by the Soviet party and government.

Noting that the treaty to eliminate some nuclear weapons signed by the Soviet Union and the United States is a significant starting point in easing tension and realizing nuclear reduction, he said: Today, world desires for arms reduction, nuclear reduction in particular, and the easing of the overall international situation. These are the aspirations and desires of all peace-loving people.

Saying that as shown by realities, the United States perlistently sticks to regional problems to which it is not directly related, while continuing to evade settlement of matters it is directly responsible for, he noted: We consider that the U.S. imperialists cannot evade responsibility for solving the Korean problem caused by their occupation of South Korea.

Saying that the United States is constantly trying to seize South Korea as its forward nuclear base in realizing its strategy toward Asia and the Pacific by perpetuating the division of Korea, he stressed: If the United States genuinely wants to ease tension on the Korean peninsula, it should withdraw its troops and nuclear weapons from South Korea and not block the peaceful reunification of Korea.

Noting that the imperialists are now scheming to maintain the hotbed of war with allied forces, and are presently making crafty attempts to attain cross-recognition, he stated: Proceeding from a sense of the lofty mission toward the cause of peace, the government of the Republic will make every effort to have the U.S. troops and nuclear weapons withdrawn from South Korea, to check and frustrate the attempt of splittists at home and abroad to concoct two Koreas, and to put an end to division on the Korean peninsula, which is becoming a hotbed of war. We are convinced that as in the past, the Soviet Union and other fraternal socialist countries will also extend active support and solidarity to our people's just cause of achieving the independent and peaceful reunification of the country. He said: We are pleased with meeting with Soviet friends and directly witnessing their labor struggle by visiting the Soviet Union when the fraternal Soviet people, under the leadership of the CPSU led by respected Comrade Mikhail Sergeyevich Gorbachev, are pushing ahead with the overall work of reform, upholding the decisions of the 27th party congress.

Saying that constantly strengthening and developing Korea-Soviet friendship are the firm stand of our party and government of the Republic, he emphasized that in the future, our people will also make every effort to comprehensively expand, deepen, and develop the friendly and cooperative relations between the two countries.