

338146

JPRS-KAR-86-042

10 OCTOBER 1986

Korean Affairs Report

DISTRIBUTION STATEMENT A
Approved for Public Release
Distribution Unlimited

20000201 091

EXCLUDED FROM AUTOMATIC DOWNGRADING AND DECLASSIFICATION

FBIS FOREIGN BROADCAST INFORMATION SERVICE

Reproduced From
Best Available Copy

REPRODUCED BY
U.S. DEPARTMENT OF COMMERCE
NATIONAL TECHNICAL
INFORMATION SERVICE
SPRINGFIELD, VA. 22161

2
61
A04

NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service, Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semi-monthly by the National Technical Information Service, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

10 OCTOBER 1986

KOREAN AFFAIRS REPORT

CONTENTS

INTER-KOREAN AFFAIRS

Daily Analyzes North's Propaganda Against Asiad (THE KOREA HERALD, 18 Sep 86)	1
Editorial Warns of Pyongyang's 'Anachronistic' Goals (THE KOREA HERALD, 14 Sep 86)	3

OLYMPIC GAMES

Seoul Bombing Incident Not To Affect Olympics (XINHUA, 18 Sep 86)	5
IOC To Hold Fourth Inter-Korean Sports Meeting (YONHAP, 18 Sep 86)	6
Assembly To Adjourn Regular Session During Asiad (THE KOREA HERALD, 16 Sep 86)	8
Briefs	
Asiad Security	9
Asian Olympic Council President	9
Athletes Gather in Seoul	9
IOC Meeting	10

SOUTH KOREA

POLITICS AND GOVERNMENT

Kim Yong-sam Seeking Democracy, 'Not Presidency' (THE KOREA TIMES, 14 Sep 86)	11
--	----

No Tae-u Sure of Parties' Compromise on Cabinet System (THE KOREA HERALD, 18 Sep 86)	12
Regular National Assembly Session Begins 20 Sep (THE KOREA HERALD, 20 Sep 86)	14
Factions in NKDP Discuss Steps on Public Hearings (THE KOREA TIMES, 16 Sep 86)	15
DJP Chairman No Speaks on Party's Stand (THE KOREA TIMES, 14 Sep 86)	16
Constitutional Revision Compromise Urged	16
Inchon Incident Justifies System	17
Kim Yong-sam's Debate With Kwanhun Club, DJP's Reaction (THE KOREA TIMES, 18 Sep 86)	18
NKDP Leaders Comment	18
DJP Reaction	18
Students Attempt To Break Into DJP Offices (THE KOREA TIMES, 12 Sep 86)	20
DJP Urges Drastic Countermeasures Against 'Impure' Forces (THE KOREA TIMES, 16 Sep 86)	21
Military Connections of Business Executives Detailed (Pae In-Jun; SIN TONG-A, Aug 86)	23
Daily Calls for Further Tightened Security (Editorial; THE KOREA TIMES, 16 Sep 86)	35
Reportage on 14 Sep Kimpo Airport Bombing Incident (Various sources, various dates)	37
Probe Expanded Overseas	37
Papers Condemn Bombing	38
Investigation Focused on Leftists	40
Briefs	
Brief on Ministers' Talk	41
Senior Journalist Gathering	41
 MILITARY AFFAIRS	
Briefs	
Special Alert Against Terrorists	42

ECONOMY

EPB Releases Report on 6th 5-Year Economic Plan
(YONHAP, 16 Sep 86) 43

Radical Miners, Families Start Hunger-Strike Demanding Pay
(THE KOREA TIMES, 12, 13 Sep 86) 45

Coal Miners Stage Sit-In 45
Rally for Family Allowance 46

SOCIAL CONDITIONS

Briefs
Abolition of Discriminatory Law 47

KOREANS IN JAPAN

Briefs
Fingerprint System Revised 48

FOREIGN RELATIONS

Dailies Report on Nakesone Seoul Visit
(THE KOREA TIMES, 17 Sep 86; CHUNGANG ILBO, 19 Sep 86) ... 49

NKDP Reactions 49
'Difficult' Visit, Editorial 50

Japan's Positive Action Urged Responding to Korean Approach
(Editorial; THE KOREA TIMES, 13 Sep 86) 52

Philippine Foreign Minister To Arrive 7 Oct for 6 Day Visit
(YONHAP, 22 Sep 86) 54

Kim Yong-sam Reluctant To Welcome JSP's Doi
(KYODO, 16 Sep 86) 55

ROK-Canadian Textile Talks Held in Ottawa
(YONHAP, 13 Sep 86) 56

/9987

INTER-KOREAN AFFAIRS

DAILY ANALYZES NORTH'S PROPAGANDA AGAINST ASIAD

SK180039 Seoul THE KOREA HERALD in English 18 Sep 86 p 3

[Text] Sunday's bomb blast at Kimpo International Airport, which occurred only a week before the start of the Asian Games, was likely to have been the work of North Korea Communists or the subversive leftists instigated by them.

The speculation, though yet to be proven by the authorities, is based on the fact that the North has been bent upon obstructing the games "by all means."

[Word indistinct] has criticized the South's hosting of the Asiad as "a scheme to perpetuate the division of the peninsula, as well as carrying out anti-games propaganda. The move by some radical leftist-leaning students to protest the games has aided the northern communists in their "games prevention maneuvers."

With this background, it is reasonable and safe to believe that the North may be responsible for the barbarous behavior, or at least a wirepuller. The North has denounced the South with such malicious rhetorics as: the South has many human rights violation cases, the aids disease is rampant in the South, and the South is responsible for the heightening of tension in the Korean peninsula.

North Korean media and other formal or informal addresses by northern officials have centered on the effort to disrupt the forthcoming Asiad and the Olympics in 1988, both to be held in Seoul.

On many occasions through its party organ, the Nodong Shinmun, the North communists criticized the South's inducement of the games as "a plot to prolong its grip on political and power and perpetuate the division of the two Koreas." Along with this, it has insisted that the games site be somewhere other than Seoul, spreading propaganda that the South cannot guarantee the safety and security of all participating athletes.

Since then, as expectations for the Seoul games grew both at home and abroad, the North issued a statement 10 December 1984 by the name of its premier Kang Song-san which read, "We don't want the Olympics to be held in the South, nor do we want it held in the North."

Prior to the statement, the northern regime once begged Cuban premier Fidel Castro to send a letter to Juan Antonio Samaranch, president of the International Olympic Committee, demanding that the games be hosted both by the South and the North.

The co-hosting was a retreat from its previous stance, realizing on their part that international opinion was in the South's favor. Besides, the North has bought pages in pro-Communist foreign news media to carry articles supporting its position on the games, while at the same time making diplomatic maneuvers to fulfill its preposterous demand. The North Korean intent was also revealed in a series of sports talks at Lausanne, Switzerland.

With the Asian Games just around the corner, the North has elevated its anti-games operations, saying the "South takes advantage of the Asiad to deepen South-North confrontations and division."

In a broadcast early this month, it alleged that the South was on the brink of a war "at any time."

The Communists in the North also dissuaded the Asian athletes from participating in the games with false broadcasts that South Korea had more than 600,000 aid victims. Furthermore, the North Korean regime sent cables to each of the participating countries in the region on 3 September which said "anybody that loves peace shouldn't go to the Seoul Games."

The contents can but be challenged to the self-respect and dignity of the Korean people.

These and other attempts by the North are interpreted as last-ditch efforts to block the games, and its intent to justify its possible invasion of the South, at the worst.

North Korean chieftain Kim Il-song, in a public speech last March, declared that he would not sit idle while the Asian Games was in progress in Seoul.

The remarks alone lend weight to the speculation that the atrocity at Kimpo Airport may have been perpetrated by the North Korean Communists or subversive elements instigated by them.

/12913
CSO: 4100/003

INTER-KOREAN AFFAIRS

EDITORIAL WARNS OF PYONGYANG'S 'ANACHRONISTIC' GOALS

SK140010 Seoul THE KOREA HERALD in English 14 Sep 86 p 4

[Editorial: "Pyongyang's Adventurism"]

[Text] A change, at least outwardly at the moment, is afoot in Northeast Asia. Perhaps, it will result in a restructuring of political order in this region that is no less insignificant than the antagonizing Sino-Soviet relations of the early 1960s and the rapprochement between the United States and China one decade later.

The present change is underway while Northeast Asia is being given increasing attention as one of the most dynamic areas of the world. One important indicator surely was Soviet leader Mikhail Gorbachev's recent Vladivostok speech, which emphasized Moscow's growing role as an Asian Pacific power.

Quite interestingly, Beijing was quick in responding to Moscow's overture with its leader Deng Xiaoping even going further to suggest a summitry between the two Communist giants. As yet, such moves remain short of expecting a substantial outcome. But they are certainly laying the groundwork on which tangible changes can be made. Few had expected the initial feud between Moscow and Beijing to develop into their eventual antagonism.

Against the backdrop of such an evolving situation, the Korean peninsula--because of its geopolitical position being the focus of influence by four major powers--is receiving increasing attention. How to keep the peninsula stable, therefore, has become ever more vital.

As Robert O'Neill, director of the International Institute for Strategic Studies, adequately pointed out, the one thing that doesn't seem to be changing much, despite the ongoing changes in Northeast Asia, is North Korea. This fact is receiving attention elsewhere as well, and it is becoming a significant concern.

Pyongyang seems to be inclined to draw attention the way others of the world's civilized society dare not follow. It means resorting to such anachronistic absurdity as could be conceivable in the cold war era. One telling example is that it attempts, in a blatant way, to sabotage the Asian Games, which open in Seoul in a week.

By all indications, the Pyongyang Communists are intent upon making the best of every opportunity possible to realize their anachronistic goals as the course of international political environment changes. Recently, they seem quite encouraged by procurement of advanced Soviet arsenals. Obsessed with the notion that time goes against their cause, they are increasingly tempted to resort to adventurism.

Any eventuality that might result from such adventurism would foil whatever positive goals are in the minds of those who seek peace. It is the time for all to cooperate in helping the northern communists to understand that the only choice available to them is to follow the norms of the world society. One should refrain from doing, even if unwittingly, what might mislead them at this important juncture of a changing period.

/12913
CSO: 4100/003

OLYMPIC GAMES

SEOUL BOMBING INCIDENT NOT TO AFFECT OLYMPICS

OW181316 Beijing XINHUA in English 1243 GMT 18 Sep 86

[Text] Seoul, 18 September (XINHUA)--Juan Antonio Samaranch, president of the International Olympic Committee, said here today that the bomb explosion last Sunday would not affect the 24th Olympic Games in Seoul in 1988. He told the press after a two-and-a-half-day session of the IOC executive board meeting that the explosion would not affect the Asian Games, which are soon to open, as well as the Olympic Games two years later.

"I have been reassured that nothing like that would happen during the Olympic Games," the IOC president said, adding that all necessary measures would be taken against terrorism. Samaranch said that the International Olympic Committee has made public its position on the joint hosting of the 1988 Olympic Games by the two sides of Korea. The southern side has replied to him, but he is still waiting for the reply from the northern side.

The IOC proposal for the joint hosting was that table tennis, archery, men's 100 km road cycling race and football preliminaries be held in the northern part of Korea with the other sports and events staged in the south. He said that there was no deadline for the reply, but everything should be settled one year before the Olympic Games open on 17 September 1988.

Samaranch said that both sides of Korea must accept the IOC position without conditions and nothing could be negotiated. He said that there would be no boycott from the Soviet Union or other countries during the 1988 Olympic Games, because representatives from those countries have already participated in a number of important international meetings in Seoul.

Participation in the Olympic Games is not compulsory, the IOC president said. The International Olympic Committee would send invitations to the National Olympic Committees one year before the games open and the NOCS have three months to consider before they reply.

/12913
CSO: 4100/002

OLYMPIC GAMES

IOC TO HOLD FOURTH INTER-KOREAN SPORTS MEETING

SK181005 Seoul YONHAP in English 1001 GMT 18 Sep 86

[Text] Seoul, 18 September (YONHAP)--International Olympic Committee (IOC) President Juan Antonio Samaranch said Thursday that the IOC has decided to hold a fourth inter-Korean meeting to settle the dispute between North and South Korea over hosting the 1988 summer Olympics.

At a meeting last week in Switzerland, Samaranch said he urged the North Koreans to accept an IOC proposal to have two events--archery and table tennis--held in North Korea. Samaranch said that the meeting, to be held at the earliest possible date, would take place only on the condition that the two sides "unconditionally accept" the IOC proposal. South Korean officials agreed to the IOC proposal earlier this summer.

If Pyongyang unconditionally accepts the proposal, pending issues, including the free exchange of athletes, officials, and pressmen between the two countries, will be tackled on a "point by point" basis, Samaranch said.

Samaranch, who is in Seoul for an IOC meeting and the opening of the Asian Games on Saturday, described the terrorist bombing last Sunday at Seoul's Kimpo Airport, which killed five and injured 30, as a "sad incident."

Despite the bombing, Samaranch expressed confidence that it will not adversely affect the upcoming Asiad or 1988 Olympiad.

Commenting on a possible Soviet-North Korean-led boycott of the Seoul Olympics, Samaranch noted that "participation in the Olympics is not compulsory." The Soviet Union and a number of its allies boycotted the 1984 Olympics in Los Angeles. Four years later, [as received] the United States led a western boycott of Moscow Games.

The IOC president said that China's participation in the Asian Games is a positive sign for the 1988 games. Samaranch expressed the hope that the Asiad will be successful and will serve as a springboard for Seoul's successful staging of the 1988 Olympiad.

Also speaking at an afternoon press conference was Primo Nebiolo, president of the Association of Summer Olympic International Federations. Nebiolo pressed the IOC to accept its proposal for the equal distribution of television money

generated by the Olympics between the two organizations. He said the federations invited officials from the National Broadcasting Co. in the United States to attend this week's meetings in Seoul to discuss the television rights issue.

The U.S. television network has paid the Seoul Olympic Organizing Committee 300 million dollars.

/12913

CSO: 4100/002

OLYMPIC GAMES

ASSEMBLY TO ADJOURN REGULAR SESSION DURING ASIAD

SK160117 Seoul THE KOREA HERALD in English 16 Sep 86 p 1

[Text] The National Assembly will adjourn its regular session during the Asian Games, slated for Saturday through 5 October, shortly after holding an opening session Saturday morning.

Rival political parties agreed on the adjournment yesterday when the floor leaders met at the Assembly to discuss the operation of the 90 day session that starts Saturday. The floor leaders also agreed to allow the Standing Assembly Committees to determine themselves whether or not to meet during the 20 day Asiad.

The opposition New Korea Democratic and Korea National parties earlier demanded the committee convene to look into Sunday's explosion at Kimpo International Airport.

The three floor leaders were Yi Han-dong of the ruling Democratic Justice Party, Kim Ton-yong of the main opposition NKDP and Kim Yong-chaeh of the minor opposition KNP. The senior vice floor leaders of the three parties will get together today for specified discussions on the matter.

In yesterday's meeting, the floor leaders agreed in principle not to convene the sessions of the Trade-Industry and Education-Information committees.

DJP floor leader Yi said convening the sessions is not proper at this time "because the government is making its best efforts to ensure security for the Asian Games."

/12913
CSO: 4100/002

OLYMPIC GAMES

BRIEFS

ASIAD SECURITY--Seoul, 18 September (YONHAP)--A 138 member Chinese contingent arrived in Seoul Thursday, bringing the total number of officials and athletes who have checked into the Asiad village and sub-villages to 3,347, representing 26 countries. Yuan Weimin, the chief of the Chinese Asiad squad, led the third of four sections of the 520 member Chinese delegation to arrive for the Seoul Asiad. Three hundred forty-two Chinese athletes and officials have already arrived. The last group of the Chinese delegation is scheduled to arrive on 27 September. The Chinese team which arrived Thursday was made up of 104 athletes and 34 officials in badminton, wrestling, women's basketball, men's and women's volleyball and archery. Chen Fu Shou, a 54 year old badminton coach, referring to the recent bomb blast at Kimpo International Airport, said that the incident did not make him worry about security at the games or his safety during his stay. "I thought the security net would be tightened after the incident," Chen said, adding that he heard about the incident in Beijing through newspapers and television. [Names as received] [Excerpts] [Seoul YONHAP in English 0844 GMT 18 Sep 86 SK] /12913

ASIAN OLYMPIC COUNCIL PRESIDENT--Seoul, 17 September (YONHAP)--Shaykh Fahd al-Sabah, president of the Olympic Council of Asia (OCA), arrived here Wednesday afternoon four days before the opening of the Seoul Asiad. On arrival at Kimpo International Airport, he was greeted by Kim Chong-ha, chairman of the Korean Olympic Committee, and Yi Ha-wu, secretary general of the Seoul Asian games organizing committee. Fahd reiterated his support in the Korean security for the games in his remarks on arrival. On Sunday five people were killed and thirty others injured when a terrorist bomb exploded at the airport. Fahd sent Seoul officials a message on Monday expressing his confidence in their security efforts in spite of the bombing. Fahd will convene the OCA General Assembly session next Thursday. During the Seoul meeting, a new OCA president will be elected. While Fahd is expected to seek re-election, other candidates include IOC [International Olympic Committee] executive board member He Zhenliang of China and Tan S.H. Hanzah of Malaysia, first vice president of the OCA. [Text] [Seoul YONHAP in English 1003 GMT 17 Sep 86 SK] /12913

ATHLETES GATHER IN SEOUL--Seoul, 17 September (XINHUA)--Over 3,000 athletes and officials from 27 Asian countries and regions have entered the Asian Games athletes village here, a local newspaper reported. They are from Bangladesh, Bahrain, Bhutan, China, Hong Kong, Indonesia, India, Iran, Iraq, Jordan, Japan, South Korea, Kuwait, Lebanon, Malaysia, the Maldives, Nepal, Oman,

Pakistan, the Philippines, Qatar, Saudi Arabia, Singapore, Sri Lanka, Thailand, the United Arab Emirates and Arab Yemen. Athletes from Syria are expected to arrive in the coming days, it said. The tenth Asian Games are slated to open on 20 September through 5 October. [Text] [Beijing XINHUA in English 0028 GMT 17 Sep 86 OW] /12913

IOC MEETING--Seoul, 16 September (YONHAP)--The International Olympic Committee's (IOC's) executive board members may discuss the sharing of some sports events with North Korea concerning the 1988 summer Olympics, an IOC spokeswoman said Tuesday. In a briefing at the morning session of the first day IOC executive board meeting at Seoul's Lotte Hotel, Vedier Michele said though the board meeting has no official schedule to raise the problem, it is possible that the sharing of some sports events with the North may be tabled for Wednesday's session. Asked if Juan Antonio Samaranch, IOC president, has unofficial contacts with South Korean officials to discuss the matter, she replied, "Samaranch is here, and you can expect such contacts. However, officially there will be no such meeting." "Contacts between Seoul and Pyongyang concerning the sharing of some events have been made three times so far, but only in Lausanne," she went on. The IOC will decide on the host city for the 1992 summer Olympics and approve the final sports program and schedule for the Seoul Olympics at Lausanne meeting in October, she said. [Text] [Seoul YONHAP in English 0719 GMT 16 Sep 86 SK] /12913

CSO: 4100/002

S. KOREA/POLITICS AND GOVERNMENT

KIM YONG-SAM SEEKING DEMOCRACY, 'NOT PRESIDENCY'

SK140054 Seoul THE KOREA TIMES in English 14 Sep 86 p 1

[Text] Andong, Kyongsang-pukto--Kim Yong-sam, a permanent advisor of the New Korea Democratic Party, said yesterday that his goal is not the presidency but democracy. Kim, virtual leader of the major opposition party, said in a press conference here, "I am willing to devote myself as an ordinary member for the attainment of democracy."

He said, "I once thought that I would become president by any means in 1980, but I saved myself from ambition for power after a hunger strike in 1983."

Asked if he meant that he would not run for the presidency, he just said, refusing a direct answer, "All kinds of meanings are included in the remarks."

"When a person tries to keep power which he should give up, he will bring about political retaliation," he asserted. "I oppose any political retaliation, but it would be inevitable for the Democratic Justice Party to be politically repudiated by the people, when it deceives the people in an attempt to continue its hold on power," Kim claimed.

He came here to participate in rallies to publicize the presidential government system, sponsored by local party chapters.

In the afternoon, Kim, along with NDP President Yi Min-u and 20 lawmakers, attended a similar rally held on Chongsong.

/9365
CSO: 4100/001

S. KOREA/POLITICS AND GOVERNMENT

NO TAE-U SURE OF PARTIES' COMPROMISE ON CABINET SYSTEM

SKI72357 Seoul THE KOREA HERALD in English 18 Sep 86 p 1

[Text] No Tae-u, chairman of the ruling Democratic Justice Party, said yesterday he is confident a compromise will be reached between rival political parties on the parliamentary cabinet system. He based his confidence on the fact that the opposition has traditionally supported the system.

No made the remarks in a meeting with Selig S. Harrison, visiting senior researcher at the U.S. Carnegie Endowment for International Peace. In the meeting, the DJP chairman said he will exert his best efforts to attain a compromise on constitutional revision. He stressed: "The compromise amendment to the constitution is the only way to speed up the nation's political development."

No, however, excluded the possibility of a compromise on a dual-executive system of government. The rival political parties have sharply confronted with each other over the form of the next government since they agreed to revise the constitution earlier this year.

The ruling DJP has proposed a cabinet system, while the opposition New Korea Democratic Party adamantly advocates a presidential system based on the direct election of the president. No said he is regretful that "opposition politicians cannot express their personal opinions because of problems on the type of government they prefer."

The chairman of the ruling party insisted that he believes more than 90 percent of the opposition politicians support the cabinet system personally. Asked to comment on why the opposition has appeared so strong of late, No said it remains to be seen if it will become a real force.

"The reason is that the incumbent government has made efforts to achieve political development, while advocating autonomy and openness," he replied. "We hope the opposition parties will show a more responsible attitude consistent with their increased strength," No added.

Meanwhile, the DJP chairman objected to a direct presidential election citing reasons that the communists in the north are hawkishly awaiting a chance to invade the south.

No feared massive election rallies under such circumstances will bring about North Korean terrorist attacks, which he said means national catastrophe.

"However, I do not deny the fact that the direct presidential election system also is a democratic system," No remarked.

The Carnegie Endowment is an influential and progressive policy institution in the United States.

/9365

CSO: 4100/001

S. KOREA/POLITICS AND GOVERNMENT

REGULAR NATIONAL ASSEMBLY SESSION BEGINS 20 SEP

SK192343 Seoul THE KOREA HERALD in English 20 Sep 86 p 1

[Text] The National Assembly starts this year's 90-day regular session today to act on a 15,600 billion won (\$17.63 billion) budget bill for fiscal 1987 and other bills.

Following an opening ceremony in the morning, the 276-seat unicameral Assembly will adjourn its plenary session until after the 10th Asian Games. During the adjournment the Assembly will convene some of its standing committees to dispose of agenda items that require urgent action. The Assembly will embark on fullfledged activities after the 16-day Asiad ends October 5.

Discussions on the projected constitutional reform, however, are likely to overshadow prospects for a smooth operation of the regular sitting. The Assembly's Special Constitution Revision Committee was initially scheduled to work out an agreed constitutional reform bill by the end of this month.

The 45-member ad hoc committee was, however, stalled as rival parties sharply disagreed over the proposed live TV coverage of public hearings on constitutional revision.

The opposition New Korea Democratic Party has steadfastly called for a live TV coverage of hearings, but the ruling Democratic Justice Party is opposed to the demand. At present, neither party is ready to make concessions on the issue, and the committee is unlikely to run smoothly in the immediate future.

Political sources said ruling and opposition parties are expected to take advantage of the agreed 16-day political lull during the Asian Games to conduct behind-the scenes negotiations over the constitutional issue.

The sources said the leaders and other ranking officials of the three major parties might get together to attempt to resolve the TV coverage issue--the apparent roadblock to the smooth operation of the special committee. In this connection, Yi Min-u, president of the opposition New Korea Democratic Party, is expected to make a written request to meet with President Chon Tu-hwan to tackle the constitutional issue.

/9365
CSO: 4100/001

S. KOREA/POLITICS AND GOVERNMENT

FACTIONS IN NKDP DISCUSS STEPS ON PUBLIC HEARINGS

SK160113 Seoul THE KOREA TIMES in English 16 Sep 86 p 2

[Text] The top decision-makers of the opposition NDP, excluding the nonmainstreamers and Tonggyo-dong faction led by Kim Tae-chung, showed a softened attitude towards conditions for the public hearings on constitutional revision.

In a meeting of the Executive Council, senior NDP members who follow Kim Yong-sam maintained that a free hand should be given to Representatives Kim Su-han and Yi Chung-chaeh in their negotiations on the method of televising the public hearings.

Party sources said that the "Sangdodong" faction led by Kim Yong-sam now has retreated from their earlier stance demanding a "live" TV hookup of the public debate. They had taken the tough position that the NDP will resign from the special parliamentary committee on constitutional amendment if the ruling party is not cooperative in deciding the power structure of the next government till the end of this month.

NDP floor leader Kim Tong-yong maintained, "To reach our utmost goal of constitutional revision to reintroduce a president-led government based on the direct election formula, a political decision is needed at this moment."

"We should give a free-rein to our chief negotiators to conclude the issue of the telecasting," he said.

Choe Hyong-u, vice president of the NDP, said, "The key point of the politics is to accept the best alternative. Our negotiators need a free hand.

Representatives Song Won-yong and Pak Yong-man also agreed with them, while Representatives Yi Chol-sung and No Song-hwan asserted that the NDP's earlier decision should be observed.

At the end of the meeting, party President Yi Min-u said, "I think we cannot find a solution even if we continue our discussion." Then he instructed Representatives Kim Su-han and Yi Chung-chaeh to meet their ruling party counterparts in the afternoon. As Representative Kim Su-han insisted that he would not meet ruling party negotiators before they accept the NDP's demand, President Yi shouted, "You should."

S. KOREA/POLITICS AND GOVERNMENT

DJP CHAIRMAN NO SPEAKS ON PARTY'S STAND

Constitutional Revision Compromise Urged

SK140038 Seoul THE KOREA TIMES in English 14 Sep 86 p 1

[Text] Wonju, Kangwon-do--The leader of the ruling Democratic Justice Party said yesterday that both ruling and opposition parties will be faced with "political ruin" if they fail to reach a compromise on the projected constitutional revision.

Party chairman No Tae-u said in a press conference here, "The rival parties must agree on a compromised constitutional amendment in order to survive. If not, the failure of the house panel to work on the constitutional amendment will result in irretrievable political ruin."

"Therefore," he said, "the opposition parties must conduct negotiations on the amendment of the basic law. They must sense the mounting crisis."

Then he projected that the full-scale negotiations on the constitutional reform would only be started in the last phase of the crisis, considering past practices of the opposition party.

He came here on the last leg of his 2-week provincial tour to publicize the party-proposed parliamentary cabinet system and to build up his own image as possible successor of the ruling camp to President Chon Tu-hwan.

No went on, "The constitutional revision based on an agreement between the ruling and opposition parties is a national desire and a calling of our times-- it is the only way to attain democracy in our nation."

He also prospected that the stalemated house panel to work on the constitutional amendment will be operated soon "because a call for the resumption of the house panel has been mounting in the New Korea Democratic Party."

Inchon Incident Justifies System

SK120122 Seoul THE KOREA TIMES in English 12 Sep 86 p 2

[From the "Press Pocket" column]

[Text] Inchon--No Tae-u of the ruling Democratic Justice Party took advantage of the May 3 riot in Inchon opposing the presidential government system based on direct presidential elections in a party rally here yesterday.

The DJP chairman said in a "solidarity rally," "You have witnessed how less than 3,000 radical students and laborers aborted the opposition NDP's rally to promote the constitutional amendment, bringing the whole Inchon area into utter chaos." He pointed to a package hanging in the hall, which read, "Never forget the May 3 incident."

Then he claimed that the party-proposed parliamentary cabinet system he adopted as the form of the next government to prevent the recurrence of such social confusion.

He came here on the seventh leg of his provincial tour to publicize the party's proposed government formula.

Some 4,000 members of the DJP attended the rally held at the Inchon Municipal Gymnasium. Many placards and signs praising party President Chon Tu-hwan and supporting the parliamentary system were seen in the rally site.

The "parliamentary system for the whole 40 million people, the presidential government for only one person," one of them read.

But there were few signs in praise of the DJP chairman unlike the previous rally in Taegu, the hometown of No.

The No 2 man in the ruling party hierarchy after President Chon was introduced as "a leader who is exerting himself day and night to solve the grave political situation involving the constitutional amendment."

No said, "We will be able to assert ourselves as hosts of the Olympics when we attain genuine democracy." Then he said that the parliamentary cabinet system will bring the nation to a true democracy.

"Was there any political leader in our history who declared to step down from Chongwadae (the presidential residence)?" No said emphatically, in reference to President Chon's retirement in February 1988.

Then he claimed that "our party has been preparing step by step for genuine democracy, not just paying lip service to democracy."

"Under the parliamentary system, the premier, cabinet members, and city mayors will be elected by our own hands directly as the local autonomy system will be put into practice from next year," he added.

/9365

CSO: 4100/001

S. KOREA/POLITICS AND GOVERNMENT

KIM YONG-SAM'S DEBATE WITH KWANHUN CLUB, DJP'S REACTION

NKDP Leaders Comment

SK180050 Seoul THE KOREA TIMES in English 18 Sep 86 p 2

[From the "Press Pocket" column]

[Text] Leaders and the rank and file of the main opposition NDP yesterday paid keen attention to party advisor Kim Yong-sam's remarks stressing the necessity to rearrange the party's leadership structure.

Kim, who is considered as a virtual leader of the NDP, noted that the NDP's leadership structure "must be rearranged sometime." He made the remarks in an open debate with the members of the Kwanhun Club, a fraternity group of senior journalists, Tuesday, in answer to a question referring to the current "troika" system in the NDP.

However, he refused to elaborate on when the change should be made. NDP President Yi Min-u commented, "It is difficult for Mr Kim Tae-chung or advisor Kim Yong-sam to comment about it." He also said, "The unity between factions should be achieved by action, not by word."

Close aides of Kim Yong-sam said that "because of ambiguous expression, misunderstandings may arise. But what he meant was that the NDP should display its unity by consolidated power."

DJP Reaction

SK180058 Seoul THE KOREA TIMES in English 18 Sep 86 p 2

[From the "Press Pocket" column]

[Text] Lawmakers of the ruling party displayed a selectively negative reaction to opposition leader Kim Yong-sam's remarks about the overall political situation at Kwanghun Club, Tuesday night.

They positively appraised Kim's appeal for student self-restraint during the Asian Games and called for the solution of the constitutional revision through the special House Committee on the Constitutional Amendment.

Representative Kim Pang-hyon, chairman of the party Central Committee, said, "Advisor Kim's assertion for the extreme struggle for power appears to result from factional relations in the party." He commented, however, "His expression of will to attain the compromised constitutional amendment deserves a positive appreciation, along with his call for the self-restraint by students during the Asiad."

But Secretary General Yi Chun-ku fiercely denounced the virtual leader of the opposition New Korea Democratic Party, saying, "I can't understand how come he alleged that the DJP schemes to prolong its grip on power. It is natural for a political party to seek to retain power."

"His denunciation of the DJP-projected parliamentary cabinet system as a 'dictatorship by the premier' means his ignorance of ABC of party politics," Yi said.

Floor leader Yi Han-tong said, "I am afraid that Advisor Kim still doesn't grasp the parliamentary cabinet system."

/9365

CSO: 4100/001

S. KOREA/POLITICS AND GOVERNMENT

STUDENTS ATTEMPT TO BREAK INTO DJP OFFICES

SK120132 Seoul THE KOREA TIMES in English 12 Sep 86 p 3

[Text] Radical students staged surprise demonstrations yesterday, attempting to seize two offices of the ruling Democratic Justice Party chapters in Seoul. Two combat police buses were burned in the protest rallies.

According to a police report yesterday, approximately 200 student activists tried to break into the DJP offices at Sodaemun-gu and Songdong-gu. Seven of the demonstrators were taken away by the police for investigation.

Some 100 students attempted to attack the office of Representative Yun Kil-chung of the DJP at Hongun-dong, northwestern Seoul, chanting slogans opposing the Asian Games.

During the demonstration which lasted for only around 10 minutes beginning at 10:30 am, the radical students distributed various leaflets and tried to break into the office on the fourth floor of a building. They failed as DJP officials closed the doors of the office shut, and subsequently ran toward the Sodaemun Ward Office. They hurled incendiary bottles into a riot police bus, setting fire to it.

Meanwhile, about 50 students gathered in front of the office of Representative Yi Se-ki at Songsu-dong, Songdong-gu, at around 10:30 am, shouting antigovernment slogans. Yi is also sports minister.

They also set a combat police bus afire by throwing incendiary bottles into it. One of the demonstrators was led away by the police.

/9365
CSO: 4100/001

S. KOREA/POLITICS AND GOVERNMENT

DJP URGES DRASTIC COUNTERMEASURES AGAINST 'IMPURE' FORCES

SK160052 Seoul THE KOREA TIMES in English 16 Sep 86 p 2

[Text] Democratic Justice Party lawmakers resolved in a meeting of the Central Executive Council that drastic countermeasures should be worked out against "impure" forces to block the Asian sports event to be held from 20 September to 5 October.

They asserted that the ruling and opposition parties should exert more positive efforts to solve pending political issues "to create an atmosphere for the successful hosting of the Asian Games."

It was the first meeting of the top decision-making body of the government party since the Central Executive Council was reshuffled last month.

The party council members focused their debate on the bomb attack which they feared would have an adverse effect on the Asian Games with its opening less than a week away.

Representative Cho Ki-sang said, "Some people worry that the Asian Games may not run smoothly because of the incident." He maintained that "resolute and drastic measures should be taken to safeguard the free democratic system, thus relieving people of such an anxiety.

Representative Yun Kil-chung claimed that the government measure on anti-government forces needs to be changed as protest actions are evolving into a kind of "combat." He said, however, that the government should be flexible in responding to antigovernment moves, so that people won't feel worried."

Party chairman No Tae-u said that the incident should be the turning point for national unity required for a successful hosting of the Asian Games. He then instructed key officers to work out basic ways to solve the problems involving the younger generation.

Earlier in the 3-hour meeting, the party resolved to elevate the department in charge of youth affairs to a bureau, in an effort to promote the participation of young people in the government party.

The DJP also decided to set up a special committee to work out measures to establish bureaucratic stability and independence in conjunction with the party-proposed parliamentary cabinet system.

The government party will also set up a special committee to work out ways to promote local self-rule for education, to parallel the local autonomy system to be reintroduced during the first half of next year.

/9365

CSO: 4100/001

S. KOREA/POLITICS AND GOVERNMENT

MILITARY CONNECTIONS OF BUSINESS EXECUTIVES DETAILED

Seoul SIN TONG-A in Korean August 1986 pp 402-409

[Written by staff reporter Pae In-Jun: "Ex-Generals in Business"]

[Excerpts] Waiting Room or Terminal? Business provides an "alternative field" in which retired government and military officers can maintain their financial and social status. It is true that the business management demands a high degree of capability and professionalism on the part of the manager, but in our environment there remains some easy spots where non-professional outsider managers, taking advantage of their authority and background as their strong point, can hold a place. This is an environment where so-called "parachute-style" or "push-in" personnel changes are possible.

Business can be either a terminal or a waiting room for former government and military people.

Those who accept these government and military retirees do not do so reluctantly without any benefit for them. It is said that in many cases business owners are forced to create jobs for these retirees but there are some occasions where those business owners are in need of government and military retirees because they have no choice but to ride with the tide of politics and policies. These government retirees sometimes make successful business deals which cannot be made by inside professional managers, because these retirees have wide personal relationships with important people and they know the inside situation in bureaucratic society very well. These retirees can justify their salaries and render distinguished service just by making one successful deal. Among some business owners, there is a certain tendency to regard these retirees as a kind of bullet proof protection.

For the business owners' part, it might sometimes embarrass them to give the impression to others that they are not very generous in accomodating government and military retirees. These business owners are much aware from their own experience that in our "face-recognition" business environment, once you are branded as an "unrighteous person," your business and personal relations may become difficult and you can easily lose all but concluded business deals.

In short, power and wealth are in need of each other. For that reason an environment has been created such that the re-emergence of government and

military retirees as active businessmen is not regarded as strange. There is still some tendency among high government officials to look down on businessmen by referring to them disparagingly as tradesmen. But in private, these high officials are not so stingy about paying respect to businessmen, calling them "Mr Chairman" or "Mr President." Is it because of the unforeseeable future when their positions might be reversed or because of the need for a greased palm at the moment? Conglomerates sigh in complaint, saying "We are easy scapegoats." But on the other hand, they dominate with their strong wealth and position. Some time ago when overseas construction was booming, there were a lot of government officials who showed their sincerity and enthusiasm toward certain conglomerates by referring to their workers as "Hyundai-men," "Daewoo-men" or "Samsung-men."

Of course, we should not look at the relations between political, government and military institutions and conglomerates only in terms of such dynamics. Cooperation and solidarity, sound distribution of roles and proper mutual interchange between these social functions will be a driving force for national development.

Former Economic Department Officials are Overwhelming Majority

At any rate, there are quite a number of former government, political and military people who have become managers in some small and some large business entities. There are too many medium-level managers such as directors, managing directors and senior managing directors to enumerate. For reference, the following index shows the top-level managers of conglomerates such as vice presidents or above by their backgrounds.

1 주요 재벌그룹 최고경영자 분포 2
(86.7.15 현재, 부사장 이상)

3그룹명	4계열사수	5총인원	6 출신별 분포							
			7총수 및 가족	8업계내 성장과	9정계 출신	10관계 출신	11군 출신	12금융계 출신	13언론계 출신	14기타
15 현대	25	57	7	42		2	3	2	1	
16 삼성	26	41	2	28		1	2	1	6	1
17 럭키금성	25	44	7	26	2	4	2	2		1
18 대우	24	52	2	25		5	6	12	2	
19 신정	15	26	3	21		1		1		
20 병용	10	21	2	11		4	2	1	1	
21 한국화약	19	21	1	9		7	3	1		
22 7개그룹합계	144	262	24	162	2	24	18	20	10	2

1. Distribution of top managers of major conglomerate groups
 2. Vice-president level or above, as of July 15, 1986
 3. Name of group
 4. Number of affiliated companies
 5. Total number of top managers
 6. Distribution by background
- [Key continued on following page]

7. Group chairmen and their families
8. Those prompted internally from within the group
9. Political background
10. Government background
11. Military background
12. Financial background
13. Journalism background
14. Miscellaneous
15. Hyundai
16. Samsung
17. Lucky-GoldStar
18. Daewoo
19. SunKyung
20. SsangYong
21. Korea Explosives
22. Total for seven groups

As one can see from the above index, out of 262 individuals holding the position of vice president or above in the seven largest conglomerates, 17 percent or 44 individuals came from political, government and military backgrounds. There are more former government and military people holding titles as advisers and so on. There are former government and military people in many other business entities which are not shown in the above index.

Military retirees are particularly well accommodated in government-run or public businesses or special industries rather than in large conglomerates. Out of 20 government-invested agencies (government-run agencies) other than financial institutions, there are 11 presidents who are military retirees. And out of 49 national and public corporations including government-invested agencies, a total of 37 out of 71 (i.e. 52 percent) of chairmen of boards of directors, chairmen or presidents have military backgrounds. And approximately 270 business managers (above the director level) with military backgrounds who can be recognized by their names are serving in various associations and economic groups.

The total number of ex-government managers exceeds that of ex-military managers. First of all, the KyungWooHoe (Economic Friends Association), which consists of former government officials from the Economic Planning Board, presently has 470 members of which over 150 have become managers above the director level in private enterprises. Most of the former government officials from the Ministry of Finance have taken positions in the banking industry. In the JaeWooHoe (Financial Friends Association), which consists of former government officials from the Ministry of Finance, 11 out of 20 members of the operations committee and 43 out of 84 directors are engaged in the banking business. 196 ordinary members out of a total of 311 members, that is 63 percent, found their new jobs in the financial industry. There are approximately 10 former Ministry of Finance officials who became president-level managers in private business.

Former government officials from the Ministry of Trade and Industry (MTI) are also finding their second careers in private industry. At present, the exact

number of former MTI officials is not available, but it is estimated that there are over 30 ex-MTI officials holding positions as vice presidents or presidents. Almost the same number of former officials from the Ministry of Construction are presently serving as presidents or vice presidents in the private sector.

Quite a few former officials from the Ministry of Communications, Ministry of Health and Social Affairs and Ministry of Transportation are also accommodated in related private businesses.

However among those former government officials who have changed jobs to take positions in private industries, some have experienced fluctuations of fortune such that they even had to leave the private sector due to decisions made by business owners that such former officials were "definitely" removed from the real power centers in politics and government, or in other words, that they were no longer "useful." At any rate, let's look at some of the former government and military personnel who are presently engaged in the private sector.

Managers with Military Backgrounds; Over Half of Them are Heads of National or Public Industries

No Jae-hyun, reserve army general who served as 21st Minister of Defence (Dec 77-Dec 79), is now president of Korea General Chemical, which is a government-invested corporation, and chairman of the board of directors of Korea Chemical Institute, and also has held the position of president of the Fertilizer Industries Association since 1981.

Yu Jae-hung, reserve lieutenant general who served as 19th Minister of Defence (Aug 71-Dec 73), served as president of Korea Oil Corporation from 1974 to 1980. In 1976 he served as president of Korea Oil Corporation Holding Company and he is currently an adviser to that company.

Kim Yun-ho, former chairman of the Joint Chiefs of Staffs who also became an Army reserve general in 1983, has held a position as president of Korea Coal Corporation and then later as chairman of the board of directors of Korea Gas Corporation. He now has turned his position over to O Kyung-hwan, navy reserve admiral who was former chief of staff of the Navy.

Yi Hui-sung, former Army Chief of Staff (Dec 79-Dec 81) transferred to the reserves and took a position as president of the Textile Industry Association at the same time. He then served as Minister of Transportation in 1983 and has held the position of president of Korea Housing Corporation until now.

The following is the list of former military officers (their ranks mentioned are all reserve) who took positions as president, chairman or chairman of the board of directors in national and public corporations.

So Jun-Yul, army general: chairman of Korea Land Development Corp

Pak No-young, army general: chairman of Korea Tourist Service Corp

Chin Chong-chaе, army general: president of JinHae Chemical Co

Kim Yong-hyu; army lieutenant general (former Minister of Government Administration): president of NamHae Chemical Co

Chon Bu-il, army lieutenant general: president of YoungNam Chemical Co

Ko Kwang-do, army lieutenant general: chairman of Korea Coal Corp

Chong Won-min, navy vice admiral: president of Korea Coal Corp

Cho Mun-hwan, army lieutenant general: chairman of Korea Mining Industry Promotion Corporation

Kim Pok-dong, army lieutenant general: president of Korea Mining Industry Promotion Corporation

Yi Chong-ho, navy vice admiral: chairman of Korea Oil Corp

Choe Sung-taek, navy vice admiral: president of Korea Oil Corp

Kwon Young-kak, army lieutenant general: president of Korea Housing Corp

Yi In-ho, army major general: chairman of Korea Industrial Site Development

Yi Hui-kun, air force general, (former Chief of Staff of the Air Force): president of Korea Industrial Site Development Corp

Yi Chae-chun, army lieutenant general: president of Adjustment Corp

Yi Kun-yong, army lieutenant general: president of Korea Horse Affairs Association

Yun Pil-yong, army major general: president of Korea Highway Corp

Kim Chong-ho, army major general, (former Minister of Construction): Chairman of Korea Stock Exchange

Pak Tae-chun, army major general: president of Pohang Iron and Steel Corp

Han Kun-hui, army major general: president of Agricultural Development Corp

Kim Chae-myung, army major general: president of Seoul Subway Corp

Chong Tak, army major general: president of Korea Motion Picture Development Corp

Sin Chong-su, army major general: president of Korea Cold Storage Business, Inc

Na Hui-pil, army major general: chairman of Korea Mint Corp

Paek Mun, army major general: president of Korea General Technology Development Corp

Chang Tae-wan, army major general: president of Korea Stock Computerization, Inc

Kim Yong-il, army major general: president of Korea Development Corp

Kim Yong-su, air force major general: president of Korea Tungsten Mining Corp

Yi U-Chae, army brigadier general: president of Korea Electro-Communications Corp

An Kyo-tok, army colonel (11th National Assemblyman): president of Agriculture and Fishery Development Corp

Chong Tong-chol, army colonel (former Deputy Minister of Labor): president of Korea Culture Promotion Corp

Kim Chin-pil, army colonel: president of Natural Resource Reproduction Corp

Pak Chong-ki, army lieutenant colonel (former President of Korea Heavy Industry Corp): president of Korea Electric Corp

Kim Won-Kap, army lieutenant colonel: president of Korea Gas Safety Corp

On the other hand, Yi Un-su, former Chief of Staff of the Navy (May 1981-December 1982) has been serving since 1983 as chairman of the Central Committee of the Fishery Cooperative Association, which is regarded as a financial institution until this July, when he turned his job over to Pak Hui-chaeh, reserve Navy Vice Admiral and former marine.

Not only a large number of the top managers but also lower ranking executives, directors or members of the board of audit in national and public industries have military backgrounds, thus also playing a leading role in such industries. Let's look at some more of those people. (The following military ranks and titles are from their former occupations.)

Chong Ung, division commander: vice president of Labor Welfare Corp

Kim Han-yong, president of Army University: vice president of Korea Coal Corp

Pae Kwang-sok, district commander: senior managing director of Youngnam Chemical Co

Pak Pyong-ok, superintendent of Army Artillery School: managing director of NamHae Chemical Co

Kim Tae-ha, deputy superintendent of Army Infantry School: auditor of NamHae Chemical Co

Pak Ha-chol, deputy division commander: director of JinHae Chemical Co

Choe Chung-ha, superintendent of Naval Academy: senior managing director of Korea Tungsten Corp

Kim Pong-su, division commander: senior managing director of Korea Tungsten Mining Corp

Choe Chan-uk, director of Troop Information and Education at the Ministry of Defence: auditor of Industrial Site Development Corp

Nam Ung-chong, chief of staff of Military Security Police Headquarters: auditor of Broadcasting Advertisement Corp

Yi Chun-sop, navy captain (10th National Assemblyman): vice president of Korea Oil Corp

Kwang-kun, army colonel: vice president of Korea Heavy Industry Corp

Kwak Ung-chol, division commander: director of Planning and Management Headquarters of the Office of Industrial Development

Yi Chae-u, director of Military Security Police Headquarters: director of Planning and Management Headquarters of Korea Agriculture and Fishery Development Corp

Yi Tok-man, director of Department of Military Information Headquarters: director of Planning and Management Headquarters of the Agriculture Development Corp

Kim Kyo-tok, brigade commander of Military Engineers Corps: director of Seoul Subway Construction Corp

Former Generals with Solid Foundations in Private Business

The following is the list of former military officers who have become private business managers. These people are experiencing the harsh reality of survival of the fittest in the civilian business world.

Paek Sok-chu, army general and vice commander of the U.S.-Korean Combined Forces Command, who transferred to the reserves in 1981, took a position as president of HanYang Chemical Company, which is owned by the parent company, Korea Explosives Group since 1981. He since has moved to Korea Mining Refining of Lucky-GoldStar Group as president. He is also currently the president of the Veteran's Association.

Chon Chu-won, army lieutenant general, transferred to the reserves in 1981, served as head of the Office of Manpower Administration from 1982 to 1985 and joined the staff of the Daewoo Group in September 1985. For a while, he served as an adviser to Daewoo Heavy Industry. He now is a vice president of this company.

There are a large number of former military officers in the Daewoo group. They are: Kang Kyung-sun, (reserve Army Major General) president of Sorak Development; Kim Yong-su, (Air Force Brigadier General) president of DongWoo Development Company; Ko Chung-tok, (Navy Vice Admiral) vice president of Daewoo Shipbuilding Co; Choe Pyung-po, (director of Office of Defence Industry at the Ministry of Defence) vice president of Daewoo Precision Co; Chon Ku-paek, (Deputy Director of Presidential Guard) chairman of Iron and Steel Chemical Company.

In the Samsung Group, such people as Yi Chun-hwa, reserve army major general (president of Samsung Petro Chemical Co) and Pak Ki-sok, army brigadier general, (president of Samsung General Construction Company) are taking positions in the management. Pak Tae-won, former head of Army Military Police Headquarters (He became a reserve Army major general in 1963) has been involved in politics and government as governor of KyungKi Province and 8th National Assemblyman. He then became the head of Samsung Group General Training Institute in 1983 and later became President of DongBang Life Insurance. He currently is a group adviser. Yi Tong-u, senior managing director, Samsung Semi-Conductor Communications Company is also from the military.

The list of people in Lucky-GoldStar who have military background besides Mr Paek Sok-chu is as follows: Kim, Yong-ho, president of KumSung Precision Company (also president of KumSung Honeywell and reserve Army brigadier general),

Kim Yong-song, Group Adviser (former president of KumSung Electric Co and KumSung Wire Co and former Air Force colonel),

Kim Se-chin: senior managing director of KumSung Communications Company (reserve Air Force lieutenant general),

Kang In-ku: senior managing director of KumSung Semi-Conductor Co (reserve Navy captain),

Han Hun: managing director of KumSung Electric Co (Army colonel),

Kim Nak-yong: director of KumSung Precision Co (Air Force colonel),

Chong Sun-ki: director of Lucky Development (Army lieutenant colonel).

The list of former military officers in the Hyundai Group is as follows: Kim Song-il, vice president of Hyundai Automobile Service Co (reserve Army colonel); Kim Song-won, vice president of Hyundai Automobile Co (Navy commander). Chang Nak-yong, vice president of Hyundai Automobile Co went to the Naval Academy, took a position in the Fishery Development Corporation and became a member of the staff of the Hyundai Group in 1969. Chang U-chu, former army major general, served in Hyundai Construction Company and then as president of Halla Construction Company which is owned by the Hyundai Group. He then had to leave that position, taking responsibility for certain management problems.

In the SsangYong Group, Yi Yun-hui (reserve Army brigadier general) the president of SsangYong Engineering Co, and Han Min-sok, (Army lieutenant general) the president of SsangYong Maritime Co, are from the military.

In the Korea Explosives Group, Kim Ki-taek, (reserve army major general and former dean of Graduate School of Defence), the president of Pacific Construction Company, Suh Byung-Rae (Army Brigadier General) the president of Sanda Inc, and Kim Yong-kyu, (Army major general) the president of the Bing-g-rae Eagles, are from the military.

In the Dong-A Group, Yu Yang-su is currently the vice chairman of Dong-A Construction Co. He had been involved in the 16 May military coup and had transferred to the reserves as an army major general. He has served as an ambassador, minister of Transportation and minister of Natural Resources. In the HyoSung Group, reserve Army Brigadier General O Tae-hyun is presently serving as vice president of HyoSung Heavy Industry.

Let's look further at military officers-turned-top business managers. (All of the following former military officers are now in the reserves.)

Chang Kyong-sun, army lieutenant general: He was an active member of the 16 May military coup. He has served as National Assemblyman from the 5th to 10th term. He has been serving as the chairman of Korea Natural Mineral Waters, Inc since 1984.

Choe Se-in, army general: He transferred to the reserves in 1975 and found a position at ChinHae Chemical Co. Currently, he serves as president of YoungPung, Inc since 1984.

Choe U-kun, army lieutenant general: He transferred to the reserves in 1976 and has served in the 9th and 10th National Assembly. In 1983 he served as president of DongBu Construction Material Company. He has been president of DongBu Highway since 1984.

Yu Kun-chang, army lieutenant general: He transferred to the reserves in 1970. Since then he has served as deputy minister of Defence, Head of the Office of Veteran's Administration and President of Korea Land Development Corp. Since 1983, he has served as president of ImKwang Construction Co, an advisor of Korea Explosives and president of the Housing Enterprise Association.

Yi Maeng-ki, navy vice admiral (former chief of staff of the Navy): He transferred to the reserves in 1964. He has served as president of the Shipowners' Association since then. He has served as president of the Korea Maritime Corp from 1968 until the present.

Kim Chang-kyu, air force lieutenant general (former chief of staff of the air force): He transferred to the reserves in 1960. Since then he has served as president of Korea Tungsten Corp, president of YoungNam Chemical Co. He also has served in the 9th National Assembly. He has been president of Honam Ethylene Co which is part of the DaeLim Group.

Yi Tong-hwa, army brigadier general: He served as head of the Office of Korea National Railroads, later chairman of board of directors of KukMin University. He is currently president of the International Special Metal Association.

Hwang Pil-chu, army major general: He transferred to the reserves and has served as president of such companies as DaeSung Lumber Co, DaeSung Methanol Co and Daehan Fire Insurance Co. Since 1984, he has been chairman of Pan-Korea Wireless Co.

Min Kyong-chung, army major general: He has served as president of Asia Automobile Co and currently is chairman of Kia Industry and also as president of the Korea Bicycle Federation.

Chang Ki-ha, army major-general: He was one of the top group of the 14th class of the Military Academy. He retired in June, 1984 due to an unexpected accident and in September, 1984 started serving as President of ChungBo Foods Co. For a while, he has been involved in some malicious gossip concerning the 'background' of ChungBo Foods Co. He then moved to JinRo, Inc in 1985.

Yi Chong-min, army major general: He served as vice president of National Co-operative Federation of Livestock Raisers. Currently he is president of SamYoung Chemical Co.

Pak Yong-sok, division commander (Military rank is from former occupation): He has served as president of the Mining Development Corp. Currently he is president of BangRim Spinning Co and YoonSung Spinning Co.

Kim Yong-tong, division commander: president of SinTong-A Fire and Maritime Insurance Co

Min Sok-won (reserve Army major), Professor, Military Academy: president of JungWoo Development

Kim Kwan-chung, director of Psychological Warfare Department of the Army Headquarters: president of TaeChang Enterprises

Kim Il-ki, quartermaster general of Army Headquarters: chairman of DaeDuk Industrial Co

Pak Hak-son, division commander: He has served as president of SamYang Foods Company. Currently he is chairman of the supermarket department of SamYang Foods Company

Kim Hyung-tok, deputy quartermaster, Army Headquarters: president of ChungNam Spinning Co

Pak Chong-su, director of Headquarters office of Supply at the Ministry of Defence: representative director of High Frequency, Inc

Chang Yong-tong, deputy inspector of Army Headquarters: president of DongWoo Municipal

Pyon Kyu-su, head of Military Security Police of Army Headquarters: president of Korea Security Insurance Co

Kim Chong-ku, district commander: vice president of Korea Maritime Co

Kim Myong-su, district commander: vice president of DongBu, Inc

Sin Su-Hyong, commander of the Army Ordnance Command: vice president of Korea Shipbuilding Corp

Hwang Il-hwan, director of the Headquarters Office of Supply at the Ministry of Defence: vice president of Samlk Construction

Sin Hong-yang, division commander: president of Transportation of Chung-Ang Expressway Co

Han Chin-pae, Munitions Staff of Korean Forces Command in Vietnam: vice president of ChinHun Precision Chemical Co

Ham Su-yong, Army Comprehensive School: vice president of Asia Tungsten Co

Sin Sang-Tae, superintendent, Naval Academy: senior managing director of Hanil Synthetic Textile Co

Kim Tae-hyon, deputy chief of Control Staffs of the Army Headquarters: managing director of DaeSung Industrial Co

Pak Yul-son, reserve army colonel: His last position in the Army was director of Financial Management Department of Munitions Staffs of the Army Headquarters. He has served as president of DongYang Precision, DongYang Lumber Co, HanLim Trading Co. His brother, Pak Sang-son, had founded those companies. Pak Yul-son has been leading those companies since his brother had passed away.

Necessary Conditions for "Economic Field Warfare"

Besides the above-mentioned private businesses and national and public industries, quite a few people from the military have changed their situations to commanding positions of various cooperatives and associations.

Hwang Chong-yon, former chief of staff of the Navy is currently serving as president of the Deep-Sea Fishing Association. Yun Hung-chong, reserve army lieutenant general has served as minister of Communications. He has been chairman of Europe-America Export Industry Corp since 1984 until the present. Mun Hong-ku, former army lieutenant general is chairman of Public Energy Conservation Corp.

Yi Pil-cho, army major general, has transferred to the reserves in 1981 and later has served as chairman of Public Traffic Safety Enhancement Corp and Chang Yong-kun, army major general, also transferred to the reserves in 1981

and currently is chairman of PanWol Industrial Corp. U Chong-rim, army major general who transferred to the reserves in 1982, has been serving as chairman of Public Medical Insurance Administration Corp. Yun Chong-hwa, reserve army major general, is serving as chairman of PoHun Welfare Corp.

Kim Kwang-ton, army major general, transferred to the reserves in 1981 and later served as chairman of ChangWon Machinery Industrial Corp. Yun Il-kyun, air force brigadier general, is currently chairman of International Airport Management Corp.

Yi Tae-yong, reserve army brigadier general, is chairman of the Fire Insurance Association. His other military positions included deputy district commander of the Army and minister of the Korean embassy in Vietnam. No Mu-sik, president of the Association of Korea Sugar Manufacturing Industries, has been district commander and deputy chief of Operation Staffs of the Army Headquarters and superintendent of the Comprehensive Army Public Administration School.

Pak Yong-chun, reserve army major general, has served as president of Hyeln Heavy Industry, Seoul Security and currently serves as adviser to DaeLim Industry and president of JeonWooHoe (Association of Friends of Telegraphs). Yi Chol-hui, reserve army major general, serves as vice chairman of the National Agricultural Co-operative Federation.

So far we have looked generally at the situation of military officers who have become top managers in private business and national and public enterprises. It is difficult to enumerate all the names of middle-level managers.

It is said that the military is the first place where advanced methods of business management were introduced in this nation. In that regard, participation in the business sector by former military officers is often regarded positively.

On the other hand, our national economy and private enterprises are expanding onto the world stage and being threatened both by industrially developed countries and developing and underdeveloped countries. A high degree of management skill and thoroughgoing pioneering spirit is required on the part of business managers in order to take the initiative in this economic environment and business situation. Especially for these people coming from the military and government sectors, who have belatedly entered into "economic field warfare," a particularly high degree of adaptability and new vision is required.

Domestically, there still remains an economic environment in which the protection of political power and personal relationships can be applied. However, business managers who are engaged in a struggle for markets in an era of internationalization and are faced with the task of defending the domestic market and capturing world markets must urgently acquire modern professional management techniques.

13269/12379
CSO: 4107/221

S. KOREA/POLITICS AND GOVERNMENT

DAILY CALLS FOR FURTHER TIGHTENED SECURITY

SK160045 Seoul THE KOREA TIMES in English 16 Sep 86 p 2

[Editorial: "Explosion at Kimpo Airport"]

[Text] An extremely shocking and deplorable act of terrorism occurred at Kimpo International Airport Sunday, in which five persons were killed and more than 30 others injured by a bomb explosion.

All the more astonishing and causing serious concern is the fact that the horrible incident took place less than a week before the opening of the 10th Asian Games at the airport, the gateway to Seoul for thousands of foreign participants and visitors flocking to the grand occasion.

One consolidation in the tragedy was that there were no foreigners among the casualties and the explosion took place outside the crowded terminal building, which otherwise would have resulted in a worse catastrophe. But, that does not alleviate the pains and sorrow of the bereaved families of the dead and other victims, as well as the heightened concern over the security problems of the Asian Games.

The bomb explosion was indeed regrettable as it occurred in spite of unprecedentedly tight security measures taken by the Korean authorities for the safety of all participants and visitors to the games and for a smooth proceeding of the sports events.

The incident calls upon the authorities to make a thorough check of the steps thus far taken and further tighten up security measures, while conducting an exhaustive probe into the offense.

Though findings are still inconclusive, noteworthy was an initial police report that the way the bomb was detonated and its debris indicated many similar points to the two 1983 bombings by North Korean agents--one in Rangoon, Burma, which killed 17 South Koreans including cabinet members, and the other in Taegu, which damaged the U.S. Cultural Center in the third largest city of Korea.

In fact, there have been many worries that communist North Korea, which bitterly denounced Seoul's staging of the Asian Games probably out of its inferior complex with regard to its poor standing in the world community, might attempt to sabotage the festival.

If the Kimpo Airport incident was the work of North Korean agents, as is suspected, the Pyongyang authorities have committed another heinous and shameful act against international society, as well as against all Koreans.

Their refusal to take part in the games is one thing, but the perpetration of a violent act of terrorism, aimed at random targets as witnessed in the latest incident, is quite another thing that must be condemned by all peace-loving peoples.

Despite the bombing incident, which could also be seen as an isolated incident, it must be stressed that the Asian Games go on as scheduled and, moreover, be a success to demonstrate harmony and friendship among the Asian peoples. Notable in this respect is the assurance by the games organizing committee that the explosion would have no impact on the games.

The incident, though unfortunate, may well serve as testament to the general public and the authorities concerned as well to further neighten their precaution against any possible violence and step up concerted efforts to make the Seoul event better befit the Asian Games' slogan: "Ever Onward."

/9365

CSO: 4100/001

S. KOREA/POLITICS AND GOVERNMENT

REPORTAGE ON 14 SEP KIMPO AIRPORT BOMBING INCIDENT

Probe Expanded Overseas

OW170923 Tokyo KYODO in English 0850 GMT 17 Sep 86

[Text] Seoul, Sept 17 KYODO--South Korea has asked Interpol to track more than 500 foreigners who left the country last week in connection with the Kimpo Airport bomb attack last Sunday, police sources said Wednesday. The sources said ICPO, the Paris-based International Criminal Police Organization, has been asked to pass the request to police authorities in Japan, Hong Kong, and other countries whose nationals left the country on the day of the incident or just before it.

South Korean security authorities have clamped down on the movement of foreigners following the blast. A group of 24 Japanese tourists were held Monday for questioning and were allowed to return to Japan Tuesday.

A total of 519 foreigners departed from Kimpo Airport around Sunday, police sources said.

The purpose of the request is to check the identities and personal histories of these travelers, they said.

South Korean security authorities were expanding their probe overseas as a top security expert told reporters Tuesday that the explosive used in the bomb attack--a high-power explosive known as "Composition C4" used by the military--was probably smuggled into the country.

Security authorities have questioned more than 300 persons following the bomb attack but no suspects have emerged, police sources said.

In a briefing to opposition party leaders, Internal Minister Kim Chong-ho said there was evidence that some 28 pieces of bomb remnants had been made in Japan.

Kang Min-Chang, the security police chief who was also present at the briefing, told the politicians that the terrorists who launched the attack may have connection with the leftists in Japan.

Meanwhile, police said they had confiscated 2,100 pieces of petrol bombs, pamphlets, and other materials in a nationwide swoop of 111 university campuses carried throughout Tuesday night and Wednesday morning.

Police sources said the move was aimed at preempting possible violent student protests against the forthcoming Asian games.

Papers Condemn Bombing

SK170048 [Editorial Report] In their editorials the Korean vernacular newspapers have unanimously deplored and condemned the terrorist bomb explosion at Kimpo Airport on 14 September.

Bitterly condemning the incident as an unpardonable atrocity, TONG-A ILBO dated 15 September, in a 700-word editorial entitled, "A Mean Atrocity at the Airport," suggests the possible culprit in the incident, saying: "We can presume two things in connection with the incident. One is that the incident is an atrocity committed by the North Korean communist group which has jealously denounced and opposed the holding of the Asian Games in Seoul or that the incident is an atrocity committed by insidious elements under the instigation of the North Korean communist group. The other is that the incident is a calculated scheme by insidious domestic elements with an insidious motive." The editorial however, places high probability on the former, saying: "The police authorities' analysis of the incident aside, in light of terrorist activities reported in the past, including the Rangoon bombing incident, as well as recent moves in North Korea, the incident would likely be an atrocity committed by the North Korean communist group or by insidious elements under its instigation." Urging the police authorities to keep stricter vigilance against terrorist activities during the Asian Games, the editorial concludes that the incident will not and should not have an effect on the Asian Games and that the people should make every effort for the success of the international sports festival.

The CHUNGANG ILBO dated 15 September, carries a 600-word editorial on the incident entitled, "We Should Bring the Incident Under Control Rapidly and Should Accelerate the Efforts To Ferret Out the Criminals." The editorial says: "It is premature to jump to a conclusion about the character and aim of the incident because investigation of the incident is underway. However, it is certain that the incident was a calculated atrocity designed to hinder the Asian Games." Describing the incident as a scheme not only to show to the world that South Korea is not safe for international sporting events, but also to make foreign sports delegations to the Asian Games hesitate to participate, the editorial says: "When thinking about this scheme, what comes to mind is the North Korean puppets." In conclusion, the editorial, describing the incident as an atrocity of espionage agents or insidious elements, urges police authorities to ferret out the culprits in the incident at the earliest possible date, while tightening security even more so as to prevent similar incidents.

KYONGHYANG SINMUN dated 15 September, carries a 1,600-word editorial on the bomb explosion incident. The editorial, describing the incident as a vicious atrocity designed to hinder the Seoul Asian Games, declares: "The

culprits of the terrorist bombing incident at Kimpo Airport are either North Korean agents, a leftist force under the control of the Pyongyang regime, or radical elements imbued with the violent ideology of Marxism-Leninism." The editorial urges the people to firmly unite to prevent the recurrence of such an incident, and urges radical students and other radical forces who have opposed the Asian Games to exercise self-restraint, noting radical Japanese students who exercised self-restraint during the Tokyo Olympic Games in the 1960's. In conclusion, the editorial urges the people to firmly unite and bring success to the Asian Games.

CHOSON ILBO dated 16 September, carries a lengthy editorial entitled, "The Time Has Come for Us To Clearly Distinguish Our Posture Toward the Terrorism at Kimpo Airport." Deploring the atrocity of killing our innocent citizens at the airport, the editorial says: "The bomb explosion incident at Kimpo Airport has taught us who our public enemy is and against whom our public enemy is perpetrating the atrocity of destruction. We should no longer allow those elements who seek benefit from killing our citizens and those forces which attempt to obliterate our social system itself by colluding with the above-mentioned elements, to exist in our society." The editorial continues: "Our public enemy has now been identified. However, if the bomb explosion incident at Kimpo Airport is an atrocity committed by North Korean agents as presumed by our government, our position is clear. In other words, we must continue our struggle against them. However, if the incident was an atrocity committed by insidious elements under the instigation of the North Korean communist group, this will make us worry all the more." In conclusion, the editorial urges the people to maintain sharp vigilance against the maneuvers of North Korea and any insidious elements to hinder the Asian Games, saying, "If we remain frustrated, the maneuvers of those forces trying to destroy us will become more unscrupulous. If we remain stupefied, the terrorists will run wild even more frantically."

HUNGUK ILBO, dated 16 September, also carries an 800-word editorial which deplores the incident. Presuming the incident to be an atrocity by North Korea or insidious elements under its instigation, the editorial calls for the investigating authorities to rapidly ferret out the culprits and for the police authorities to further strengthen security. In conclusion, the editorial urges the people to pool their strength so that the Asian Games can be successfully held.

SEOUL SINMUN, dated 16 September, also carries a 1,500-word editorial on the bomb explosion incident at Kimpo Airport. Declaring the incident to be an atrocity committed by either the North Korean communist group or by insidious elements under the instigation of the North Korean communists, the editorial gives a detailed explanation of the maneuvers the North Korean communists have perpetrated thus far to hinder the Asian Games, as well as the '88 Seoul Olympic Games. The editorial appeals to radical student activists to exercise self-restraint in their moves against the Asian Games. The editorial also urges the people, including politicians, to make efforts for the international sports festival in Seoul to be successful.

Investigation Focused on Leftists

SK190505 Seoul HANGUK ILBO in Korean 18 Sep 86 p 11

[Excerpts] The team in charge of investigating the bombing incident at Kimpo Airport, headed by Pak No-Kyong, chief of the No 3 Department of the Metropolitan Police Headquarters, stated on 17 September that it was doing its best to investigate the incident, with the focus riveted on radical leftist-leaning forces influenced by the puppet North as a suspicious group, while putting some radical leftist-leaning student activists on a wanted list.

On 17 September, the investigation team put a student named Kim, a member of the Committee for Anti-U.S. Struggle for Independence and Antifascist Struggle for Democratization [Chamintu] at Seoul National University, on the wanted list.

It is with the understanding that the student named Kim, a core member of the radical student activist force Chamintu, has reportedly clandestinely prepared bombs that the police put his name on the wanted list.

Also, believing that overseas terrorists and agents dispatched by the puppet North may have ties with these impure forces, police are investigating the conduct of 267 foreigners who entered or left Kimpo Airport before and after the bombing incident at the airport after they identify their personal backgrounds.

/9365

CSO: 4100/001

S.KOREA/POLITICS AND GOVERNMENT

BRIEFS

BRIEF ON MINISTERS' TALK--Minister of Foreign Affairs Choe Kwang-su visited three major parties yesterday to brief them on the outcome of his talks with Japanese Minister of Foreign Affairs Tadashi Kuranari in Tokyo last week. At a breakfast meeting with key DJP officeholders, he explained the background to Prime Minister Nakasone's dismissal of Education Minister Fujio, who had provoked the Korean people with his "absurd remarks" on Japan's annexation of Korea in 1910. Choe also briefed the NKDP and KNP Yi Min-u, NKDP president, told Choe that Korea's "subservient diplomacy" failed to resolve outstanding issues with Japan. Yi Man-sop, KNP president, said Choe should come up with an effective way to prevent Japan from renewing claims to the Korean islands of Tokto. [Text] [Seoul THE KOREA HERALD in English 16 Sep 86 p 2] /9365

SENIOR JOURNALIST GATHERING--Kim Yong-sam, permanent advisor to the main opposition New Korea Democratic Party, will be a guest speaker at a dinner hosted by the Kwanhun Club, a fraternity group of senior journalists, at the Plaza Hotel this evening. Kim will reveal his views on the current political situation, including the stalled bipartisan negotiations on constitutional amendment. He last spoke before the members of the Kwanhun Club in 1980. [Text] [Seoul THE KOREA TIMES in English 16 Sep 86 p 2] /9365

CSO: 4100/001

S. KOREA/MILITARY AFFAIRS

BRIEFS

SPECIAL ALERT AGAINST TERRORISTS--Reservists have been put on special alert until 10 October to help avert any future terrorist acts, said the Ministry of Home Affairs yesterday. The measure came in the wake of the Sunday bombing at Kimpo International Airport which killed five Koreans and injured 29 others. Members of the Homeland Reserve Force throughout the country are urged to report to law-enforcement officials if they detect any explosives, Molotov cocktails or suspicious-looking people on the streets or crowded areas, the ministry said. Security precautions in all major buildings will be stepped up, the ministry said. Also police will reinforce patrols in crowded areas, including airports, train stations, major hotels, department stores, markets and Asian Games stadiums. [Text] [Seoul THE KOREA HERALD in English 17 Sep 86 p 3 SK] /12913

CSO: 4100/002

S. KOREA/ECONOMY

EPB RELEASES REPORT ON 6TH 5-YEAR ECONOMIC PLAN

SK160752 Seoul YONHAP in English 0733 GMT 16 Sep 86

[Text] Seoul, 16 September (YONHAP)--Financial planners, foreseeing a continuation of favorable economic trends, are predicting a record trade surplus in 1991.

According to figures released Tuesday by the Economic Planning Board [EPB], Korea's trade surplus will double between 1986 and 1991. The board predicted that the surplus will expand from 2.5 billion dollars this year to 4.8 billion dollars in 1991.

The Planning Board, in releasing the nation's Sixth 5-Year Economic and Social Development Plan, also forecast that the Korean economy will grow at a steady pace, averaging 7.25 percent a year over the next five years. It also projected that the gross national product will reach 166 billion dollars and that per capita income will rise from 2,200 dollars this year to 3,000 dollars in 1991.

The rosy forecast, revised upward from spring estimates, is based on the continuing decline of oil prices, falling interest rates in international money markets and the depreciation of the U.S. dollar against the Japanese yen, according to a board official.

The domestic savings ratio will reach 33 percent of the projected 166 billion dollar GNP by the target year of 1991, and 31 percent of the GNP will be pored into various investment projects.

The Sixth 5-Year Plan was worked out by the Economic Planning Board with the assistance of many economic experts from state-run research institutions, business and financial circles, and media organizations over a period of more than 18 months.

It was finalized Tuesday at a social and economic development plan deliberation committee meeting chaired by Prime Minister No Sin-yong.

Under the plan, which emphasizes equilibrium between growth and distribution, the balance of payments and price stability, merchandise exports will jump from 31.7 billion dollars this year to 54.4 billion dollars in 1991, and imports will expand from 29.2 billion dollars to 29.6 billion dollars, and a

current account surplus of 4 billion dollars against 2 billion dollars this year, according to the board.

The tentative plan envisages a decrease of 300 million dollars in Korea's outstanding foreign debts, from 52.1 billion dollars in 1990 to 51.8 billion dollars in 1991.

Under the final version of the plan, however, the board projected that outstanding foreign debts will reach a high of 48.1 billion dollars in 1988 and will fall to 46.1 billion dollars in 1991.

The net foreign debts, which exclude a nation's overseas assets from the total outstanding foreign liabilities, will begin to decline in 1988, one year ahead of schedule, from 36.3 billion dollars at the end of this year to 29.4 billion dollars in 1991.

By 1991, the average life span of Koreans will increase to 67.3 years for men and to 73.9 years for women. All Koreans will receive benefits under the medical insurance system, and more than half (58.5 percent) will be covered by the pension system, according to the board.

Under the plan, the unemployment rate will fall to 3.7 percent, and inflation will be held to 2.0 percent for wholesale prices and 3.0 percent for consumer prices.

/12913
CSO: 4100/002

S. KOREA/ECONOMY

RADICAL MINERS, FAMILIES START HUNGER-STRIKE DEMANDING PAY

Coal Miners Stage Sit-In

SK130005 Seoul THE KOREA TIMES in English 13 Sep 86 p 3

[Text] TOGE, Kangwon-do--About 100 radical miners and their family members of the Kyongdong Coal Mining Co. here launched a hunger-strike at approximately 5 p.m. Thursday in a last-ditch effort to push through their demand for paying 30,000 won of a monthly family allowance.

They started their sit-in from Tuesday and continued it yesterday for four straight days, asking the managers of the company to follow through on their earlier promise to pay the family allowances.

Earlier Thursday morning, some 500 miners occupied part of a railroad track running through the nation's eastern mountainous areas after an all-night strike, hampering train and road traffic to and from the county.

Settlement of the dispute is soon expected as tripartite negotiations among the representatives of the miners, managers of the company and concerned government officials has been under way since 10 a.m. yesterday.

Han Chin-hui, vice minister of the Labor Ministry, arrived on the scene at about 9:30 a.m. yesterday and told the striking miners that he would make utmost efforts to settle the dispute as soon as possible. The representatives of the three parties went into serious negotiation at the office building while hunger-strikers rallied outside of the building.

An earlier negotiation between management and the labor union on Thursday broke down after both sides failed to reach an agreement during the five-hour-long talks.

The company side argued that an additional burden of about 1 billion won will be put upon them this year if it has to pay the 30,000 won monthly allowance, saying that "it is unbearable."

The company managers said also that an additional burden of 1.7 billion won rests upon their shoulders in the implementation of a five-point labor-management agreement reached during an earlier dispute last July.

Rally For Family Allowance

SK120136 Seoul THE KOREA TIMES in English 12 Sep 86 p 3

[Text] TGE, Kangwon-do--About 800 miners and their family members continued to stage a sit-in on the railroad yesterday, blocking railway service and road traffic between here and Taebaek City.

Early yesterday morning, the demonstrators were forcibly dispersed by police. But following the rapture of negotiations with the management side for settlement of disputes, about 500 miners and their dependents gathered again, continuing the sit-in as of yesterday evening.

The demonstrations by the miners began three days ago, calling for the payment of 30,000 won in monthly allowance and better working conditions.

A jeep of the county office located near the sit-in site was badly damaged by stones hurled by the demonstrators.

The sit-in was prompted at the failure of the company to keep their promise of paying a 30,000 won monthly family allowance, part of terms agreed upon between labor and management last July when the labor dispute flared up.

The other terms being implemented as promised include the payment of a 70,000 won "Kimchi bonus," a 100 percent vacation bonus and retirement grant in progressive system.

The sit-in started on Tuesday morning by about 20 miners and their family members in front of the office of the company and the number joining in the sit-in snowballed to about 400 in an hour. As they failed to get a positive response from the company on the payment, they took to the streets, 2 kilometers away from the office, and continued the sit-in on the main road of the county.

The demonstrators moved again to the railroad crossing at around 5 p.m. Wednesday, blocking completely both railroad and road traffic to and from the county and continued their occupation until early yesterday morning when they were forcibly dispersed by the police.

With the blockade of the railroad crossing, the railroad officials brought the trains about 500 meters close to the crossing and had passengers walk around the troubled point toward the trains on the other side.

The Kyongdong Coal Mining Co., the fifth largest in the nation, opened on 1 February 1974 with the employment of 1,650 miners and 1,860 technicians and office workers.

/12913
CSO: 4100/002

S. KOREA/SOCIAL CONDITIONS

BRIEFS

ABOLITION OF DISCRIMINATORY LAW--Some 30 senior monks of the Korean Buddhist Chogye Order adopted a resolution in a meeting yesterday, demanding abolition of the law discriminating against Buddhism but not other religions. Claiming that the contents of the secondary school textbooks and television programs are in favor of a certain religion, they declared to continue a struggle to achieve their demands made in the rally of Haeinsa temple, Kyongsangnamdo, recently. They also demanded immediate release of 12 student monks of Shanga Buddhist Academy who have been under police detention for their violent acts in demonstrations on 7 September. Meanwhile, the prosecution rejected the police application for arrest warrants for the 12 student monks yesterday. [Text] [Seoul THE KOREA TIMES in English 12 Sep 86 p 3 SK] /12913

CSO: 4100/002

S. KOREA/KOREANS IN JAPAN

BRIEFS

FINGERPRINT SYSTEM REVISED--Tokyo--The Japanese government has decided to change its controversial fingerprint system so that foreigners will have fingerprints caught on identification cards only one time when they are issued first. The decision will be conveyed to Korean President Chon Tu-hwan by Japanese Prime Minister Yashurio Nakasone when he visits Seoul to attend the opening of the Asian Games Saturday. Under the present system, foreigners are required to be fingerprinted every five years whenever they are renewed. According to the changed system to be submitted to the Japanese parliament in December, the renewal period will be increased to 10 years. [By KOREA TIMES correspondent Yi Pyong-il] [Text] [Seoul THE KOREA TIMES in English 14 Sep 86 p 1 SK] /12913

CSO: 4100/002

S. KOREA/FOREIGN RELATIONS

DAILIES REPORT ON NAKESONE SEOUL VISIT

NKDP Reactions

SK170136 Seoul THE KOREA TIMES in English 17 Sep 86 p 2

[From the "Press Pocket" Column]

[Text] As to the scheduled visit to Korea by Japanese Prime Minister Yasuhiro Nakasone, the main opposition New Korea Democratic Party yesterday took a stance of "no objection but no welcome."

Nakasone will fly here Saturday to attend the opening ceremony of the Seoul Asiad and have talks with President Chon Tu-hwan.

After a special meeting of the party's vice presidents, NDP spokesman Hong Sa-tok told reporters, "Our earlier opposition to Nakasone's visit was not simply a move to protest Fujio's nonsensical remarks." He went on, "It was aimed at expressing our views on the worrisome development of Korea-Japan relations under Japan's new trend of neo-nationalism."

Hong said very ambiguously, "The conclusion of today's meeting is that during Premier Nakasone's stay in Seoul we will decide on how our party should behave."

When asked to be more specific, he noted, "it means that President Yi will attend the opening ceremony of the Asiad, but he will not go to the party which will be hosted by Nakasone, for example."

Party sources said the NDP virtually withdrew its objection to Nakasone's visit to Seoul because he will stay only one night here." Meanwhile, the Council for the Promotion of Democracy which is co-chaired by Kim Tae-chung and Kim Yong-sam issued a statement objecting Nakasone's visit. However, the CPD's objection was not very strong. The statement contained a phrase that read, "We evaluate the dismissal of Fujio and Nakasone's expression of his regret as revealing his sincerity."

'Difficult' Visit

SK200721 Seoul CHUNGANG ILBO in Korean 19 Sep 86 p 1

[Editorial: "Prime Minister Nakasone's Visit to Korea"]

[Text] The visit of Japanese Prime Minister Nakasone, who is coming to Korea on the pretext of attending the Seoul Asian Games, seems to be a difficult step.

His term of office is being extended by a year as a bonus for his great victory in the recent election. However, he is in the last period of his term of office.

We understand why he volunteered to visit Korea at this time. Some people say that he wants to become a champion who will display the might of the Japanese conservative force before all the Asian people based on economic success which surpasses Europe and America in the [word indistinct] confidence gained through victory in the recent general election.

However, eyes of the Asian people upon the Japanese conservative force is cool and pricking [ttagabta]. This is because Japan's past extreme rightist conservative forces are the very ringleaders who perpetrated anti-human barbarous acts while invading East Asia with militarism as their means to attain their imperialistic objectives.

Such militarism began to emerge after the great victory of the LDP led by Nakasone in the election in July. It came to the surface as an undisguised provocation against us through distortion of history in textbook by an extreme rightist group, through absurd remarks by Education Minister Fujio who defended the distortion, and through repeated anti-Korea demonstrations staged in front of the Korean Embassy.

Such Korea-Japan relations cast gloom over the Korean people viewing Japanese Prime Minister Nakasone's visit to Korea. The great festival of 3 billion Asian people should not be a place for self-demonstration by the Japanese conservative camp or the place where particular politicians display their popularity.

We are aware of a few gestures made taking into account the concerns of Korea prior to Prime Minister Nakasone's visit to Korea, including the dismissal of Fujio.

However, his image still remains as a faithful believer in Japanese militarism and as the Prime Minister who worships at the Yasukuni Cemetery where the Japanese soldiers who died during the war of the Japanese aggression on Asia are buried.

Furthermore, we do not think that Nakasone's visit to Korea will bring about any substantive fruition to improve the Korea-Japan relations. It is said that the fingerprint system for foreign residents in Japan will be improved. However, this cannot serve as benevolence toward Korea.

Japan's fingerprint system has been acknowledged as an outdated and prejudiced system unseen in the civilized world. Thus, it must be abolished rather than improved.

We cannot but reexamine to what extent Japan's commitments made during President Chon's visit to Japan in September 1984 when there was loud talk about the "new Japan-Korea era," have been fulfilled.

The issues of improving the legal position of Korean residents in Japan, correcting the trade imbalance, expanding technological exchanges, and revising the distortion of history in textbooks are still at a stalemate, and there is no prospect for the improvement.

If Japan wishes co-existence and co-prosperity as a genuine neighbor of Korea and Asia, it should prove and implement this through practical actions, not by words.

One cannot be the leader only through economic prosperity. It requires moral trust and devoted service to become the leader. We hope that Prime Minister Nakasone's participation in the Asian Games and his visit to Korea are an occasion for demonstrating Japan as a genuine friend of Asia and member of the common body.

/12913

CSO: 4107/001

S. KOREA/FOREIGN RELATIONS

JAPAN'S POSITIVE ACTION URGED RESPONDING TO KOREAN APPROACH

SK122353 Seoul THE KOREA TIMES in English 13 Sep 86 p 2

[Editorial: "Action, No Mere Words"]

[Text] One notable aspect of Foreign Minister Choe Kwant-su's two-day visit to Tokyo was that it provided an occasion for Japanese government leaders, including Prime Minister Yasuhiro Nakasone, to express their "profound regret" for the shock to Koreans caused by one of their former colleagues in the cabinet, who made controversial remarks defending Japan's annexation of Korea in 1910.

But then, it must be underlined that the expression of regret--and, at that, made in their own offices--is still insufficient in calming the Korean people's outrage, even though the Japanese premier reportedly said that the case had been closed with his dismissal of the man at issue, Education Minister Masayuki Fujio, earlier in the week.

As for the business side of the foreign minister's tour, it seems that little tangible progress has been made, as previously anticipated, in tackling a web of perennial issues ranging from the trade imbalance, lopsidedly tilting in disfavor of Korea, to the status of Korean residents in Japan.

The Japanese side ostensibly promised to exert "sincere efforts" to meet Korea's demand for "concrete and drastic" corrections by Japan to settle the outstanding questions, but without making specific commitment.

What is all the more disgusting are reports that, at the bilateral foreign ministers' meeting Wednesday, Japan made a claim on the Tokto Island in the East Sea as its territory--an absurd claim that lacks grounds in historical and geographical bases and in international law as well.

Even granting that the Japanese have made the claim periodically for what they said was for the sake of record, the latest instance could not have come at a worse time as the two nations have yet to overcome the aftermath of the ousted minister's remarks.

As much as it was deliberate, the act of making the claim at the very conference table purported to settle a sensitive controversy may well bespeak of the brazen-faced or haughty posture taken by the Japanese toward Korea.

Though falling into different categories, such a claim may also be seen as sharing the same root with Fujio's absurd utterance, which enraged and alerted Koreans for its implication of a "neonationalism" surging among Japanese conservatives, defending Japan's pre-war militarism and colonialism.

Under these circumstances, Japanese Prime minister Nakasone, who is to visit Seoul late next week to attend opening ceremonies of the Asian Games, is again called upon to extend in person the apology of his own and the Japanese government to the Korean people in a most sincere and earnest manner.

In addition, his scheduled meeting with President Chon Tu-hwan, which was previously described to be informal, should be upgraded to a business talk so that it may lead to the settlement of at least some of the pending bilateral issues left unresolved by the foreign ministers' conference, which, in a sense, was a prelude to the forthcoming summit.

Such a positive and substantive action by the Japanese government leader, reciprocating the forward-looking approach already taken by the Korean government in holding the foreign ministers' meeting despite the Fujio controversy, will be helpful to heal the wounds sustained by the Koreans and contribute to the promotion of improved relations between the two neighboring countries.

After all, a "new era" in the binational relationship, which was ushered in by an exchange of official visits by the two government leaders to each other's country in recent years, can best flourish on the basis of amity and cooperation, at both the private and government levels.

/12913
CSO: 4100/002

S. KOREA/FOREIGN RELATIONS

PHILIPPINE FOREIGN MINISTER TO ARRIVE 7 OCT FOR 6 DAY VISIT

SK220542 Seoul YONHAP in English 0511 GMT 22 Sep 86

[Text] Seoul, 22 September (YONHAP)--Salvador Laurel, Philippine vice president and foreign minister, will arrive here on 7 October for a six day official visit at the invitation of his Korean counterpart, Choe Kwang-su, the Korean Foreign Ministry announced Monday.

Laurel and Choe will discuss ways of promoting bilateral cooperation in economic and trade fields and to exchange opinions on the recent developments in Northeast and Southeast Asia.

While here, Laurel also will pay courtesy calls on President Chon at the Presidential Mansion, Chongwadae, and on Prime Minister No Sin-yong. He will be the highest Philippine official to visit Korea since the new government, led by President Corazon Aquino, was established in the Philippines in February this year.

In the Korean-Philippine Foreign Ministers talks, Laurel and Choe are also expected to take up the matters of barter trade involving Philippine bananas and Korean-made agricultural and industrial goods and of Korea's supply of steel products to the Philippines.

Laurel, who serves as the chairman of the meeting of foreign ministers of the association of Southeast Asian nations, will fly into Seoul following his trip to New York, where he will attend the 41st general assembly of the United Nations.

/12913
CSO: 4100/002

S. KOREA/FOREIGN RELATIONS

KIM YONG-SAM RELUCTANT TO WELCOME JSP'S DOI

OW161035 Tokyo KYODO in English 1006 GMT 16 Sep 86

[Text] Seoul, 16 September KYODO--South Korean opposition leader Kim Yong-sam has expressed reluctance to welcome to his country Takako Doi, newly elected chairwoman of the Japan Socialist Party (JSP).

Kim's views were disclosed here Tuesday by Eiichi Nagasue, vice chairman of Japan's Democratic Socialist Party.

Nagasue, visiting here since Sunday, said in a press conference that Kim, an adviser to the main opposition New Korea Democratic Party (NKDP), conveyed his reluctant attitude toward a visit by Doi to South Korea, saying it is difficult for him to positively invite a person who admits the existence of North Korea.

Former JSP Chairman Masashi Ishibashi, who introduced the new JSP line after 1983, failed to make a planned visit to South Korea early this summer when the South Korean government refused to give him an entry permit.

Nagasue met with politicians including No Tae-wu, chairman of the Ruling Democratic Justice Party, and leading dissident Kim Tae-chung, who shares the chairmanship with Kim Yong-sam of the Council for Promotion of Democracy, the parent body of the NKDP.

Nagasue told reporters Kim Yong-sam also said that a direct election system for the South Korean presidency must be realized in the constitutional changes now under debate, and that he would keep on making efforts to achieve constitutional change based on a consensus.

/12913
CSO: 4100/002

S. KOREA/FOREIGN TRADE

ROK-CANADIAN TEXTILE TALKS HELD IN OTTAWA

SK130824 Seoul YONHAP in English 0623 GMT 13 Sep 86

[Text] Seoul, 13 September (YONHAP)--South Korea and Canada agreed to extend their bilateral textile agreement, which is scheduled to expire by the end of this year, by five years until 1991. The agreement came during the second Korea-Canada textile talks held in Ottawa 10-12 September.

Textile officials of the two countries also agreed that Korea can move up quotas or carry them forward between 1986 and 1987 and that the free import ceiling for sample and personal textile products should be raised from 250 Canadian dollars now to 500 Canadian dollars, the Trade and Industry Ministry reported Saturday.

During the talks, Canada reiterated its demand that Korea's annual export of textile products to Canada over the next five years be frozen at the 1986 level.

The Korean delegation, led by Pak Un-so, director general of the Ministry's Bureau of International Trade Promotion, rejected the demand, saying that it would run against the multi-fiber arrangement. The two sides also failed to narrow differences on the Canadian demand for the inclusion of ramie, silk and linen in the category of Korean textile products subject to the Canadian quota regulations.

Howard Wilson, director general, Bureau of Special Trade Relations, represented Canada at the Ottawa meeting.

The third round of the bilateral textile talks will be held in Seoul in the third week of October to tackle the issues unsolved at the Ottawa meeting.

/12913
CSO: 4100/002

END