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# Korean Affairs Report

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20 OCTOBER 1986

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## INTER-KOREAN AFFAIRS

### NODONG SINMUN ON U.S.-JAPANESE NAVAL EXERCISE

SK221045 Pyongyang Domestic Service in Korean 2150 GMT 20 Sep 86

[NODONG SINMUN 21 September commentary: "Under the Pretext of Counterattack"]

[Text] Along with the U.S. Navy, the Japanese Self-Defense Naval Forces are trying to wage a large-scale joint military exercise in the East Sea of Korea and the Pacific.

According to reports, 95 battleships, 150 aircraft, and some 20,000 military personnel from the Japanese side and 12 warships, including the aircraft carrier "Ranger," and scores of aircraft from the U.S. side will be mobilized in this exercise to be conducted from 21 to 29 September.

At a press conference, a Japanese official in military authority stated that the fundamental content of this exercise is a counteroffensive operational exercise aimed at restoring the Japanese mainland on the assumption that it has been conquered. This allegation of the Japanese persons in authority is nothing but a sophism reversing black and white.

The joint military exercise of the U.S. and Japanese navies is an out-and-out attack operational drill to invade other countries.

Today, there is no country anywhere which intends to invade Japan or threaten it. To the contrary, Japan has left the territory as an offensive base of the U.S. imperialists to invade other countries and has created the danger of war in Asia together with the United States. This is an undeniable reality.

In accordance with the U.S.-Japanese joint operational plan, Japan, along with the United States, has heatedly staged offensive exercises to invade Korea and other countries. While waging offensive exercises, the Japanese Self-Defense Forces have always put up the pretext of defense. The Japanese ruling quarters labeled the exercise as a counterattack operational drill. This is a smokescreen to deceive the people and justify preparations of a war of aggression against other countries.

The joint military exercise of the U.S. and Japanese navies is synchronized with the Asian Games being held in South Korea. This is not a coincidence. While talking about a guarantee for the holding of the Asian Games with armed forces, the U.S. imperialists frantically waged a war exercise against

our republic in the East Sea of Korea by dragging in numerous warships. The U.S. naval forces, which will participate in the forthcoming U.S.-Japanese joint military exercise, are precisely pirate ships which took part in the provocative war exercise in the East Sea.

The fact that the Japanese Self-Defense Forces will stage a joint military exercise in the East Sea under the command of the U.S. Navy, shows that Japan is also partaking in the U.S. imperialists' war exercise rackets to support the Asian Games with armed forces.

As a matter of course, Japan is actively backing the South Korean puppets' fascist suppression and war preparations with the Asian Games as an occasion, thus fanning the deepening of the division of Korea and the aggravation of North-South confrontation and the strained situation. Proceeding from this purpose, Japanese Prime Minister Nakasone crawled into South Korea with the Asian Games as an opportunity and the Japanese Self-Defense Forces are staging a military exercise in the East Sea.

Japanese militarism is interfering in the internal affairs of South Korea politically and militarily and, along with U.S. imperialism, is emerging as a dangerous force of aggression in Asia. The Japanese reactionaries are getting heated in war preparations while accelerating the augmentation of armed forces. This is, above all, aimed at participating in a war of aggression against Korea along with the U.S. imperialists.

The operations of blockading the straits, maritime transport operations, and landing operations that the Japanese Self-Defense Forces will conduct in the forthcoming joint naval exercise are all operations to prepare for a war of aggression against Korea.

The U.S. imperialists are scheming to ignite a new war in Korea and expand it into a global war, a nuclear war. The U.S.-Japanese joint military exercise is further proof showing that Japan is becoming deeply implicated in the U.S. imperialists' strategy of nuclear war. The Japanese reactionaries' joining in the U.S. imperialists' strategy of nuclear war is a very dangerous adventure of pushing Japan into the flames of nuclear war. Japan's act of increasing the danger of war reveals that Nakasone's remarks about aspirations for peace are a lie.

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CSO: 4110/006

## INTER-KOREAN AFFAIRS

### VIGILANCE AGAINST 'U.S. WAR MANEUVERS' URGED

Pyongyang NODONG SINMUN in Korean 25 Jun 86 p 5

[Editorial: "Peace and Peaceful Reunification of Korea Is the Demand of the Times; U.S. Forces Must Immediately Withdraw from South Korea"]

[Text] Today our people welcome the day of struggle against the U.S. imperialists together with the other peace-loving people of the world.

On this occasion, we are detailing our resolution, in preparation for achieving the independent, peaceful reunification of our country, to protect our socialist fatherland against the U.S. imperialists' invasion and to punish the U.S. imperialists, who have, in the past, imposed tremendous national disasters on our people and who even today continue to occupy South Korea by force and are resorting to policies of invasion and war.

Thirty-six years ago today, the U.S. imperialists, who had been extending their invading hands to our country since the middle of the last century, launched a forceful invasion against the northern half of our republic by instigating the puppet, Syngman Rhee, and openly started a forced interference.

The 3-year war of liberating our fatherland to protect our national autonomy and our people's self-reliance against invasions by the U.S. imperialists and their hunting dogs was a severe ordeal for our fatherland and our people and was an arduous conflict determining our people's destiny.

The U.S. imperialist invaders mobilized the military forces from 15 obedient countries and puppet forces and an enormous amount of military equipment in an effort to achieve their purpose of invasion in a single attempt and resorted in every possible way and with every means such as indiscriminate bombing and barbarous massacres.

The U.S. imperialists failed to make our people surrender, however.

Under the brilliant and refined leadership of our ever victorious and iron-willed commander and great military strategist, our respected and beloved leader Comrade Kim Il-song, our people, and our people's armed forces annihilated and wiped out the invaders, thus achieving a historic victory for the liberation of our fatherland as he displayed matchless courage and mass heroism.

Our people's historic victory in the war of liberating our fatherland was a shining victory of our great leader, Comrade Kim Il-song's cuche-like military philosophy and strategies and tactics, and outstanding military leadership and was also the result brought forth by our people's invincible power that was unified around our leader.

By achieving the historic victory in the war of liberating our fatherland, our people maintained our national autonomy and our self-reliance, protected the peace of Asia and of the world, paved the way for starting the downhill fall of the U.S. imperialists, and also opened up a new era of upsurge in the worldwide struggle for the people's liberation and anti-imperialism against the United States.

The historic victory that our people achieved in the war of liberating our fatherland struck a severe blow to the U.S. imperialists' policy of invasion and war and also opened up a new prospect of an independent and peaceful solution to the problem of Korea.

After the war, our party and the government of our republic have been leading the truce toward a stable peace and have been consistently and faithfully endeavoring to achieve an autonomous, peaceful reunification of our fatherland.

For a peaceful solution to the problem of Korea, we have been repeatedly proposing rational and realistic suggestions and concrete policies such as the withdrawal of U.S. troops from South Korea, the reduction of armed forces in North and South Korea, realizing mutual contact and cultural cooperation and exchanges for recovering the nation's broken ties, and the issues of the North and the South involved in effectuating a federation while maintaining their current systems, etc.

We have knocked on the door for a dialogue with the United States with the purpose of searching for a means of relieving the tension and of maintaining and solidifying peace in the Korean peninsula.

The last 30 years, since the gunfire of the war ceased in Korea until this day, have been consistently marked by the sincere and faithful endeavor of our party and the government of our republic for turning the truce into peace, for improving and developing North-South relations, and for opening up peaceful prospects for resolving the reunification problem.

Our people's historical and long-cherished hope for peace and peaceful reunification, however, has not yet been fulfilled because of the U.S. imperialists' continued stronghold policy and disruptive instigation.

The U.S. imperialists continue to hold South Korea as their colonial military base and are unceasingly strengthening their instigation for invasion and war against our republic, instead of withdrawing after learning their lesson from their shameful embarrassment experienced in the Korean War.

The great leader Comrade Kim Il-song instructed as follows:

"The U.S. imperialists proclaimed the Korean peninsula to be their 'front line defensive region.' They are reinforcing their invading armed forces in South Korea and advancing the modernization of the South Korean puppet military."

At present about 40,000 military personnel armed with the most modern weaponry for massacre and almost 1 million puppet military personnel are ready for mobilization at any time.

The U.S. imperialists are rearming their military stationed in the South Korean stronghold with about 180 kinds of war machinery and have been trying to pass on \$8 billion worth of mass weaponry for massacre and military equipment to the puppet military between 1985 to 1989.

Recently in South Korea, the overall military forces have been reorganized into offensive types according to the "Plan for Speedy Warfare and Speedy Conclusion Strategy." Their mobility has been hastily increased and their nuclear war strength has been reinforced. The special attack corps' forces of 180,000 men have been reorganized. Presently in the front line region near the demilitarized zone, 80 to 90 percent of the puppet military, together with the U.S. imperialist forces, have been dispatched in battle array and are ever ready to conduct their North Korean invasion strategies.

The U.S. imperialists, who have arranged about 1,000 kinds of nuclear arms and their means of transportation in South Korea, saying that "the second Korean War will soon be a nuclear war," are planning for a nuclear war to launch a nuclear attack on us first and are ever ready to be able to mobilize their military forces and equipment that they have dispatched in the U.S. mainland and the Asian Pacific region at any time. The "Team Spirit 86" joint military exercise held in South Korea from February to April last year was a preparatory war for nuclear testing for completing such readiness for war.

Right now the U.S. imperialists and the South Korean puppets are drawing the situation more and more into war. Subsequently in South Korea, new types of military equipment and new units with missiles and rocket guns, tanks and armored tanks, "F-16" fighter bombers and attack helicopters, etc. have been additionally deployed, and even new binary chemical weapons have been deployed. The U.S. naval forces are said to be stationed in the waters near the Korean peninsula.

This is an open military threat to our people and cannot be but a development of affairs leading our situation to a super-tense condition on the verge of a crisis.

What is more dangerous is the fact that the U.S. imperialists have been recently carrying on frequent "joint exercises with the U.S. and the Japanese military, naval, and air forces under their goal of establishing a system of a joint nuclear attack strategy;" and they are trying to involve the Japanese "self-defense unit" forces in the U.S.-South Korea joint military exercises. This shows that in reality, the triangular military alliance among the United States, Japan, and South Korea is moving toward the stage of materialization.

The South Korean puppets' extreme military fascistization of the South Korean society, the blocking of the people's cry for democracy with guns and swords, and cruel oppression are all following the U.S. imperialists' invasion and war policy.

The U.S. imperialists and the South Korean puppet party are trying to rationalize their war policy and fascist instigations under their so-called slogan of "the threat of a North Korean invasion of the South."

The Chon Tu-hwan gang is now zealously engaged in strategic political propaganda about "the threat of invading South Korea" and "provocation," which do not even fall under the U.S. imperialists' instigations now, contrary to the effort to ease the tension and to reunify.

We cannot but necessarily deal critically with the strategic propaganda being advocated by the puppets that "the North Korean invasion of the South is imminent." They have even abandoned the North-South dialogue and, together with the United States, are calling for the betrayal and division of our country by following the U.S. imperialists' policy of "the two Koreas" and are even leading the situation in the direction of war by illicitly uniting with foreign power and resorting to a large-scale war exercise riot. This kind of strategic propaganda by the puppets is in accordance with the demands of a dangerous policy of anticommunist confrontation, which blocks our country's peaceful reunification by intentionally worsening North-South relations and aims to provoke a war of invading the North.

Because of the U.S. imperialists' and their hunting dogs' policy of provoking war, the danger of war in our country has become an immediate danger of today and not of tomorrow.

The prevention of the danger of nuclear war and the maintenance of peace in Korea are problems of life and death, which are related to our people's fate and also are urgent problems awaiting solution.

In order to avoid the danger of nuclear war, we must make Korea a non-nuclear peace zone free of nuclear weapons and bases.

The government of the Democratic People's Republic of Korea (DPRK) announced a new peace proposal on 23 June 1985 in preparation for establishing a non-nuclear peace zone in the Korean peninsula.

Prior to this, the Supreme Command of the Korean People's Army proposed to have a meeting among military authorities consisting of the minister of the people's armed forces of the DPRK, the joint chiefs of staff from South Korea, and the South Korean minister of defense in order to prevent the danger of war and to relieve the tension.

These proposals from us are important new initiatives coming from a sincere wish to be faithful to our national duty toward the Korean people and to the peace of Asia and the rest of the world.

The sincere effort and the peace-loving attitude on the part of our party and the DPRK government, which are trying to relieve the tension in Korea and to establish a firm peace, are directly reflected in these proposals.

The U.S. and South Korean authorities should not continue to deviate toward intensifying the tension by iterating the nonexistent "danger of invasion from the North," but should rather take the road of solving the problem with us by cooperating with the DPRK Supreme Command's peace proposal.

Their attitudes to our peace proposals will be a test case in judging whether or not they want to ease the tension in Korea.

The South Korean people, who have been suffering from the colonial rule of the U.S. imperialists and barbaric fascist military rule, realized from their experience of struggle that they cannot achieve their people's self-reliance, democracy, peace in the nation, and an independent peaceful reunification without removing the U.S. forces from South Korea and putting an end to their colonial fascist rule. They have set forth in their struggle for anti-U.S. self-reliance.

The South Korean students' and people's struggle for self-reliance and their opposition of the United States is a rightful, patriotic struggle, which reflects South Korea's legitimate request for social development. It is also a justified struggle which fits into the current trend toward self-reliance.

The U.S. imperialists should realize that their policy of occupying South Korea forever under the deceiving slogan of the nonexistent "danger of invasion from the North" is no longer accepted. They should stop the colonial subordination and fascist policies toward South Korea and remove all invasive forces, including the U.S. forces and nuclear weapons.

The South Korean authorities should also give up their foolish risk of war to attack us with foreign power and should rather start facing the general trend more objectively. They should also stop oppressing the South Korean students and people, who are yearning for self-reliance, democracy, and reunification, and step down from power.

Peace in South Korea and peaceful reunification can be achieved only through the struggle against the U.S. imperialists and their hunting dogs' movement toward invasion, war, and their attempt to make the division permanent.

All sorts of South Korean people, including the laborers, farmers, students, and intellectuals, should raise the flag of anti-U.S. self-reliance and anti-fascist democratization even higher to get rid of the U.S. forces from South Korea and to destroy the maneuvering to increase arms and provocation of nuclear war by the U.S. imperialists and their hunting dogs, and they should stage a struggle even more strongly to put an end to the colonial fascist rule.

The political situation prevalent today requires the intensification of the revolutionary capability in the northern half of the Korean Republic and a heightening of the establishment of socialism.

All party members and workers should highly respect the militant tasks that the great leader, Comrade Kim Il-song, suggested at this year's New Year address and the decision made at the 11th Plenary Session of the 6th Party Central Committee. We should harden our revolutionary basis more strongly in the political, economic, and military areas by staging a new revolutionary surge toward the establishment of socialism by thoroughly accomplishing the three grand lines of ideology, technology, and culture.

All the people and the people's army, in preparation for a provocation of a senseless war by the U.S. imperialists and their hunting dogs, should heighten the revolutionary vigilance even higher and more firmly protect our socialist fatherland and revolutionary benefit in a state of alertness and ready mobilization.

The prevention of the danger of nuclear war on the Korean peninsula is not only a desperate matter, which is related to the fate of the Korean people, but also an important problem in protecting world peace.

We hereby express our assurance that the governments and the people of the world, who take peace and justice seriously, will disclose and denounce the provocative maneuver of a new war by the U.S. imperialists and their puppets, that they will raise their voices even higher in insisting that the United States remove their forces from South Korea, and that they will send their continued solidarity to our people's rightful struggle for peace and reunification of Korea.

Under the positive support of the progressive people of the world, we are determined to achieve a historical undertaking of our fatherland while we prevent and destroy attempts to provoke a new war and to divide our people, and we will keep and solidify peace in Korea.

Our people's righteous undertaking, which follows the brilliant leadership of the great leader, Comrade Kim Il-song, and the guidance of the glorious party center cannot be but an invincible victory.

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CSO: 4110/77

## INTER-KOREAN AFFAIRS

ROK EDITORIAL ON INTERNATIONAL CONCERN FOR KOREAN PEACE

SK272310 Seoul THE KOREA HERALD in English 28 Sep 86 p 6

[Editorial: "Peace on the Peninsula"]

[Text] With the Asian Games being held in Seoul and the U.N. General Assembly in session, the Korean peninsula has been brought anew into international limelight. Few chief delegates to the world body have failed to mention the peninsula, either in depth or briefly, in expressing their concern about global affairs.

Even Soviet Foreign Minister Eduard Shevardnadze described the situation on the Korean peninsula as a "sore spot," saying that untying those knots would contribute to strengthening peace and security in the Asian and Pacific region. As an action formula, most of the U.N. delegates have called for resumption of the presently deadlocked inter-Korean dialogue and simultaneous entry of South and North Korea into the United Nations.

We believe these are most practical and logical approaches conceivable under the present circumstances. Summing up the sentiments prevailing at the world forum, U.N. Secretary-General Javier Perez de Cuellar agreed with Korean Foreign Minister Choe Kwang-su that the simultaneous entry into the United Nations of both sides of the divided peninsula would contribute to easing tension on the peninsula. The secretary-general also promised that the United Nations will support the early resumption of the south-north talks.

At this juncture, it is a pity to see that the Pyongyang Communists have kept the inter-Korean dialogue suspended for reasons that are absurd and unrealistic. They also remain opposed to joining the United Nations with Seoul by repeating its claim that simultaneous entry would perpetuate the division of Korea.

Pyongyang's recalcitrance has coincided with the recently stepped-up ties, particularly in the military field, with the Soviet Union. Moscow's growing interests in the Pacific theater were well-manifested last July by Soviet leader Mikhail Gorbachev who, by using his Vladivostock speech, made the Kremlin's intention to reverse the decline of Soviet influence in Asia explicit.

Any flare-up on the Korean peninsula is prone to entangle others into it, because of its geostrategic position. If Moscow is really interested in keeping such a crucial point stable, it should discourage the North Korean Communists from becoming adventurous and, instead, persuade them to go along the path of reason. Otherwise, they would find themselves increasingly isolated from the world society which would become less gullible to their absurdity.

## INTER-KOREAN AFFAIRS

### DPRK DAILY ON ESTABLISHING NUCLEAR-FREE ZONES WORLDWIDE

SK270733 Pyongyang Domestic Service in Korean 2140 GMT 26 Sep 86

[NODONG SINMUN 27 September special article: "Let Us Establish and Expand Nuclear-free, Peace Zones Throughout the World"]

[Text] Today the constant danger of thermonuclear war exists on earth due to the U.S. imperialists' maneuvers to increase its military nuclear capability. While brazenly advocating the policy of strength, the U.S. imperialists have greatly increased armaments and have given impetus to the production of nuclear weapons. At the same time, the U.S. imperialists are preparing to provoke a nuclear war by continuously expanding military bases throughout the world and by deploying nuclear weapons on a full-fledged scale. As a result, the dark clouds of nuclear war hang heavily over mankind.

Because of the maneuvers for nuclear war carried out by the U.S. imperialists around the world, the world is at the crossroads of peace or thermonuclear war. A thermonuclear war--a new world war--should be prevented at all costs. Establishing and expanding nuclear-free, peace zones around the world poses a very important question in preventing thermonuclear war.

The great leader Comrade Kim Il-song has declared: Establishing and expanding a nuclear-free, peace zone constitutes the important means to realize nuclear disarmament, prevent nuclear war, and protect peace.

The policy set forth by the great leader Comrade Kim Il-song to establish nuclear-free, peace zones around the world and to continuously expand these zones is a scientific policy based on profound analysis of the imperialists' policy for nuclear war and of the peace-protecting forces of the world which oppose this policy. This policy complies with the people's demand and desire to build a peaceful, independent new world by preventing the danger of war and by preserving durable peace and security throughout the world.

Our party's policy reflects an outstanding plan for peace, which can prevent a local nuclear war--a regional war--from expanding into a worldwide thermonuclear war by eliminating the source of the war.

The overall world situation develops in close conjunction with situations in different regions, and situations in individual areas directly or indirectly influence the world situation. If the regional situation is not stable, the

world situation will not be quiet as a whole. History's worldwide wars, without exception, started by conflicts between individual countries--that is, regional disputes and conflicts. In the instances of the two world wars, the sources of war were found in individual countries and regions and gradually expanded, as a result of the lighting of their fuses into world wars.

Today the U.S. imperialists have built the hotbeds of war, especially sources for nuclear war, around the world. Having established more than 1,500 military bases and facilities in 32 countries around the world, they have deployed a vast number of troops, more than 500,000 personnel. In particular, they have amassed great quantities of nuclear explosives on the U.S. mainland and at important overseas bases, aiming at nuclear war. If a war is touched off at any of the war hotbeds, it will easily spread into a nuclear war, a world war.

While trying to fulfill a wild desire to conquer the entire world by strength, the U.S. imperialists have greatly increased nuclear armaments and have accelerated preparations for a nuclear war. In particular, having come up with an adventurous star wars plan, they are trying to expand maneuvers to increase nuclear armaments into space. Because of the U.S. imperialists' maneuvers to prepare for nuclear war, we cannot tell when the fuse of a new war might be lit at their military bases or at hotbeds of nuclear war around the world. Because of this, the peace-loving people of the world face eliminating all U.S. imperialists' hotbeds of new war to protect world peace and security. It is therefore important in this regard to establish a nuclear-free, peace zone.

[SK270735] Today the people of the world vigorously wage the antiwar, anti-nuclear, and peace-protecting struggle everywhere. Encompassing a greater number of countries and people, this struggle is being waged with unprecedented size and depth.

Under circumstances in which the people's antiwar, antinuclear, and peace-protecting struggle has vigorously developed on a global scale, a movement is steadily being carried out to establish nuclear-free, peace zones around the world, including Northeast Asia, Southeast Asia, Central Europe, Northern Europe, the Balkan Peninsula, the Mediterranean Sea, the Middle East, the Indian Ocean, the South Pacific Ocean, Africa, Latin America, and the South Atlantic Ocean. This shows that the movement to oppose the U.S. imperialists' maneuvers for nuclear war and to establish nuclear-free, peace zones around the world has developed into a powerful worldwide trend.

The movement to establish nuclear-free, peace zones--which has proceeded from an urgent demand to guarantee peace and security in the region to which one's country belongs--is an important lever designed to strengthen the worldwide antiwar, antinuclear, and peace-protecting struggle.

In eliminating hotbeds of nuclear war it is urgent to establish a nuclear-free, peace zone on the Korean peninsula where the greatest danger of nuclear war exists. South Korea has been turned into the largest forward nuclear base in the Far East and into a hotbed of war. South Korea, where more than 1,000 nuclear weapons have been deployed, ranks first in the world in density of deployment of nuclear weapons.

The U.S. imperialists have brazenly raved that they would use nuclear weapons against the Korean people and have wickedly staged such a preliminary nuclear war as the "Team Spirit" military exercise.

The danger of the fuse of a nuclear war being lit on the Korean peninsula is very great. Such being the case, turning the Korean peninsula into a nuclear-free, peace zone is directly related to guaranteeing world peace and security. If a nuclear-free, peace zone is established on the Korean peninsula, one of the most dangerous sources of nuclear war would be eliminated, which would develop into a very favorable situation for preserving world peace. The proposal advanced by the DPRK Government to establish a nuclear-free, peace zone on the Korean peninsula meets this demand completely.

The international conference recently held in Pyongyang to discuss turning the Korean peninsula into a nuclear-free, peace zone clearly demonstrated the urgent need to establish a nuclear-free, peace zone on the Korean peninsula and the positive support for and firm solidarity with our proposal from the progressive and peace-loving people around the world.

We cannot imagine the antiwar, antinuclear, and peace-protecting movement and the movement to establish a nuclear-free, peace zone without the struggle against the aggressive imperialist forces, especially the U.S. imperialists, who have hatched a wicked plot to provoke a thermonuclear war, a world war.

It is important for the progressive and peace-loving people of the world to positively wage throughout the world the struggle to check and foil the U.S. imperialists' policy for aggression and war and their maneuvers to provoke a nuclear war by upholding the anti-imperialist, anti-U.S., antiwar, and anti-nuclear banner and by extensively forming a united front and to apply strong pressure to them to force them to withdraw the aggressive troops and the nuclear weapons they have deployed in other countries and to respond to the people's demand to establish a nuclear-free, peace zone.

Only through struggle can the people of the world fulfill their just demands. Our people will much more vigorously struggle to establish and expand nuclear-free, peace zones on the Korean peninsula and in various areas throughout the world with the peace-loving people of the world.

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## INTER-KOREAN AFFAIRS

### DPRK COMMENTATOR ASSAILS CHON'S SPEECH ON CIVIL DEFENSE

SK251248 Pyongyang Domestic Service in Korean 1150 GMT 23 Sep 86

[Commentary by station commentator Kim Yong-nam: "Instrument for War and Suppression"]

[Text] It has been reported that on 22 September, meetings to commemorate the anniversary of the founding of the so-called Civil Defense Corps were held in cities and provinces throughout South Korea. In a speech read on his behalf at these meetings, traitor Chon Tu-hwan called for strengthening a joint operations support system in which the Civil Defense Corps, the armed forces, the police, and the Homeland Reserve Forces organically cooperate among themselves and for preventing something. This lays bare a vicious scheme to use the Civil Defense Corps as a means for North-South confrontation, a war of northward invasion, and fascist suppression. The Civil Defense Corps is a fascist civilian military organization that the former South Korean dictator concocted in September 1975 to impose the fascist military regulation on the residents and to mobilize them as cannon fodder in an emergency. Traitor Chon Tu-hwan, succeeding this Yusin remnant, not only strengthened the corps in a quantitative manner but is also maneuvering to make this corps a crack unit by strengthening its training and by establishing a command and mobilization system. In this connection, the rascals are frantically making preparations to immediately mobilize the corps, together with the armed forces and the Homeland Reserve Forces.

The "Ttanggol-86," "Piho-86," and "Ulchi-86" exercises and other exercises which the puppets conducted this year under the excuse of examining preparations to maintain security in an all-out manner were comprehensive exercises in which the Civil Defense Corps, as well as the armed force puppet forces and the Homeland Reserve Force, were mobilized. The puppets also mobilize combat forces in civil defense day exercises that are conducted once a month and are planning to mobilize even fighters and armored carriers in these exercises.

The puppet traitor's gibberish that the Civil Defense Corps must strengthen the joint operations support system in which the corps, the armed forces, and the Homeland Reserve Force organically cooperate among themselves lays bare his attempt to mobilize the Civil Defense Corps as cannon fodder in a war of northward invasion after militarizing it and turning it into a combat unit. This shows how mad the puppets are about war.

At a time when in our Republic some 150,000 troops of regular forces are assigned to peaceful construction from the frontline and guardposts, in South Korea, the puppets are more desperately attempting to mobilize even civilians on a large scale in provoking a war of northward invasion. This can in no way be forgiven.

The puppet traitor is also attempting to use the Civil Defense Corps in maintaining security in his power. This cannot be overlooked, either. Traitor Chon Tu-hwan babbled about the so-called role of the Civil Defense Corps, while talking about stability in communities and preventing social disorder. This is an outspoken expression of such an ulterior motive.

As is known, the Chon Tu-hwan ring is driven into a situation in which it is facing a more serious crisis with the passage of time, while being impatient because of the violent anti-U.S. and antidictatorial struggle of the South Korean youths, students, and people. Even though these rascals are using all means, including anticommunist plots, the suppression of the people, and the misuse of international sporting events in an effort to alter the situation facing them, these means do not work. Under these circumstances, the Chon Tu-hwan ring is attempting to force the members of the Civil Defense Corps to support its dictatorial rule by using the military fascist regulation of the corps, and to use the corps as the servant of the police in suppressing the righteous advance of the people.

In his so-called speech, the puppet traitor also asked the Civil Defense Corps to make efforts and cooperate for successes in the Asian Games. He is attempting to use the paramilitary organization called a corps in holding international sporting events used for extending his stay in power and perpetuating division. This is really shameless. Because of the Chon Tu-hwan ring, the Civil Defense Corps has been further turned into a criminal organization opposed to the same nation and a means to maintain dictatorial rule.

The puppets' maneuvers to militarize the Civil Defense Corps and to make it a means for maintaining power because they are mad at war preparations and extending their stay in power will give rise to the greater anger and protest of the South Korean people who treasure the democratization of society and the peaceful reunification of the country.

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## DPRK DAILY REPORTS PROBLEMS OF ASIAD GAMES

### Athletes' Difficulties

SK220842 Pyongyang Domestic Service in Korean 1452 GMT 21 Sep 86

[NODONG SINMUN 21 September commentary: "Bitter Experiences Upon Arrival"]

[Text] At present, in South Korea where the Asian Games are being held, hundreds of thousands of oppressive troops have been mobilized and some 20 emergency oppressive orders, including the "Pongae" Nos 1 and 2 emergency orders, have been issued. Thus, people are in a state in which they cannot move about at all. Meanwhile, the U.S. imperialists' pirate warships are darting around in the surrounding waters. Thus, South Korea is doubly or triply enveloped.

The Japanese magazine (NIHON GENDAI) questioned whether the situation in Seoul is suitable for hosting the Asian and Olympic Games. It stated that the situation is not stable to host the Asian or Olympic Games.

Seoul, which has been incorrectly chosen for the games, is displeasing the foreign athletes and journalists who are visiting it. After foreign athletes check out of the airport and get in vehicles, South Korean reporters rush around them for news reports. This is what people frequently see everywhere in South Korea. Then, plainclothes policemen hurry the vehicles on and drag the reporters away in the presence of the foreign athletes. Foreign journalists say that the first thing they see in Seoul is these horrible guards.

What about the sports village? It takes 1 and 1/2 hours to get to the quarters which take only a few minutes to walk to. This is because of the security checks and electronic viewers which one has to go through, as at the airport, in addition to going through procedures and inspections to enter the sports village. Every building in the sports village is reportedly guarded round-the-clock by various people. They are servicers, guards, and policemen. Needless to say, they are the elements of the Agency for National Security Planning disguised as servicers, and the special agents of the puppet army and police hooligans disguised as guards. Thus, athletes are under surveillance within the boundaries of the Qmyol Village and in their quarters. They are under double or triple surveillance round-the-clock.

A Japanese magazine said that, on the eve of the Asian Games, in Seoul, literally, a war posture, a martial law posture, which is unsuitable for the

Asian sports events, was established. The foreigners visiting Seoul are now directly witnessing this.

Foreign athletes are experiencing many difficulties in their training as well. Some foreign cyclists had to go through procedures at the sports village to get to the training site. The cycling ground was within jumping distance from the sports village. However, it took several hours for them to reach the ground by car. Thus, they had to undergo training in the car. When they finally arrived at the training site, they were completely exhausted because they did not know which way they should go. There were no direction signs at all.

Let us look at the shooting training site. Some shooters had training at the training site. However, their performances were far below their records. This was, it was made known later, because the targets were not up to standard and the heights of the targets were incorrect. Foreign journalists say that this is the South Korean side's deliberate fabrication to seize more gold medals from foreign athletes. This is, so to speak, its tactics.

Foreign journalists visiting Seoul to cover the Asian Games have also been put in absurd situations. They are experiencing many difficulties. The drivers of athletes and journalists are reportedly unaware where they should go when driving them to the stadiums and training sites. As a result, after going back and forth, they have to pay exorbitant tax fees.

However, all of these are only the first bitter experiences they have had. One must wait and see what bitter experiences lie ahead for these athletes and journalists.

'Misfortune, Agony on People'

SK250052 Pyongyang Domestic Service in Korean 1252 GMT 23 Sep 86

[Unattributed talk: "The Seoul Asian Games Which Impose Misfortune and Agony on People"]

[Text] Today, the Asian Games have become another cause of the South Korean people's misfortune and agony. In his travelogue, a Japanese writer said: The South Korean authorities are demolishing shacks because they fear that foreign tourists and athletes may visit slums. They do not want anyone to know about the existence of the slums in a so-called flourishing world. Apparently, the South Korean authorities are most fearful of the truth.

On the pretext of hosting the 1986 Asian Games and the 1988 Olympic Games, the Chon Tu-hwan puppet clique is randomly demolishing slums in Seoul and in the local South Korean urban areas where some sporting events will be held.

As reported, the Chon Tu-hwan puppet clique demolished approximately 30,000 houses in Seoul and Pusan in 1984. In addition, between last summer and early this year, it demolished 32 slum areas in Seoul and expelled their residents to the areas where they would not be seen.

The forced demolitions which took place at a slum in Sanggye-dong, Tobong-ku, Seoul last June showed the intensity of their atrocity and the extent of the people's agony. The Chon Tu-hwan puppet clique intoxicated the heavily armed police troops and demolishers and sent them to destroy all the shacks there, and had them beat protesting children, women, and elderly people with sticks, knock them down, and bloody them. Even patients and elderly people who were unable to move around and, thus, lying in shacks, were ignored and a fiendish atrocity was committed by flattening the shacks with bulldozers. The residents have stated that the tragic scene on that day was reminiscent of the Kwangju tragedy in May 1980. Similar demolitions were carried out in slum areas in Kangdong-ku, Tongjak-ku, Kwanak-ku, Seoul, and in all other slum areas in South Korea.

Meanwhile, the fascist Chon Tu-hwan clique destroyed thousands of the street vendors' stands and expelled approximately 100,000 shoeshine boys and approximately 200,000 child beggars from Seoul. These are not all the crimes committed by the Chon Tu-hwan puppet clique which is hosting the Asian Games by imposing agony upon the people.

Dismayed at growing public opinion that the Asian Games cannot be held in Seoul because of the pollution problem, the Chon Tu-hwan puppet clique has forcibly closed plants. The fascist clique has even come to commit the atrocity of controlling fuel consumption in citizens' homes.

Because of the Chon Tu-hwan puppet clique's crimes, business firms are losing money and people who live from hand to mouth are suffering even harsher hardships of life.

In addition, to raise funds for the Asian Games, the Chon Tu-hwan puppet clique has extorted enormous amounts of money from residents calling them contributions. At the same time, in the so-called campaign to raise funds to cover expenditures for the games, it has manufactured all kinds of souvenirs and forcibly selling them to the residents, thus extorting a tremendous amount of money.

The Chon Tu-hwan puppet clique is now selling Olympic caps to primary school boys and girls, and by so doing, it is trying to extort as much as 100 million won in Seoul alone during September.

The Chon Tu-hwan puppet clique's crimes are arousing people's indignation. The Church Social Evangelist Council, a South Korean religious organization, has charged that, under circumstances in which the entire land is filled with tears of agony shed by millions of people without minimum rights to exist and the multitude of poverty-stricken people who are wandering about, the Asian Games are entirely unsuitable.

The South Korean youths, students, workers, intellectuals, religious people, and all other people are actively turning out in the struggle by shouting that they will not allow the Olympic Games, which should be a peaceful sporting festival, become a sporting event which drives the people to death. They are vigorously shouting slogans such as "We oppose the Asian Games which trample the people's rights to exist" and "Return the several billion dollars invested in the Asian Games and the Olympic Games to poor workers and peasants!"

Contrary to the Chon Tu-hwan puppet cliques' expectations, the Seoul Asian Games will arouse even stronger curses and resentment among the people and will only expose its atrocious rule to the world.

#### Demonstrations Against Asiad

SK290400 Pyongyang Domestic Service in Korean 2151 GMT 24 Sep 86

[NODONG SINMUN 25 September commentary: "Wrath Has Erupted"]

[Text] On 23 September, the South Korean students' struggle against the Asian Games was vigorously waged in many areas of Seoul. Some 1,000 Yonsei University students and some 300 Tongguk University students staged daring demonstrations on their campuses and sit-ins in the streets. At the same time, some 500 students in Seoul staged a stubborn demonstration in front of the hotel where foreign reporters were staying. The students' struggle was waged under a practical state of an emergency martial law in which some 100,000 policemen were on warlike guard. This shows well the fierceness of the struggle of the South Korean students opposing the U.S. imperialists, the Chon Tu-hwan puppet regime protected by them, and the Asian Games.

The South Korean puppets committed a violence of beastly suppressing them, dispatching large suppressive police forces to check the students' just demonstration, firing tear gas bombs at them. The ruthless suppression by the fascist clique which wielded guns and bayonets against the peaceful

demands of the students is a hateful rash act of the cursed murderers. The students' demands are just, and they should not be an object of suppression by guns and bayonets. The cry of wrath heard at the sites of the sit-ins and demonstrations, such as, "We oppose the military dictatorial regime supported by U.S. imperialism and the Asian Games," and "We oppose the Asian Games which help prolong the military dictatorship," is an explosion of the resentment long accumulated in the hearts of the students and people under the military fascist rule.

The present South Korean regime is a group of such military hooligans as the Chon Tu-hwan clique, an antipeople dictatorial regime formed and maintained under the U.S. imperialists' protection and control. The people's grudge against the military fascist regime is filling heaven and earth. Yet the puppets hosted even the Asian Games in South Korea to enhance their image, to provide a stepping stone to prolong the military dictatorship, and to create an international environment for perpetual division.

The misfortune which the Asian Games bring to the people is enormous. In the fascist rampage staged by the puppets in South Korea under the pretext of the successful hosting of the Asian Games, all the people whom they do not like are locked up and are bleeding from the beatings by the guns and bayonets. In particular, absurdly slandering us in connection with the bomb blast at Kimpo Airport, they are staging a racket of reinvestigation for apprehending the criminal in South Korea, engaging in fascist rampage everywhere. The puppets have even offered a prize of 10 million won for it.

In South Korea at present, only the U.S. imperialists and the puppet army and police can swing their arms and legs. Even the foreigners in the athletes quarters are restricted from free activities under the rigid control of the puppet police and the operatives of the National Security Planning Agency. The residents whose houses were removed by the so-called urban beautification program for the Asian Games are crying without a home, and the enterprises which were forcibly closed are on the verge of going out of business.

In the seas surrounding South Korea, the pirate ships, such as a nuclear carrier, battleship, cruiser, and destroyer belonging to the U.S. imperialists' 7th Fleet, are making free movements, openly engaging in armed blackmail.

How can the South Korean students, with strong sense of justice, just sit and watch this abnormal situation in which the wielding of the dictator's bayonet is standing in their way? Opposing the Asian Games is not only the demand of the students but is the consistent demand of the South Korean masses of all walks of life. The people of the world also oppose the holding of the Asian Games in Seoul.

The Chon Tu-hwan ring, which wields violence on the people opposing the Asian Games while hosting the Asian Games which all the people oppose, is a treacherous ring which should be condemned at home and abroad. The puppets cannot stop the people's just struggle with whatever threat by guns and

bayonets they may employ. The fact that the students are waging a daring struggle in the campuses and streets in the grim environment in which only the wielding of bayonets prevail shows that their struggle for the independence and democratization of society will continue and become more fierce in the future.

The pro-U.S. Chon Tu-hwan dictatorial regime, which schemes to realize its impure political purpose through the Asian Games, is facing a serious difficulty in the face of the students' active struggle. The puppets who forcibly carry on the Asian Games, suppressing the just demands of the students and the people, will be subjected to greater denunciation and rejection from the people at home and abroad.

### Repression 'Inevitable'

SK251236 Pyongyang Domestic Service in Korean 1150 GMT 24 Sep 86

[Commentary by station commentator Cho Tu-ul: "Resistance Is Inevitable"]

[Text] The struggle against the Asian Games is continuing even while the games are underway.

According to a report, on 23 September, more than 500 college students in Seoul advanced to the streets, breaking through the tightly guarded police, and staged a fierce demonstration struggle in front of the hotels where foreign reporters are staying.

They threw stones at the hotel and at a bus with foreign reporters aboard as an expression of their indignation against the Asian Games, chanting slogans "We oppose the military dictatorship supported by the U.S. imperialists and the Asian Games!," and so forth.

In addition, approximately 1,000 Yonsei University students held an anti-government rally on campus to reject the Asian Games, which pursue impure political aims, and staged a fierce demonstration struggle chanting slogans "We oppose the Asian Games!," "Stop suppressing students!," and so forth. Some 300 Tongguk University students also staged a demonstration on the campus playing field.

Embarrassed and frightened by the powerful advance of the youths and students, the fascist clique bestially repressed them by mobilizing numerous fully armed riot police and making them frantically fire tear gas at them.

This is a desperate act designed to block the just struggle of the South Korean youths and students against the treacherous Asian Games and to repress their patriotic advance. The fascist clique is propagating as if the Asian Games will bring about something good for the South Korean people while raving that the Asian Games are an opportunity to promote national prestige and so forth.

However, its act is a cunning trick to conceal its filthy aims pursued through the Asian Games and to appease the people's resistance. The puppet clique is attempting to enhance its popularity by taking advantage of the Asian Games and to further accelerate the maneuvers for permanent division of the nation and preparations for a northward aggressive war.

At the same time, the rascals are also pursuing their wicked aim to consolidate the foundation for long-term power by intensifying the repression of the people on the pretext of ensuring the international games. Proceeding from such an aim, the Chon Tu-hwan fascist clique has turned the entire land of South Korea into a chaotic place where fascism is rampant and into a huge prison without the iron bars. Hundreds of thousands of the puppet police and auxiliary police, as well as numerous puppet soldiers, are guarding the puppet government buildings, public buildings, playing fields, and hotels and are conducting checks and searches in the midst of some 40 repressive orders and directives. Wire entanglements are set around the large and small playing fields and sports facilities, and universities and colleges are closed.

The puppet supreme prosecutor's office handed down a repressive directive to arrest all students who stage street demonstrations during the Asian Games.

South Korea is, in fact, in the state of martial law. However, how could the South Korean youths and students tolerate the maneuvers of the puppet clique to fatten the stomachs of the U.S. and Japanese aggressors by sacrificing the South Korean people, to perpetuate the nation's division, and to realize its ambition for long-term power?

The fact that the college students in Seoul, including students from Yonsei University and Tongguk University, again rose in the struggle by breaking through tightly guarded police is the expression of the firm will of the youths, students, and people not to tolerate the Chon Tu-hwan puppet clique, which is attempting to misuse the international sports games for its impure political aims, and shows how fierce the spirit of the South Korean youths and students opposing the Asian Games is.

However, the Chon Tu-hwan fascist clique is bestially repressing the just struggle of patriotic students. This is an intolerable antinational crime. The Chon Tu-hwan clique is trying to suppress the resistance of the youths and students opposing the Asian Games through force. However, its act is foolish.

Where there is suppression, there is resistance. The more the oppressors' repression is intensified, the more organized and fiercer the people's struggle resisting the oppressors becomes.

The maneuvers of the puppet clique which is misusing the Asian Games, which should contribute to deepening friendship and solidarity among the Asian countries and people and to the development of sports, for impure political aims will only evoke the greater indignation and resistance of the South Korean youths, students, and people.

### Chon's Antiterrorist Steps Ridiculed

SK290247 Pyongyang Domestic Service in Korean 1353 GMT 24 Sep 86

[NODONG SINMUN 24 September commentary: "Commotion by Those Who Are Trembling With Anxiety"]

[Text] South Korea, which is said to be holding the Asian Games, is now covered with a forest of guns and bayonets. The puppet government and public buildings are surrounded by armored vehicles and puppet army commando forces. Barbed wire is laid around facilities for the games on university campuses with the puppet police hooligans standing guard. Hotels are guarded by agents of the puppet Agency for National Security Planning [ANSP] and police. The farce of around-the-clock checks of pedestrians, in which their bodies and bags are searched, is perpetrated on major street corners, and such commotions as searching sewers, trash cans, and public toilets, and overturning flower pots and ashtrays are committed. The Chon Tu-hwan ring is raving that this is necessary to prevent terrorism and crime and to maintain security. However, this is the convulsive racket by the puppets who are frightened by the anti-Asiad struggle of the South Korean students and people.

There are many instances showing the degree of anxiety with which the Chon Tu-hwan ring is trembling at the people's anti-U.S. and antipuppet struggle. Among them is the case of a pair of worn-out shoes at the Lotte Hotel.

A few days ago, a strange container was found in the parking lot of the Lotte Hotel in Seoul where the headquarters of the Asian Games organizing committee is located, and this was reported to the puppet police. A group of police was hastily dispatched to the Lotte Hotel, and sure enough there was a strange container. The problem was to dispose of the container after ascertaining what was inside it, but there was no one who was (?brave) enough to do it. They must have suspected that there could be a bomb in the container and that touching it could lead to a dangerous explosion. They had good reason to be afraid, in the wake of the bomb blast at Kimpo Airport which killed and injured many people, because organizations such as the Organization To Destroy the 1988 Olympics are sending repeated telephone warnings threatening to wage another bomb blast attack unless detained students and democratic figures are released. It was certainly something to see the puppet police who could not help trembling, staging a ridiculous scene while the foreigners in the hotel were watching.

Sometime later, a metal detector was brought in, and a brave policeman approached the container. He touched the container cautiously with the detector and it took him a while to open the top of the container after he ascertained that there was not anything alarming inside it. There was a pair of worn-out shoes, rather than a bomb, inside the container which frightened the people who suspected it might contain a bomb. A pair of worn-out shoes that made the armed police tremble and feel ashamed is another incident that will be remembered in history along with the Asian Games.

A few days before the Asian Games, South Korean television and radio publicized that those who go to see the games should not carry cameras or tape recorders. Prohibiting people from carrying cameras to the sites of the games will be for the first time in the history of world sports, not to mention the Asian Games.

We hear that the competitions are being held in facilities for the games, including basketball, tennis, and gymnastics, with half of the seats empty. Anticipating this, the puppets forced people, including elementary school children, to buy tickets for the Asian Games, despite the criticism of the people, but this was still not enough. In the case of women's basketball, in which only four teams participated, this should not be considered extraordinary as the games may not be interesting. This, however, is not the only reason.

If one wants to see an event, he has to enter the facility for the event. In order to this, he has to undergo unbearable contempt. In order to go to the facility for an event, one has to be subjected to a body and bag search by the agents of the puppet police, ANSP, and the puppet army standing guard at many major points. If one goes by automobile to avoid this, the police approach him, search inside the automobile, even opening the trunk in the rear. They even examine under the automobile. If one is patient enough to make his way to the entrance of the site of the game, he is again subject to a bag and body search before he is able to buy a ticket. Therefore, who would dare go to see the games?

This ugly fuss which the Chon Tu-hwan ring is making reveals how frightened and anxious it is over the stubborn anti-Asiad struggle of the students and people.

#### Asiad To Be Held 'in Prison'

SK280755 Pyongyang Domestic Service in Korean 0553 GMT 24 Sep 86

[NODONG SINMUN 24 September commentary: "The Sports Games Being Held Inside a Prison"]

[Text] In South Korea where the Asian Games are being held, a murderous scene of anticommunist slander and suppression has been created, arousing fear in the hearts of the people.

In connection with the bombing incident which occurred at Kimpo Airport shortly before the beginning of the games, the South Korean puppets have continuously kicked up the preposterous anticommunist farce in a vicious manner in an attempt to link the bombing incident to our Republic and Chongnyon without evidence, while arresting and punishing South Korean youths and students and people at random.

On 19 and 20 September, the puppet Metropolitan Police Headquarters committed the barbarous act of arresting seven people, including teachers of middle and high schools in Seoul, on the grounds that they have been active in raising the leftist-leaning consciousness in people, which includes forming organizations dedicated to raising consciousness and copying and reading ideological books.

Meanwhile, on 22 September, traitor Chon Tu-hwan, while attending so-called ceremonies to mark the anniversary of the founding of the Civil Defense Corps in various parts of South Korea, stated in a so-called speech that the Civil Defense Corps should strengthen its combined operations command system with the army, police, and homeland reservist forces so that somebody else's infiltration would be blocked, and that this should help to make the Asian games a success.

South Korea, where the Asian Games are forcibly being carried out, is now under a formidable state of martial law with hundreds of thousands of puppet policemen, assistant policemen, and vast puppet armed forces mobilized and with some 20 kinds of suppressive orders, including the "Pongae 1" and "Pongae 2" emergency orders, the special order on alertness to reports from residents, and a great crackdown, being put into practice.

To guarantee the Asian Games with military force, the U.S. 7th Fleet warships and a battle group consisting of aircraft carriers are roaming around the South Korean ports and plying waters around South Korea.

Heavily armed personnel carriers busily prowl the streets of Seoul and other major South Korean cities and those who are stationed at checkpoints that have sprung up at every corner now ransack even hand-carried bags of all the passers-by entering and leaving playgrounds, training centers, and athletic villages and thoroughly inspect beneath passenger cars.

Foreign news reports which describe the athletic village as being surrounded by barbed wire and cordoned off by layers of policemen and army commando forces who are armed to the teeth, indicate that the athletic village resembles a concentration camp and that the athletes enter and leave the village only when they are escorted by perfectly armed convoys.

Indeed, the 10th Asiad is being held amid the murderous bayonets of the puppet South Korean police and army as well as their barbed wire. It is as clear as daylight that games being held in such a place where one gets nervous chills cannot be held according to noble sportsmanship, with peace, friendship, and unity as its ideals.

Although the Asiad has marked the 10th quadrennial meeting, never before has it been held in such a place where bayonets form a forest and where suppression rampages.

The outrageous language about festivities and records and the outrageous acts by those who, isolated and rejected by the people as they are, cannot hold even a sports event without wielding bayonets are nothing but dirty scenes created only by cheeky military hooligans who know no shame.

Because of the crimes committed before the country and the people and because of the high spirit of the people's resistance, the fascist Chon Tu-hwan ring is cornered at home and abroad and is faced with a serious crisis. Despite the fascist clique's bayonet-wielding suppression, the anti-U.S. struggle for independence and antifascist struggle for democratization by the youths, students, and people of all walks of life has tenaciously continued and has now swept all of South Korea after being combined with the struggle against the Asian Games.

In addition, such shocking incidents as the bombing incident at Kimpo Airport and the burning of an Asiad-related tower in Iri City have occurred in succession. As a result, social and political chaos in South Korea has uncontrollably deepened.

As their maneuvers to fraudulently use the Asian Games for their impure political purposes met the resistance struggle of the popular masses, the puppet Chon Tu-hwan hooligans are now running riot in an anticommunist commotion in an effort to subdue the struggle.

Although the Chon Tu-hwan ring is now pursuing a pipedream of bringing the crisis under control, of paving the stepping stone for prolonging its stay in power, and of creating an international environment for the fabrication of two Koreas by forcibly holding the Asian Games, its maneuvers as such will only become the subject of the people's cursing and derision.

The Chon Tu-hwan ring, which, while trifling with the sacred international sports movement as a political plaything, is running riot in suppression and will never be able to avoid the stern judgment of history.

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## INTER-KOREAN AFFAIRS

### VNS DENOUNCES DJP PLAN FOR CONSTITUTIONAL REVISION

SK221223 Voice of National Salvation (Clandestine) in Korean to South Korea  
0300 GMT 21 Sep 86

[Unattributed talk from the "Sunday Reception Room" program]

[Text] As has been reported, in a plenary meeting of the party's special committee for constitutional revision on 18 August, the DJP confirmed and announced a draft plan for constitutional revision with the parliamentary cabinet system as the main framework. Following this, on 29 August, the DJP submitted this draft plan to the National Assembly.

Concerning this plan, the DJP noisily propagated, mobilizing all of its key post holders and government-patronized trumpeteers, that this plan is the only way to have a democratic constitution. It is loudly talking as if democratic politics will be achieved and a democratic government will be established as desired by the people when the parliamentary cabinet system is implemented, as pressed for by the DJP.

What is the parliamentary cabinet system which the DJP insists on? According to the draft plan for constitutional revision worked out by the DJP, the president is the symbolic head of the state and is to be elected by the National Assembly. He may be elected only one more time for another 5 years of office. However, he is not to hold the post of national assemblyman as an additional office. The prime minister is the head of the administration and exercises substantive power including the right to nominate cabinet members, diplomatic rights, the prerogative of supreme command of the military, the right to declare martial law, the right for emergency measures, and the right to disband the National Assembly. Thus, he is allowed to further repress and oppress the people with the powers of administration, legislation, and judiciary concentrated on himself.

In a word, the presidential system will be changed into a cabinet system. However, what is at issue is that the prime minister, who exercises substantive power, is to be elected by National Assembly in accordance with the nomination by the president. But the president is to nominate whoever is recommended by the political party holding a majority in the Assembly as the candidate for prime minister and then the National Assembly will conduct the election based on the president's nomination.

As is known to all, the current National Assembly Election Law stipulates the proportional representation system which allows the ruling party to automatically have the majority in the Assembly. Thus, under the situation in which the DJP holds a majority in the Assembly, the fair revision of the current Assembly election law cannot be expected.

Considering all of this, the plan for constitutional revision with the parliamentary cabinet system as its main framework put forth by the DJP, Chon Tu-hwan's personal party, is designed to form the DJP's long-term power system and is nothing but a plan to convert the Constitution into a system of indirect election by an electoral college.

In essence, this plan is nothing new from the system of indirect election by the National Council for Unification which ensured the permanent power of the former dictator.

Even if the existing Constitution which stipulates the presidential election system is changed into a parliamentary cabinet system, this does not mean that democratic politics will be realized nor democracy achieved.

The DJP's plan neither allows the people to elect the president in accordance with their will nor enables them to block the Chon Tu-hwan ring's fascist dictatorship and its long-term power. The Chon Tu-hwan ring is maneuvering to occupy both positions of the president and prime minister by passing in the National Assembly the plan for constitutional revision which stipulates the parliamentary cabinet system as its main framework by taking advantage of the favorable condition in which the DJP holds a majority in the Assembly. Thus, it is attempting to realize the dictatorship and long-term power by a single party.

We can say that Chon Tu-hwan's recent reorganization of the DJP with No Tae-u as its center and filling the cabinet with the DJP hooligans are the preliminaries for his long-term power.

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CSO: 4110/006

## INTER-KOREAN AFFAIRS

### DISCUSSION ABOUT KIMPO AIRPORT BOMBING

SK270859 Pyongyang Domestic Service in Korean 0835 GMT 23 Sep 86

[Unattributed talk: "Anticommunist Confrontation Commotion Under the Pretext of International Sports Games"]

[Text] Today people at home and abroad have further raised their voices to condemn and denounce the Chon Tu-hwan puppet clique for preposterously raising a commotion by groundlessly picking a quarrel with us in connection with the explosion at Kimpo Airport, an incident which occurred in the rascals' internal segment.

In a statement, Nobumasa Kawamoto, Japanese sports critic, said: When the truth of the explosion at Kimpo Airport has not been disclosed and when there is no evidence, concluding that the North has touched off this incident is very rash. Today, South Korea is under a stern police cordon. Japanese writer Kyujo Kobayashi said: Concluding that the incident was perpetrated by the North, before conducting a thorough investigation, is illogical and premeditated. It is impertinent to detain and interrogate Japanese people in South Korea without evidence. The investigation activities in South Korea and the authorities' announcement of investigation results smacks of conspiracy. It is clear that lurking behind these acts is a very dangerous intention.

Under the headline "Who Perpetrated the Incident at the Airport?," the 25 September edition of the weekly magazine the FAR EAST ECONOMIC REVIEW published in Hong Kong noted the antirepublic commotion raised by Chon Tu-hwan's puppets by preposterously linking the explosion at Kimpo Airport to us. The weekly said: Although Seoul has criticized North Korea, there is no evidence. It continued: Answering a question which asks who is responsible for the recent incident involving the explosion, a diplomatic official said that information he had obtained so far made him wonder why the South side had issued a statement denouncing the North by linking it to the incident. He then stated that he was suspicious of the hidden intention of those concerned.

This is deserved denunciation of the Chon Tu-hwan puppets who are unscrupulous about instigating the sense of confrontation within the nation and achieving their impure aims. It is as clear as fire why the Chon Tu-hwan puppets are running amok with slanderous propaganda against us prompted by the bombing incident at Kimpo Airport.

As is widely known to the world, it is a stereotypical trick for the puppets to kick off a large-scale slanderous anticommunist commotion whenever the crisis in the colonial fascist rule deepens in South Korea.

Today the struggle of people from all walks of life is continuously vigorously carried out in South Korea against the farce of the Seoul Asian Games staged by the puppets. In particular, the South Korean youths and students have formed organizations of struggle to check and frustrate the Seoul Asian Games and are staging fierce struggle demonstrations each day without yielding to fascist repression by the puppets military and police mobilized by the Chon Tu-hwan puppets at the manipulation of the U.S. imperialists, chanting such slogans as, "We oppose the Asian Games that perpetuate the nation's division!" "Return the several billions of dollars invested in the Asian Games and in the Olympics to the poor workers and peasants!", and "We oppose the Asian Games which are misused for the long-term power of the dictatorship!"

Workers, poor people in cities, democratic figures, and religious men in South Korea have risen in the active antigovernment struggle in step with the spirit of struggle of the youths and students.

[SK270901] As is known, the Chon Tu-hwan puppet clique perpetrated various frantic maneuvers to block the struggle of the South Korean youths, students, and people from all walks of life against the Asian Games long ago.

Handing down various repressive orders and directives, the rascals mobilized numerous puppet police and armed forces into suppression of the people. They closed major universities, including many universities in Seoul, and indiscriminately arrested and imprisoned progressive students.

However, the struggle of the South Korean youths, students, and people against the Seoul Asian Games is being continuously carried out in spite of the unprecedented terrorist rule of the Chon Tu-hwan fascist ring with guns and bayonets. Now they are fighting more courageously than ever with the spirit of fierce struggle not to tolerate the Chon Tu-hwan puppets' maneuvers to misuse the Asian Games to fabricate two Koreas and achieve the ambition for long-term power.

This has driven the Chon Tu-hwan puppets to extreme unrest and fear, bringing them into humiliation before the people of the world, and has deepened the crisis in their rule.

Prompted by this, the Chon Tu-hwan puppet clique is perpetrating a frantic crackdown and roundup while loudly talking about searching for terrorist criminals and so forth by using the bombing incident at the Kimpo Airport as an excellent chance and excuse for anticommunist confrontation and fascist suppression. It is noisily talking about the act of the Republic, maneuvers of impure elements instigated by the Republic, and so forth.

However, the Chon Tu-hwan puppet clique can never divert elsewhere the eyes of hatred and voices of denunciation by the people at home and abroad, which are directed to itself. It cannot absolutely extinguish the fierce flames of

struggle of the South Korean youths, students, and people against the Asian Games.

As was correctly pointed out by people from all walks of life in Japan and the weekly magazine in Hong Kong, the FAR EASTERN ECONOMIC REVIEW, public opinion at home and abroad sternly denounces the Chon Tu-hwan puppet clique, which is perpetrating a slanderous anticommunist commotion against fellow countrymen to achieve its impure ambition.

Today some people at home and abroad even remark that the bombing incident at Kimpo Airport could be a self-produced drama of the Chon Tu-hwan puppets themselves prompted by an impure aim. This is not a groundless remark.

Whenever the Chon Tu-hwan puppet ring was driven into a corner in the past, it resorted to such a trick. No matter how frantically the fascist ring may run wild, the truth will be correctly revealed and the vicious nature of the Chon Tu-hwan puppet clique will be fully brought to light.

It is good for the Chon Tu-hwan puppets to act with discretion.

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CSO: 4110/006

INTER-KOREAN AFFAIRS

STATEMENT ASSAILS CHON'S LINKING EXPLOSION WITH CHONGNYON

SK261017 Pyongyang KCNA in English 1006 GMT 26 Sep 86

[Text] Pyongyang, September 26 (KCNA)--Ha Chang-ok, director of the Social Affairs Department of the Central Standing Committee of the General Association of Korean Residents in Japan (Chongnyon), made public a press statement Wednesday hitting at the attempts of the South Korean puppet clique to link the bomb explosion at Kimpo airport with Chongnyon in a far-fetched manner.

Pointing to the fact that the puppet Seoul city police authorities, in connection with the incident, requested Japan on September 20 to investigate 51 young people under the influence of Chongnyon who had visited the DPRK, he said:

The Chon Tu-hwan puppet clique came out with the preposterous fabrication that those youth "had possibly undergone a special training" in the DPRK to obstruct the Asian Games. We bitterly condemn this shameless smear campaign with surging indignation of the nation.

Chongnyon made public a statement on September 18, in which it declared at home and abroad that Chongnyon had nothing to do with the bomb explosion at Kimpo airport and roundly exposed the base maneuvers of the Chon Tu-hwan puppet clique surrounding the explosion and their insidious political intention lurking behind them.

The Chon Tu-hwan puppet clique take issue even with the visit of the Korean youth and other strata of compatriots in Japan to the DPRK. This is nothing but a self-exposure of their lack of international common sense.

We demand once again that the Chon Tu-hwan puppet clique look straight into the reality and give up at once their slander and subversive moves against the DPRK and Chongnyon.

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CSO: 4100/12

## INTER-KOREAN AFFAIRS

### VNS ON CHON KYONG-HWAN BRIBERY CASE

SK240149 Voice of National Salvation (Clandestine) in Korean to South Korea  
0300 GMT 21 Sep 86

[Talk by Yun Chong-won from the program "Sunday Reception Room": "The Behind-the-Scenes Story Regarding the Opening of the Market for Foreign Cigarettes"]

[Text] Rumors have recently spread in connection with the fact that Chon Kyong-hwan, the brother of Chon Tu-hwan, resigned from the chairmanship of the Central Headquarters of the Saemaul Movement and flew to the United States under the pretext of studying there. Some say that he fled because he felt ill at ease over amassing his filthy fortune; some say that he went to the United States to arrange a route for the flight of Chon Tu-hwan's property, and the others say that he ran away because of his activities regarding the import of foreign cigarettes--an object of social protest.

Just like the proverb "no smoke without fire," the rumors spreading among people are never groundless. The rumor that Chon Kyong-hwan conducted activities in Seoul and Washington with regard to opening the market for foreign cigarettes is grounded on stark facts. As a result of vigorous lobbying activities by Chong Kyong-hwan along with Michael Deaver, former deputy chief of staff and assistant to the President, the opening of the cigarette market was agreed upon when a package of pending trade issues regarding Article 301 of the U.S. Trade Act was settled in July.

As the South Korean rulers in authority did not accept the demand for opening markets for fear of the resistance of the people, the United States invoked the notorious Article 301 of the U.S. Trade Act last September to exert pressure on them and called on Chon Kyong-hwan, whom it had forged close relations within the course of forcibly selling agricultural and livestock products, to hold behind-the-scenes negotiations over settling the question of opening the cigarette market along with other pending trade issues.

The United States employed Chon Kyong-hwan as its lobbyist because he exercises strong power in South Korea as the brother of Chon Tu-hwan, its loyal underling, and because he has astuteness and a rich career as an expert in irregularities and fraudulence.

It has been learned that Chon Kyong-hwan secretly met with Walker, U.S. ambassador to South Korea, as many as four times from last October to early

in May this year, was requested to persuade those in authority concerned to open the Korean cigarette market, and received some \$2.5 million funded for his activities in return for his persuasion.

Richard Walker, U.S. ambassador to South Korean, is a man who has tight relations with U.S. Senator Jesse Helms, who thoroughly speaks for the interests of the tobacco producers in the southern United States, has made efforts in various ways to open the Korean cigarette market.

At the directive of Walker, Chon Kyong-hwan personally met with his brother Chon Tu-hwan, as well as the minister of finance, the minister of industry and commerce, the minister of agriculture and fishery, and other officials in authority concerned, and gave them a huge amount in bribes, persuading them to settle the pending trade issues. Also, he warned some officials in authority concerned, who hesitated to solve issues, of the grave consequences if they failed to accept the demands of the United States.

An official in authority concerned, who was relieved of his post in the recent cabinet reshuffle, confessed that the U.S. demand for the opening of the cigarette market was accepted because there was also threat and blackmail by a close relative of Chongwadae.

Chon Kyong-hwan's lobbying activities to open the market for foreign cigarettes began in a full-dress manner last May. Chon Kyong-hwan received a new directive from (Al Guyer), assistant to a U.S. trade representative who came to South Korea late in May, to make active efforts for opening the cigarette market along with the settlement of pending trade issues by the middle of July at a session of the U.S. Senate Finance Committee.

[SK240151] In accordance with this directive, Chon Kyong-hwan had individual meetings with the senior secretary for economic affairs of Chongwadae and concerned officials at the Ministry of Commerce and Industry, the Ministry of Agriculture and Fishery, and the Legislation and Judiciary Committee of the National Assembly for approximately 15 days until the middle of June. He completely persuaded them to settle pending trade issues by the middle of July as demanded by the United States and to pass pertinent bills in the National Assembly.

He informed the U.S. Government of these activities and, on 17 June, flew to the United States to secure U.S. support for his brother, Chon Tu-hwan. He met with Michael Deaver, former deputy chief of staff and assistant to the President, and Senator McConnell, respectively, who conducted dual lobby activities for the Reagan Administration and the Chon Tu-hwan regime, reported to them on his lobby activities, and informed them that the South Korean side would agree on the settlement of pending trade issues within July and that pertinent bills would be passed through the National Assembly soon. It is no accident that U.S. Senator McConnell stated that a high-ranking South Korean person in authority would abolish the law banning the import of foreign-brand cigarettes into South Korea.

It was learned that at a meeting with Deaver, Chon Kyong-hwan begged him to ask the Reagan Administration not to exclude South Korean-made products from the list of Generalized Scheme of Preference [GSP] in return for protecting intellectual property rights and opening markets for cigarettes and insurance as demanded by the United States, and to request the administration to render continuous assistance to South Korea so that it can successfully host the Asian Games and the 1988 Olympics. He gave Deaver approximately \$1 million.

At the behind-the-scenes negotiations with Senator McConnell and Robert Dole, U.S. Senate majority leader, he gave them a large amount of money and requested this despicable cooperation. U.S. Senator McConnell and U.S. Senate Majority Leader Robert Dole, who hail from Kentucky and Kansas, respectively, major tobacco producing states in the United States, are hawks who strongly demanded that South Korea be excluded from the list of GSP beneficiaries because it had failed to open cigarette markets and even submitted a draft resolution concerning this demand to the Congress.

Meanwhile, Chon Kyong-hwan met with a representative of Philip Morris Inc., a huge U.S. tobacco monopoly enterprise, several times through the good offices of Deaver, to cooperate in South Korea's opening markets for U.S. cigarettes, and received a tremendous amount of money. It was also learned that during his visit to New York, he received hundreds of thousands of dollars in honorarium from Philip Morris Inc. and the Reynolds Tobacco Co., another tobacco monopoly.

In this way, Chon Kyong-hwan's treacherous behind-the-scenes negotiations and lobbying activities greatly functioned in opening cigarette markets-- a question which was not included in the pending trade issues scheduled to be tackled.

Originally, Chon Kyong-hwan, a well-known expert in fraud and swindles, perpetrated all kinds of irregular and swindling acts while portraying himself as the second most powerful man in South Korea since Chon Tu-hwan took the presidency.

In January 1981 when he was the deputy director of the presidential security force, Chon Kyong-hwan illicitly amassed as much as \$10 million from the Pacific International Rice Co. of the United States in return for making the Supply Administration purchase 200,000 tons of rice from the southern part of the United States for 33 percent more than from the international market price. In March 1982 when he was the secretary general of the Central Headquarters of the Saemaul Movement, he personally visited Australia and received a large bribe in return for making a contract with the minister of agriculture and fishery of West Australia to purchase Australian wheat at a higher price than on the international market.

Also, Chon Kyong-hwan embezzled a tremendous amount of donations he received from comparador tycoons and businessmen under the pretext of vitalizing the Saemaul Movement. In 1983 and 1984, he pressed the Ministry of Agriculture and Fishery to additionally import approximately 20,000 cows and took approximately 10 billion won in profit.

His lobby activities concerning the opening of cigarette markets this time are precisely an extension of these irregular and swindling acts. The irregular and swindling activities, which Chon Kyong-hwan perpetrated in conspiracy with his brother, and his nation-selling behind-the-scenes negotiations greatly enrage the people.

At present, people of all walks of social life and even opposition lawmakers are raising higher their voices to demand that Chon Kyong-hwan's irregular and fraudulent acts and the behind-the-scenes story concerning the opening of cigarette markets be brought to light.

Because of this, Chon Tu-hwan hurriedly relieved his brother of the chairmanship of the Central Headquarters of the Saemaul Movement and had him flee to the United States under the pretext of study.

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CSO: 4110/006

## INTER-KOREAN AFFAIRS

### COMMENTATOR ASSAILS REUNIFICATION SEMINAR IN SOUTH

SK250032 Pyongyang Domestic Service in Korean 1150 GMT 22 Sep 86

[Commentary by station commentator Kim Yong-nam: "Do They Have the Face To Talk About Peaceful Reunification?"]

[Text] According to reports, the puppet Advisory Council for the Policy on Peaceful Reunification arranged a so-called seminar concerning the reunification issue in Seoul on 22 September. During this seminar, the puppet Chon Tu-hwan clique had members of the Advisory Council--who snuck into South Korea from overseas using the Asian Games as the opportunity--babble about someone's disguised peace offensive and preventing maneuvers to hinder both the 1986 and 1988 games. This lays bare the divisionists' criminal attempts and is an unforgivable challenge to all the Korean people who hope for peace and peaceful reunification.

The puppets' babble about a disguised peace offensive and obstruction maneuvers is not new. This is nothing but stereotyped sophistry designed to prevent our reasonable and constructive peace proposals from influencing the South Korean residents and to conceal their divisionist colors. As is well known, we have advanced numerous proposals for the peaceful reunification of the country and have made every effort to realize them. This year alone, we have advanced reasonable peace proposals on many occasions, including the proposal for holding talks among military authorities to alleviate tension on the Korean peninsula and to provide an atmosphere favorable for North-South dialogue. However, the puppet clique, which responded to our efforts for peaceful reunification with war exercises and divisionist maneuvers, picked a quarrel with us, while talking about the disguised peace offensive. This is a shameless trick, like a thief holding a club.

Fair public opinion at home and abroad unanimously states that in Korea, it is none other than the U.S. imperialists and the puppet South Korean clique supported by them who do not truly hope for reunification and who pursue division.

The puppet Advisory Council for the Policy on Peaceful Reunification is a den of divisionists concocted to accelerate the U.S. imperialists' maneuvers to fabricate two Koreas. Timed to coincide with the antinational and antireunification Asian Games in South Korea, this divisionist organization brought in rabble from abroad and mobilized them in so-called activities. This cannot be overlooked.

The principle of the Asian Games is to strengthen friendship among Asian countries and sportsmen and to contribute to the development of sports. However, the puppets have invited the Asian Games to be held in South Korea, which is not a suitable venue for international sporting events, and are currently holding the games. This shows that the Asian Games, contrary to their principle, are being used politically by the rascals. By bringing in athletes and tourists of many countries, using the Asian Games as the occasion, the Chon Tu-hwan puppets are attempting to give the impression that South Korea is an independent country, thereby freeing themselves from international isolation and providing an international environment for fabricating two Koreas. This is evidenced by the fact that, using the opportunity of the Asian Games, the puppets are internally inspiring a sense of anticommunist confrontation among the South Korean people while spreading rumors of obstruction maneuvers and southward invasion, and that they are externally making sheep's eyes at other countries, while babbling about admission into the United Nations and cross-recognition. The puppet clique's decision to hold the so-called seminar, as part of such division maneuvers, shows that the rascals are more viciously attempting to engage in North-South confrontation maneuvers and maneuvers to fabricate two Koreas.

The puppet Chon Tu-hwan clique is a group of mean divisionists who make ill use of even sacred international sporting events to perpetuate the country's division and is a vicious enemy opposed to the reunification of the fatherland. The spirit of the games and peaceful reunification, which the puppet clique is babbling about, are synonymous with division and confrontation, a sophistry designed to conceal their divisionist colors.

The puppet Chon Tu-hwan clique has no face to talk about peaceful reunification. Bearing responsibility for the fact that it has only built divisionist barriers before reunification, while maintaining the U.S. imperialist aggressors in South Korea and frantically maneuvering to fabricate two Koreas with them, the puppet clique must immediately resign from power as demanded by the people. All the Korean people will in no way tolerate any maneuvers of the divisionists at home and abroad and will realize the peaceful reunification of the country without fail.

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CSO: 4110/006

## INTER-KOREAN AFFAIRS

### RADIO LAUDS STUDENT OCCUPATION OF JAPANESE CENTER

SK221248 Pyongyang Domestic Service in Korean 1148 GMT 18 Sep 86

[Commentary station commentator Son Yong-il: "Nation-Selling Atrocity"]

[Text] As has been reported, on 17 September, South Korean University students occupied the Information Center of the Japanese Embassy in Seoul and staged a sit-in struggle.

Dashing suddenly into the building of the Information Center, they occupied the office of the director on the second floor and chanted slogans opposing the forthcoming visit of Japanese Prime Minister Nakasone to Seoul and rejecting the Asian Games. They also scattered leaflets from the window.

Such an advance by the South Korean youths and students is the first sit-in struggle against the Japanese aggressive organizations in Seoul and aroused great shock at home and abroad.

Extremely embarrassed and frightened by the courageous act of the youths and students, the Chon Tu-hwan puppet clique urgently mobilized the puppet police and bestially suppressed them. It then arrested six college students including two coeds.

This is an intolerable atrocity by nation sellers against patriots. The fact that the South Korean youths and students advanced to a sit-in struggle against the Japanese aggressive organization is an eruption of their fierce anti-Japanese sentiment. They carried out such a struggle to express their indignation over the hateful maneuvers of the Japanese reactionaries to send Nakasone to South Korea on the occasion of the opening of the Asian Games.

Nakasone's junket to South Korea is a criminal junket challenging the effort to make South Korea independent and democratic and the cause of national reunification. The Japanese authorities openly stated that Nakasone's visit to South Korea is to express Japan's invariable support for the Chon Tu-hwan regime. As they said, his visit is aimed at supporting the nation-selling dictatorial regime by resuscitating the Chon Tu-hwan ring, which is grabbing at straws, rejected by the South Korean people.

Nakasone is attempting to further consolidate the stepping-stone for aggression to South Korea in return for upgrading the value of the Asian Games by

participating in the opening of the games, which the puppet Chon Tu-hwan is going to use for his long-term power and the two Koreas plot, and for saving the puppet from the crisis.

Furthermore, Nakasone himself babbled that he will emphatically discuss the security situation with the puppets in Seoul. This revealed his intention to join the preparations for a northward aggressive war by intensifying military assistance to the puppets and accelerating the fabrication of the U.S.-Japan-South Korea tripartite military alliance.

In every respect, Nakasone's visit is a dangerous one designed to deepen Korea's division and instigate the puppets' fascist repression and preparations for a northward aggressive war.

Furthermore, through the absurd remarks made by former Education Minister Fujio to legalize the Japanese imperialists' occupation of Korea and the brigandish assertions of the new Foreign Minister Kuranari that Tokdo, sacred Korean land, is Japanese territory, the South Korean youths, students, and people again clearly realized the arrogant and rude aggressive nature of the Japanese militarists and their spokesman, the Nakasone cabinet.

The fact that the people from all walks of life in South Korea persistently opposed the visit to Seoul by Nakasone branding him as the ringleader of Japan's neomilitarism is quite natural. The South Korean University students' sit-in struggle at the Information Center of the Japanese Embassy is an extremely just act clearly reflecting the increasing anti-Japanese patriotic sentiment among the South Korean people and social circles.

Nevertheless, the Chon Tu-hwan puppet clique responded to the patriotic students' advance with cruel repression with guns and bayonets. Its act is a treacherous atrocity which can be committed only by another ring of the five Ulsa traitors [reference to the protectorate treaty between Japan and Korea that was concluded in 1905].

With what words can we condemn the criminal act of these traitors who have assumed a low and mean posture toward the aggressors, arrogantly running to embellish and adorn their crime of occupying Korea in the past and to take the sacred inherited land of Korea, and who rule the youths of the same nation fighting to safeguard the nation's dignity and justice with guns and bayonets?

The nation-selling traitors are attempting to maintain their filthy life in such a way as to repress the people while flattering their masters. However, this is foolish. Where there is aggression and nation selling, there is always patriotic resistance. The nation-selling traitors are destined to pay the price for the crime they have committed.

The South Korean youths, students, and people will never tolerate the criminal conspiracy of the Japanese reactionaries and the Chon Tu-hwan puppet clique. They will more vigorously carry out the antiaggression and antination-selling struggle.

## INTER-KOREAN AFFAIRS

### BRIEFS

FOREIGN CAPITAL INDUCTION--Pyongyang, September 22 (KCNA)--Foreign capital is extensively making its way into South Korea due to the treacherous act of the Chon Tu-hwan puppet clique, according to a report. Some 133.85 million dollars of foreign capital was induced for 100 projects in the first seven months of this year. This is 47 percent greater in the number of projects than that in the same period of last year. The direct investment of foreigners had amounted to 10 million dollars on an annual average till 1971 since the preceding traitor cooked up the anti-national "law on foreign capital induction" in 1962. Its scale has expanded to 100 million dollars on an annual average since 1972. Most of the investments are those of the United States and Japan. And the scope of investments of foreign capital has been extended from such light industrial domains as fibre and clothes to heavy and chemical industries including machines and electricity. This shows that owing to the Chon Tu-hwan puppet clique's treacherous opening of the door to foreign investments, South Korea has turned into an object of foreign capital investment and the main arteries of the economy are seized and subjugated by foreign capitalists. [Text] [Pyongyang KCNA in English 0407 GMT 23 Sep 86] /8309

SOUTH'S ANTI-DPRK 'RACKET' SCORED--Tokyo, September 20 (KNS-KCNA)--Japanese figures of different circles issued press statements denouncing the anti-DPRK racket raised by the Chon Tu-hwan military fascist clique over the bomb explosion at Kimpo airport. Nobumasa Kawamoto, a sports critic, said: It is too rash an act to decide that the explosion "was a work of the north" when its truth has not been made clear and nothing has yet been proved. South Korea is now under a grissly guard. Kyuzo Kobayashi, a writer, said: One cannot but think it is a far-fetched and intentional protestation to conclude that the explosion was "a work of the north" before a detailed investigation. It was a rude act to lock up even Japanese without any ground for investigation in South Korea. I smell a rat in the "investigation" and announcement of the authorities in South Korea. Obviously, a very dangerous intention lurks behind them. [Text] [Pyongyang KCNA in English 0400 GMT 23 Sep 86] /8309

PHILIPPINE REPORTER ATTACKED IN SEOUL--Pyongyang, September 25 (KCNA)--The riot police in Seoul Tuesday assaulted a Filipino photographer who was covering a student demonstration against the Asian Games, according to a REUTER report from Seoul. Andy Hernandez, who works for the U.S. magazine NEWSWEEK, was reportedly punched and kicked and confiscated of the films after he had taken pictures of the demonstration near the Tongguk University. This clearly shows that Chon Tu-hwan and Co. are ruffians and ignorant fascist tyrants fearing the exposure of truth. [Text] [Pyongyang KCNA in English 0433 GMT 25 Sep 86] /8309

CHOE TOK-SIN RESIDENCE IN DPRK--Pyongyang, September 25 (KCNA)--Mr Choe Tok-sin, former South Korean "foreign minister" and army corp commander of the "ROK" army, met with home and foreign reporters Thursday and published a statement, in which he declared that he was taking up permanent residence in the Democratic People's Republic of Korea, ending his exile abroad. He said: I would like to make it clear that my decision today to choose my abode in the DPRK was not motivated by a mental change liable in one's old age or by a momentary impulse but is a decision of conscience taken after a long pondering. Since I have become a citizen of the DPRK, I declare that I waive my citizenship of the United States which I had been compelled to adopt. [Text] [Pyongyang KCNA in English 0459 GMT 26 Sep 86] /8309

1987 DECLARED YEAR OF PEACE--Pyongyang, September 26 (KCNA)--Guy Dupre, secretary general of the International Liaison Committee for the Independent and Peaceful Reunification of Korea, met with reporters and declared 1987 year of international solidarity for peace in Korea and its reunification, according to a CTK report from Paris on September 24. He said that activities of wide range for an early solution of the reunification question of Korea will be conducted on the occasion of the 10th anniversary of the formation of the International Liaison Committee for the Independent and Peaceful Reunification of Korea. He noted that the nuclear arsenal in South Korea poses danger to peace in Asia. [Text] [Pyongyang KCNA in English 0518 GMT 26 Sep 86] /8309

MASS ARRESTS IN SOUTH--Pyongyang, September 27 (KCNA)--The Chon Tu-hwan fascist clique had arrested more than 263,560 guiltless people across South Korea by September 25 since they started a "100-day operation for rounding up offenders against Asiad" in mid-June, according to a radio report from Seoul. The fascist clique detained over 48,300 people out of the arrested, penalized over 76,300 through summary trials and transferred 10,600 or more to the relevant organs. This suppressive racket clearly shows how desperately the fascist clique are at work to attain their filthy political purpose through the Asian Games. [Text] [Pyongyang KCNA in English 1014 GMT 27 Sep 86] /8309

REWARD FOR KIMPO BLAST INFORMATION--It has been reported that the headquarters of the investigation into the blast incident at Kimpo Airport is advertising that it will offer 10 million won in cash to those who furnish decisive information. The headquarters reportedly made such a decision because there is no clear material evidence on or witnesses to the incident. Even though the puppets have kicked up investigation rackets, like a mad dog running wild, to search for a suspect, they have only made vain efforts. Fretting about this, they began to commit such maneuvers. This is really ridiculous. People still vividly remember that as soon as the blast incident took place, the puppets made an announcement on the incident and issued a so-called joint statement, allegedly saying that it was an act committed by the North. Having failed to find any clues, even though 10 days have passed, however, the puppets made a decision to offer a cash reward. This is not something new because groundlessly linking us to an incident in South Korea even before investigating it is the deep-seated evil practice of the puppets. At any rate, the puppets revealed their dirty nature again this time. Before offering a cash reward, it would be more appropriate for the puppets to admit that they committed a rash act because they were hellbent on intrigue. [Text] [Pyongyang Domestic Service in Korean 1156 GMT 26 Sep 86] /9365

## OLYMPIC GAMES

### PYONGYANG COMMENTARY ON U.S. SUPPORT FOR ASIAD, OLYMPICS

SK270829 Pyongyang Domestic Service in Korean 1150 GMT 25 Sep 86

[Commentary by station commentator Kim Myong-nam: "A Thief Shouts, 'Stop Thief!'" ]

[Text] On 24 September, U.S. Secretary of State Shultz met with puppet Foreign Minister Choe Kwang-su, who was visiting New York. They held secret talks. While saying that tension has continued on the Korean peninsula because of us, they decided to jointly counter the threat of someone's terrorism. In a press interview conducted on 23 September with a U.S. television network, U.S. Secretary of Defense Weinberger raved that he would aid South Korea in preventing a terrorist attack, which could occur during the Asian Games being held in Seoul or during the 1988 Olympics. This is a brazen act which resembles the act of a thief shouting, "Stop Thief!" It is obvious to everyone that such remarks by the U.S. imperialists' to-class servants are tricks designed to pick a quarrel with us by reversing black and white and to justify their maneuvers for aggression and war.

Who is trying to attack the opposite side with arms on the Korean peninsula? Who is engaged in terrorism? Proceeding from a desire to alleviate tension on the Korean peninsula at all costs this year, the year of international peace, and to preserve durable peace, we have advanced a series of peace proposals, including a proposal for holding talks among persons in military authority. In addition, we have recently taken the initial step of mobilizing more than 150,000 KPA soldiers for the country's peaceful construction projects.

In accordance with the step by the KPA Supreme Command, KPA units and Korean People's Security Forces are now moving to socialist construction sites from frontline areas and outposts. How can this peace-loving step constitute an increase in military capability and a threat against someone?

It is the U.S. imperialists and the South Korean puppets who, while seeking an opportunity to launch an offensive of northward invasion after intensively deploying troops in areas along the Military Demarcation Line, have answered our peace-loving efforts with maneuvers to provoke a new war. It is absurd, for those who have occupied half of the territory of another country have been engaged in powder-reeking war exercises and adventurous military provocations and have maintained a most barbarous fascist and terrorist colonial rule by

instigating the puppets to babble about someone's threat and terrorism. The United States is the general headquarters of aggression and terrorism, and the South Korean puppets are the most evil executors of the United States. We can say so with regard to the situation in South Korea where the Asian Games are being held. Everyone views the situation in which, while coercively hosting international sports games which the South Korean people do not want for an impure political aim, the U.S. imperialists and the puppets have turned South Korea into a place plagued by the ghastly terrorism of bayonets through the all-out mobilization of tyrannical forces where they have arrested and punished students and people at random. Is this not terrorism? Not satisfied with this, the U.S. imperialists have frantically staged war exercises in the seas around our country by successively sending large piratic warships, such as the "Carl Vinson," the "New Jersey," and the "Ranger," to South Korean ports. Thus, they are trying to threaten us and the South Korean people. Weinberger's description of the visit to the port of Inchon by a U.S. naval fleet as routine is a trick designed to implicitly deceive the people.

The hidden intention of the U.S. imperialists' clamorous babbling about joint countermeasures against terrorist threats and about aid is to use the international sports games as a means to concoct two Koreas and to maintain fascist colonial rule by coercively hosting the Asian Games and the Olympics after all by supporting them with strength. This is a brazen threat and a challenge to the South Korean students and people who are struggling against an attempt to misuse the international sports games for an impure political aim. No matter what maneuvers the U.S. imperialists may carry out, they will never be able to justify their crimes against peace and democracy, nor can they check the South Korean people's patriotic advance movement. The maneuvers of the U.S. imperialists will only further reveal their ugly image as the ringleader of aggression and terrorism and will further incur the people's denunciation and rejection.

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CSO: 4110/7

## OLYMPIC GAMES

### VNS ON PEOPLE'S REJECTION OF ASIAD, OLYMPICS

SK260146 (Clandestine) Voice of National Salvation in Korean to South Korea  
0300 GMT 20 Sep 86

[Dialogue between announcers Ko Il-chol and Min Hye-kyong from the feature program "The Asian Games Which We Do Not Welcome"]

[Text] [Min Hye-kyong] All of South Korea is now experiencing not the atmosphere of a festival, but of tyranny, panic, and despair, and the struggle of our people to oppose and reject the Asian Games has been intensified. The 1986 Asian Games are being held amid confrontation. We are here this hour to discuss the Asian Games. While much more zealously preaching the usefulness of the Asian Games, the Chon Tu-hwan group has further stepped up the physical suppression of students and patriotic people who oppose them. Would you explain this?

[Ko Il-chol] Describing the 1986 Asian Games as the overture of and preliminary test for the 1988 Olympics, persons in authority have made absurd remarks that if South Korea and the South Korean people host the 1986 and 1988 sports functions, they will rank among the intermediate developed countries and that opposing the Asian Games cannot be pardoned. However, despite the Chon Tu-hwan group's two-pronged tactics, a majority of the people oppose the sports functions with a do-or-die spirit, terming this function a political gamble made at the government level and an impure plot to prolong their term in office by sacrificing the people. The ardor of resistance has been further expanded and increased with the passage of time. Why do the majority of our people oppose and reject the 1986 Asian Games, over which everyone should rejoice were these games a pure international sports festival designed to seek peace, friendship, and unity both nominally and in fact? This constitutes the grave nature of the problem.

[Min] That is right. There would have been no problem if the Chon Tu-hwan group had not tried to misuse the Asian Games, called the Olympics of Asia, for political aims. The problem is grave because they are trying to misuse these games for political aims. Why does the Chon Tu-hwan group host the 1986 Asian Games in Seoul?

[Ko] The political aim sought by the Chon Tu-hwan group--its wicked intention--is above all to criminally use the Asian Games to perpetuate the division of the Korean peninsula. They have chosen the Asian Games as one of the most effective opportunities to internationalize the concept of two Koreas. While announcing the hosting of the Asian Games in Seoul, they professed that these games would be a festival designed to isolate the North in the international community, brazenly revealing such a wicked intention. As a matter of fact, the Chon Tu-hwan group stepped up the campaign to fan sentiments of anti-North and anticommunist confrontation on the eve of the 1986 Asian Games. Under the pretext of the Asian Games, it has stepped up a diplomatic offensive to realize cross relations [kyocha shugyo] and simultaneous entry into the United Nations. While being briefed on this year's project by the sports minister, Chon Tu-hwan stated that the basic aim of the 1986 and 1988 sports functions is to provide circumstances for simultaneous entry into the United Nations. He then instructed that preparations be made for these sports functions to achieve this end. This clearly shows that one of the important aims of bringing in the 1986 Asian Games was to perpetuate division.

[Min] Viewed from their stand, the seizing of power forever by a single party and faction based on superficial economic growth attained on a vast amount of foreign debts is a strategic goal, and the successful hosting of two sports functions to achieve security for power and to overcome a crisis is an immediate task.

[Ko] It is no exaggeration to say that they are staking their life on hosting the 1986 Asian Games and the 1988 Olympics to disguise South Korea as an independent country, to demonstrate at home and abroad the sham stability of South Korea, which is reminiscent of a house of cards--and to consolidate foundations for a long term in office. First of all, they are trying to overcome the present crisis and disorder by hosting the 1986 Asian Games. The Chon Tu-hwan group is maneuvering to reduce the factor of political instability and lay a foundation for security of power by blurring the critical gaze of the people directed toward it by creating the splendid image of an international sports festival and refurbishing the image of a pro-U.S. fascist dictatorial group to some degree.

[Min] That is the true intention of the Chon Tu-hwan group. It is by no means an accident that democratic press circles have openly and scathingly described the 1986 and 1988 sports functions as a wicked plot premeditatedly hatched by Chon Tu-hwan to have the rancor created by the mass holocaust in Kwangju directed toward sports and to achieve a long term in office.

[Ko] That is right. Under the pretext of achieving national harmony, enhancing national prestige, and establishing social order for the 1986 Asian Games, the Chon Tu-hwan group has issued the class A emergency decree and emergency decrees Pongje No 1 and No 2, including the emergency martial law order and the emergency order of duty, throughout South Korea. Thus, it has been hellbent

on suppressing the people. Each day it has arrested and imprisoned people by checking pedestrians. It has punished them by staging murderous trials. The Chon Tu-hwan group has set up barbed wire entanglements around the table tennis gymnasium at Seoul National University and has blocked mountaineering paths in Mt Kwanak and roads around the athletes' village and stadiums. It has even committed the base act of issuing decrees to coercively close down universities. These are part of the maneuvers to strengthen the system of suppressing the people's aspirations to achieve independence, democracy, and reunification and the people's struggle to [words indistinct] under the pretext of successfully hosting the Asian Games.

[Min] The Chon Tu-hwan group's successive issuance of tyrannical decrees and its blowing of an outrageous and tyrannical whirlwind through the mobilization of police forces ostensibly to host the Asian Games show how desperately and frantically they are running amok to block the advance of opposition forces and the patriotic people under the pretext of maintaining order and to fulfill a wild desire for a long term in office. The movement to oppose the Asian Games has surfaced and become active among students and people from all walks of life not merely as a result of the expression of concern about the perpetuation of division and the protraction of the dictatorial system. What do you think?

[Ko] This movement is related not only to this concern, but also to the great financial burden that the people will be forced to shoulder and to the livelihood of the people, which will further deteriorate. Our people know well that the 1986 Asian Games, which are being coercively hosted by squandering a vast sum of foreign currency amounting to \$8 billion, and the 1988 Olympics, which they are planning to host, are criminal sports functions to be held at a government level by sacrificing the poor people. The additional burden to be imposed on our people because of the 1986 and 1988 sports functions will amount to more than 900,000 won per household on average. This sum is equivalent to 9 months' pay for workers, who suffer from low wages of 100,000 won per month. This is a serious problem. The ruling group has been hellbent on exploiting the people by increasing taxes and by carrying out a money-collecting campaign to secure funds for the two sports functions. Tens of thousands of people in Seoul have lost their homes and jobs because of the commotion raised in dismantling shacks and in controlling street stalls under the pretext of improving the living environment. The common people, including workers, peasants, and the poor people in the cities, can hardly breathe because of belt tightening--because of the act of increasing taxes and public utilities fees to host the Asian Games and the Olympics under the burden of foreign debts amounting to more than \$53 billion and under circumstances in which the people's life of misery has reached its zenith.

[Min] The 1986 Asian Games are an antinational and ruinous sports festival to the state both in light of the Chon Tu-hwan group's attempt to misuse these games for the impure political aid of perpetuating division and of protracting the dictatorial system and in light of the fact that these games are a criminal sports function held at a government level to sacrifice our people. Now, let us change the topic of our conversation. When we view

today's situation in this land, we can see that public opinion says that the Asian Games are not suitable for being termed as international sports games that symbolize peace, friendship, and unity in South Korea. What do you think?

[Ko] Originally, South Korea was not suitable for hosting such international sports games as the Asian Games. As is publicly recognized, all of South Korea has been turned into a U.S. test ground for a nuclear war, and the situation of the eve of a war has developed there to the extent that there has not been a single day when the sound of firing and gunsmoke are not heard or seen. More than 1,000 nuclear weapons, small and large, exist in South Korea, opening their horrible mouths of holocaust and containing the seeds of disasters. In addition, the political situation in the country is very serious and unstable. A dangerous situation, in which we do not know when an extreme confrontation between fascist and democratic forces, between treacherous and patriotic forces, and between splittist and reunification forces will erupt, has matured. Bloody terrorist rule resembling the mass holocaust in Kwangju--the act of killing tens of thousands of patriotic citizens at a stroke--has been brazenly perpetuated in broad daylight, assuming a changed nature. Even at this moment, the scarlet blood of the innocent people is continuously dripping from the edge of swords held by Chon Tu-hwan's jackals. Hosting a sacred international sports festival in such a place constitutes the act of degrading a sacred and peaceful sports festival and of intolerably making a mockery of our people and of the international community.

[Min] That is right. Because of this, our people oppose the Asian Games, and scathingly describe these games as a reckless sports function designed to superficially beautify Seoul by sacrificing the poor people and as a festival of debts designed to maintain power.

[Ko] That is right. An international sports festival, which symbolizes peace, friendship, and unity, should not be misused for an impure political aim in such an unsuitable place as South Korea by pro-U.S. and anticommunist politicians. Our people should much more resolutely struggle to oppose the Asian Games.

[Min] Our people should much more positively struggle to oppose the 1986 Asian Games on a pan-national scale. Thank you for your useful comments.

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CSO: 4110/7

S. KOREA/POLITICS AND GOVERNMENT

DJP LEADERSHIP RESHUFFLE DISCUSSED

Seoul MAEIL KYONGJE SINMUN in Korean 23 Aug 86 p 3

[Article by reporter Han-Myong-gyu: "Ousting the Totally Energized System for Leading the Agreed Constitutional Revision Representative No's Territorial Expansion Aimed for the Future"]

[Text] The 23 August reshuffle of the democratic Justice Party [DJP] is significant in the formation of a totally energized system of the party faced with the so-called "grand compromise," which is said to be a mutually agreed constitutional revision.

A great change in the party management style is also expected as a result of this reorganization.

The fact that this is the first large-scale reshuffle since the DJP Chairman, No T'ae-u, was given "responsibility and power" by the party president, Chon Tu'hwan, has especially been attracting the people's attention.

It can be said that Representative No carried out a substantial reshuffle with his own philosophy and has demonstrated his plan for the upcoming political development for the first time after a year and a half since he took the baton to manage the party, starting with the 23 February reorganization immediately following the general election.

In a way, this may be considered to be a substantial new start for No's system.

The major reason for this outcome appears to be attributable foremost to the reinforcement of the Central Executive Committee's (CEC) reinforcement.

It looks as though this apparatus will carry out the core function as a vehicle to determine the party policy by centralizing the party power by gathering together all the prominent figures, including the former powerful party members.

This cannot be considered a simple change.

It is because CEC's reinforcement can become a motivation to transform the party's management style from the policy where decisions are made single-handedly to the one where decisions are based on mutual consensus.

This can be considered to be consistent not only with Mr No's personal style of listening to others rather than just promoting his own views, but also with the attitude of the DJP, which has already finished its preparation for a parliamentary, cabinet type of political system, as a proposal for the forthcoming constitutional revision.

Furthermore, No must have desperately felt the need to utilize the experiences of the prominent figures gathered in CEC in persuading the opposition party for full-scale negotiations for constitutional revision. This assumption is further supported by an explanation from a source close to him that the most important consideration in No's recent reshuffle was the "reinforcement of the CEC."

Another significant aspect of the recent reshuffle is the fact that No's sphere of "movement" has been expanded.

In other words, analysis indicates that a dutiful reorganization, heavily emphasizing No's increased role for political leadership, has occurred.

The party's Secretary General, Chong Sun-dok, initially known to remain in his position since he had won the deep trust of the party president, was replaced by Representative Yi Ch'un-gu, who used to serve as Deputy Minister of Home Affairs when No was minister. The aspect of No's new start seems to have been taken into consideration.

National Assembly member, Yim Pang-hyon appointed to be the new CEC chairman, was appointed to be a member of No's staff. The appointment of former Secretary General Yi Han-dong as floor leader seems to reflect the fact that he was judged to be the appropriate person for negotiating the constitutional revision with the opposition party, considering his prominence and capability.

Taking the people's viewpoint into consideration, No seems to have paid close attention to the details of minimizing the number of former military personnel and to have taken appropriate measures for regional distribution.

As for the positions of Minister of State Affairs and the party Spokesman, the incumbents, Chong Chae-ch'ol, Minister of State Affairs and Shim Myong-bo, party Spokesman, were judged to be appropriate for their positions and retained, after much debate, considering Chong's relationship with the opposition party and Shim's, with the press.

The reason behind the appointments of Chong Tong-song (National Assembly member) as the Secretary of the party president and Kim T'ae-ho (National Assembly member) as Deputy Secretary General might be an intention to respond to the voice of the younger group within the party.

In any event, the new organization is being analyzed to have probably been formed to reinforce No's pro-governmental characteristics.

Needless to say, the reason why the party reshuffle is focused on No is that it is related to his "future." At the same time, it gives more pressure to his burden of a "mutually agreed constitutional revision."

Mr No has grasped the significance of the mutually agreed constitutional revision as "a matter of the nation's life and death, related to the nation's fate and the people's survival" (from his address to the party's central operation committee on 22 August).

His understanding that "If we fail to reach a mutually agreed upon constitutional revision, we will face a situation which is hard to imagine" can be interpreted to mean that whether or not a mutually agreed constitutional revision is achieved is directly related to his future course of action.

Therefore, No's system equipped with new members will immediately begin setting up strategies for the political mood of the constitutional revision.

It is possible to judge the situation to be such that the newly appointed members cannot help but act positively in the political situation of the constitutional revision no matter what; and it is also clear that open or behind-the-curtain negotiations with the opposition party will be active.

There remains about a year and a half until February 1988, the time for a transfer of political power. Ironically, there is a year and a half time period from now until the time of the power transfer and also from the time when No took office as Representative until the present. It is then expected that the time has come for No to speak up loud and clear as the real "politician, No T'ae-u."

It is because "The road to a mutually agreed to constitutional revision is rough, but there isn't enough time to overcome the difficulty," as he himself said.

We can therefore expect him to exercise his power that is commensurate with his responsibility in this reshuffle.

It is also expected that in addition to the problems related to the constitutional revision, his "power exercise" will include the general party affairs, such as the improvement of party attitude.

On the other hand, the relative importance of No himself to the opposition party can be considered to have grown from the recent reorganization, since his power has been reinforced in a way.

Judging from the analysis so far, the future dialogue between the ruling and the opposition parties will most likely develop among the real powers. It is highly plausible that there will even be a dialogue with Kim Yong-sam, one of the opposition circle leaders, in the near future.

It is becoming certain that the Cabinet reshuffle resulting from the party reshuffle, originally expected to be small-scale, will also become large-scale. Thus it appears that the wind of "reform" will blow, not having done so for a long time.

Furthermore, with the increase in the number of Cabinet members of the DJP National Assembly, the image that the DJP is leading the political world will be enhanced.

It is almost certain that Yi Se-gi, giving up his position of floor leader; Yi Tae-sun, his position of Deputy Secretary General; and Yi T'ae-op, his position of regional chairman of the Kangnam region in Seoul, will all join the Cabinet.

Since the Cabinet reshuffle is expected to occur around 25 August in seven or eight ministries including the Ministries of Foreign Affairs, Home Affairs, and Culture and Information, it is expected to help provide some fresh air to the social atmosphere.

It is nonetheless uncertain as to whether the recently reorganized system will last until the general election next year.

The opinion that the general election system will be established is more plausible, but it seems impossible to exclude the possibility that there will be a partial reorganization at the end of the year.

It is because this is intimately related to the direction of the constitutional revision's political development.

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CSO: 4107/240

## S.KOREA/POLITICS AND GOVERNMENT

### PROFESSORS' 'POLITICAL STATEMENT' ISSUE INCIDENTS

#### Funds, Foreign Study Withheld

Seoul TONG-A ILBO in Korean 15 Jul 86 p 7

[Text] As colleges adopt their own punitive measures against professors who joined the signature drive for the professors' political statement, professors, including those affected, are fighting back.

The punishments are being imposed mostly on the professors involved in the joint political statement incident of 2 June involving 23 colleges nationwide, and the type of punishment, which varies from college to college, thus far is as follows: suspension of research funds, disapproval of applications to study abroad, exclusion from the regular promotion list, and pressure to resign from their assignments.

According to the Ministry of Education on 15 July, Associate Professor Pak Chae-hwan of the sociology department of Pusan University and full-time instructor Kim Suk-chun of the general social education department of the College of Education, who had been dean and department chairman, respectively, were advised by the school in the middle of last month to resign from their assignments.

It is known that the school unilaterally dismissed the two professors from their assignments as of 30 June because they refused to resign.

For the same reason, Pusan University also excluded Associate Professor Pak Chae-hwan and Assistant Professor Chae Sang-sik of the history department of the humanities school from the list of this year's recipients of research funds.

At the same time, Prof Kim, who was on the regular promotion roll at the end of the first semester this year, has been excluded from the promotion list.

These professors are asking the school to withdraw such punitive measures against professors who signed the joint political statement.

In the case of Pusan University, there was no independent instance of a political statement by its professors during the first semester, but 10 professors signed the 23 colleges joint political statement in June.

Pusan University president Choe Chae-hun said that the two professors' resignation is a customary personnel decision that includes other professors and that exclusion from the promotion roll is based on performance in student guidance in addition to such basic standards as academic degree and experience.

President Choe added that the exclusion of Prof Pak from the list of recipients of research funds is applicable only to the research funds allocated from the Ministry of Education's budget, and that the school is studying methods of granting research funds from the action committee's budget even to the professors who signed the political statement.

President Choe explained: "The basic policy is that the school is not discriminating against the professors who signed the statement, but the school is not providing them any benefits, either." He added: "In the case of the professors who signed the joint statement, benefits cannot be provided because details of the statement are questionable."

When 265 professors of 23 colleges nationwide issued a joint political statement on 2 June, followed by political statements issued individually by several colleges this year, the Ministry of Education officially expressed its regret: "The statement contains unpardonable items."

Consequently, individual schools acted against those professors by imposing restrictions on research funds and on opportunities to study abroad, which caused friction between the professors and the schools.

Professor Pak Pan-yong (44, School of Business Administration) of Hansin University and Professor Song Ki-suk of Chonnam University have been denied permission to study abroad, and 17 professors at Seoul National University, who participated in the political statement incident, have been excluded from the list of recipients of the Ministry of Education's research funds.

On the other hand, five of the Chungbuk University professors who signed the statement were excluded from the recent regular promotion roll. As professors protested against the action, the school asked the professors to resubmit their promotion applications. The promotion decision is still pending.

#### Editorial on Right of Opinion

Seoul TONG-A ILBO in Korean 16 Jul 86 p 2

[Editorial: "Punitive Action against Professors' Political Act"]

[Text] The security of the college professors' status is being seriously threatened as colleges increasingly adopt all kinds of disciplinary measures against those professors who participated in the political statement incident.

Such disciplinary measures are imposed mostly on those professors who signed the 23 colleges' joint political statement issued on 2 June, and as the methods and details of the discipline resemble that of punishment, the professors are said to be protesting the impropriety. Thus far, quite a few of the involved professors at several colleges nationwide, including some in Seoul, have suffered from such detrimental incidents as exclusion from the list of research fund recipients, loss of opportunities to study abroad, exclusion from a regular promotion roll, and loss of assignments.

When 265 professors of the 23 colleges nationwide issued a joint political statement on 23 June, the Ministry of Education officially said: "The statement contains unpardonable items." And at the same time, the presidents of the colleges to which the professors belong expressed similar regrets and surprises. At that time, college presidents pledged that college campus problems must be solved by the colleges themselves.

Both the Ministry of Education, which holds supervisory authority in academic affairs, and the presidents, who are the commanders of the colleges, certainly can express their opinions about the professors' political statement, and they should to a certain extent. It does not matter whether the opinions differ from the professors' or whether the opinions take a form of criticism or regret. In a democratic country, diverse opinions are necessary, and different opinions could even turn into a constructive form of public opinion through debate. Likewise, the professor's political statement incident should be viewed as part of public opinion formation process in a democratic country.

Moreover, not only are college professors in a society's leadership position in view of their role and capacities, but they possess freedom and rights to express their own opinions about political and social problems in view of the constitution and related laws. Such freedom of speech belongs not only to professors but to everyone in a democratic country.

The frequent occurrence of punitive measures at the national university in particular suggests that the Ministry of Education is behind all this. It is unreasonable for both the Ministry of Education and the colleges to harass professors for this issue alone. If the "expression of regret" takes such form of action, it carries no persuasive power, and it will most likely cause unnecessary irritation and resistance.

Even if the punitive measures are justifiable, more direct and open measures should be employed. Such indirect and irregular methods as disapproval of research funds and of opportunities to study abroad could easily discourage the professors' enthusiasm for academic research. Academic progress requires the security of the college professors' status, and we are concerned that continued punishment against the involved professors could significantly damage the academic research atmosphere. If professors are threatened on campus for such non-academic matters, we will not reach an advanced status in education.

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CSO: 4107/188

## S. KOREA/POLITICS AND GOVERNMENT

### HANGUK ILBO CONDUCTS CURRENT ISSUES POLL

Seoul HANGUK ILBO in Korean 18 Jul 86 p 3

[Article by reporter Yi Song-jun]

[Text] The political situation surrounding constitutional revision is spinning around and around in a state of disorderly deadlock. It has been almost a month since the opposition party and government party unanimously resolved to form the Special Committee on Constitutional Revision, but the situation is one where the special committee has not yet been formed. The government camp has submitted a political agenda permised on a mutually agreeable revision of the constitution wherein a national referendum on the new constitution will be carried out at the beginning of next year and general elections based on the new constitution will be carried out at the end of next year, but, as it was before, the political agenda of the political situation surrounding constitutional revision is unclear. The opposition camp, while not even attempting a mutually agreeable revision of the constitution, has taken the basically negative position that if its claim is not realized a catastrophe cannot be avoided. In order to find out how this kind of politics is projected in the eyes of the people and to determine the degree of expectation of the people toward the political powers, this company, in conjunction with the Korea Gallup Survey and Research Center, urgently carried out a "national public opinion survey on present political problems." In particular, this company, by introducing in-tact and carrying out again a section of the public opinion survey concerned with constitutional revision that was carried out last year, attempted to explain the flow of consciousness of the people as regards the political situation surrounding constitutional revision.

The survey first approached the question of what the cognition of all the people was as regard the actual politics commonly known as "the political situation surrounding constitutional revision." The question was: "Of the political problems that our country faces at this time, what do you think is the most urgent problem that should be solved?"

The results of the replies were: political stability, 14.4 percent; student demonstrations, 13 percent; constitutional revision, 11.6 percent; social welfare, 5.7 percent; DPRK-ROK problems/reunification, 5.1 percent; a guarantee of freedom of the press, 3.2 percent; democratization, 2.5 percent; national

unity, 1.1 percent; economic/foreign debt problem, 0.8 percent; education problems, 0.6 percent; other problems, 7.2 percent; and do not know/no reply, 34.8 percent.

As the results of the survey show, it can be seen that political stability, student demonstrations, and constitutional revision are the three big questions on which the concerns of the people are concentrated. Among them, counting political stability as the most urgent problem shows the absolute cognizance of the people in their aspirations for political stability and at the same time is evidence that the people's concerns about political instability are great.

Especially in the political situation surrounding constitutional revision--the point where concern over political stability surpasses the degree of concern over constitutional revision, when compared with 1) the campus problem, 2) government-opposition harmony, and 3) political stability at the time of last year's public opinion survey--this time the results showing political stability as the primary issue are well worth taking notice of.

In short, it can be seen that whether in regard to constitutional revision or campus policy, the people anticipate that all things can be resolved in a reasonable manner on the basis of political stability based on great accord and great compromise.

The rate of those who indicated political stability, when analyzed according to age, is: twenties, 16.5 percent; thirties, 15.3 percent; fifties or older, 14.5 percent; and forties, 10.1 percent. When analyzed according to area, the results are: Chonra, 17.6 percent; Seoul, 17.5 percent; Kyonggi, 17.0 percent; Kyongsang, 14.0 percent; Kangwon, 9.5 percent; Ch'ungch'ong, 8.5 percent; and Pusan, 6.6 percent. When analyzed according to education the results are: college graduates or above, 22.2 percent; high school graduates, 17.3; middle school graduates, 11.7 percent; and elementary school graduates, 3.7 percent.

The rate of those who indicated constitutional revision, when analyzed according to age, is: forties, 11.1 percent; twenties, 10.4 percent; fifties or older, 9 percent; and thirties, 7 percent. When analyzed according to area, the results are, Kangwon, 19.0 percent; Chonra, 12.7 percent; Seoul, 9.6 percent; Kyonggi-Pusan, 8.8 percent; Kyongsang, 7.7 percent; and Ch'ungch'ong, 3.8 percent. When analyzed according to education, the results are: college graduates or above, 18.8 percent; high school graduates, 13 percent; middle school graduates, 6.1 percent; and elementary school graduates, 3.7 percent.

Also, the no-reply class, surpassing one-third (34.8 percent), can be analyzed as the phenomenon of "the individualization of the people's consciousness." But if we remember that last year the no-reply class was 15.7 percent, the conclusion that it is a phenomenon of a change toward public antipathy in the people's consciousness following positive attempts to cope with public problems to such an extent by political powers during the last year is also possible.

At any rate, if we suppose that political stability, student demonstrations, and the issue of constitutional revision that the people point to all mesh into

one political problem, then a new consciousness and effort by political powers for greater harmony and a great compromise are required.

Second, to learn what the degree of concern of the people for constitutional reform was, the question "how much interest do you have in problems concerned with constitutional revision?" was asked.

The results of the survey were: very concerned, 11.4 percent; somewhat concerned, 33.9 percent; so-so, 21.9 percent; not so concerned, 18.5 percent; and almost unconcerned, 14.4 percent.

If we rearrange these, they can be grouped as a positive degree of concern (great or some), 45.3 percent; negative degree of concern, 21.9 percent; and unconcerned (great or somewhat), 32.9 percent.

As a result which runs counter to the swirling political situation surrounding constitutional revision, it shows how cool the actual degree of concern of the people is as concerns constitutional revision.

The degree of concern over constitutional revision is higher among men (54.6 percent) than among women (35.8 percent), and is higher as the level of education increases (college students, 65.5 percent, high school graduates 55.4 percent, middle school graduates 40.6 percent, and elementary school graduates and below 31.0 percent); among students (68.8 percent) and the white collar class (60.3 percent) it is high while among housewives (34.9 percent) and in the farming, fishing, and forestry class (41.9 percent) it is low.

Analyzed according to area, the degree of concern was Kyonggi, 53 percent; Seoul, 47.1 percent; Kyongsang, 45.2 percent; Chonra-Pusan, 43.7 percent; Kangwon, 42.4 percent; and Ch'ungch'ong, 35.4 percent. Analyzed according to religion, it was Protestants, 50.5 percent; Catholics, 49.9 percent, Buddhists, 43 percent; atheists, 43.6 percent; and others, 57.3 percent.

Especially if we remember that last year at the time of the public opinion survey the degree of the people's concern as regards constitutional revision was 60.6 percent, the phenomenon of reversing to indifference can be explained in several ways.

One analysis is that when looked at only in terms of numbers, the people's degree of concern as regards constitutional revision is not as urgent as the actual politics of it.

Another analysis, that it is a relative indifference arising because the political powers are positively assuming leadership in constitutional revision, is possible.

Here, one thing that is clear is that just as it can be seen that the people count political stability as the number-one problem at hand. The political powers must build political stability by means of mutually agreed-upon constitutional revision.

Third, we approached the degree of preference of the people for a form of government, the biggest issue in the political situation surrounding constitutional revision. We asked: "Recently the government and opposition parties agreed to set up a Special Committee for Constitutional Revision to deal with the problem of constitutional revision. What form of government do you think is the most suitable for the circumstances of our country?"

The results of replies were a president-based system of government, 43.8 percent; cabinet-responsible system of government, 19.4 percent; a bicameral system of government, 6 percent; other forms, 0.3 percent; do not care, 18.3 percent; and do not know/no reply, 12.2 percent.

To begin with, we can again affirm that the degree of preference for a president-based system is, as before, greater than that for other forms of government. On the other hand, the results of this survey show that this degree of preference, though a relative degree of preference, is not an absolute degree of preference. In other words, without a doubt the degree of preference for a president-based system falling short of 50 percent of the respondents is a different result than the degree of preference for a president-based system that is normally felt.

Moreover, if we put the president-based system in one group and the cabinet-responsible system, bicameral system, and other non-president based system categories (including do not care and do not know/no reply) in another group, then we arrive at two interesting, equally matched numbers, 43.8 percent and 44 percent.

Here the political powers must recognize that by no means do the people absolutely support or absolutely oppose any particular power structure.

Especially for the government party, which is leaning towards a cabinet-responsible system of government, there seems to be no reason to shrink from hurriedly proclaiming a form of power structure that reflects constitutional revision and then squarely setting forth to persuade the people.

For the opposition party too, it seems that instead of adhering to any specific power structure or electoral method, there is a need to establish a new position which, though setting forth its claim, can accommodate an opponent's view.

As for those who indicated a president-based system, men (50 percent) exceeded women (37.5 percent) and when broken down according to education, elementary school graduates and below (at 38.4 percent), middle school graduates (at 45.1 percent), high school graduates (at 44.9 percent), and college graduates and above (at 52.2 percent) were nearly the same.

On the other hand, with the cabinet-responsible system, contrary to the fact that men (20.2 percent) and women (18.5 percent) were almost the same, when analyzed according to education, with elementary school graduates and below (at 7.4 percent), middle school graduates (at 16.5 percent), high school graduates (at 29.2 percent), and college graduates and above (at 32 percent), the white collar class is by far higher.

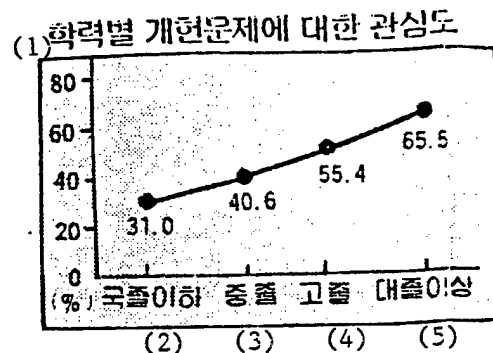
Fourth, we asked about a suitable period for constitutional revision: "If there is to be constitutional revision, what time do you think would be good?"

The results of the replies were: in 1986, 3.7 percent; 1987, 13 percent; as soon as possible, 26.3 percent; and do not know/no response, 23.5 percent.

When we look at February 1988--the end of the current president's term--as the starting point, with before 1988 at 43 percent and after 1988 at 33.5 percent, it shows that the argument for an early carrying out of constitutional revision is predominant.

But at the point when the government and opposition will set forth a mutually agreed-upon constitutional revision within the year, the fact that a large plurality of 33.5 percent sees "after 1988" as a suitable period for constitutional revision shows how ardent the expectations of people who aspire for political stability are.

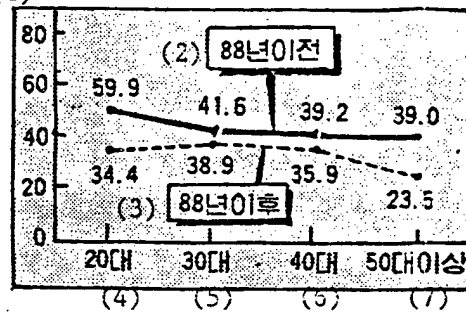
In the case of an early carrying out of constitutional revision before 1988, the higher the education the higher the rate of affirmation, with people in their twenties at 50.9 percent, in their thirties at 41.6 percent, in their forties at 39.2 percent, and in their fifties and older at 39 percent, the lower the age the higher the rate of indication; and with college graduates and above at 59.5 percent and elementary graduates and below at 32.2 percent.



Key:

1. Degree of interest for Constitutional Revision distinguished according to education.
2. Elementary school graduates.
3. Middle school graduates.
4. High school graduates.
5. College graduates and above.

(1) 연령별 개헌시기



Key:

1. Period of Constitutional revision distinguished according to age.
2. Before 1988.
3. After 1988.
4. 20's.
5. 30's.
6. 40's.
7. 50's and above.

13222/9274

CSO: 4107/216

S. KOREA/ECONOMY

ROK BUSINESS WORLD VIEWED LACKING IN POLITICAL CLOUT

Tokyo SENTAKU in Japanese Aug 86 pp 34-35

[Article: "South Korea's Industrial Circles; Powerless and Timid in Politics Quite Contrary to What Was Described as the 'Miracle of the Han River'"]

[Text] A senior official of the Economic Planning Board, which is at the heart of South Korean Government economic organizations, recently visited Japan. During his stay here, he made the rounds of concerned Japanese authorities, checking into matters related to the "economic provisions in the Japanese Constitution." Apparently, this tour had something to do with the proposed revision of the ROK Constitution, a key political issue in South Korea. Both the ruling and opposition parties in South Korea are currently studying "economic provisions" to be included in the prospected revision of the constitution for regulating big corporations, while engaged in an open discussion of a choice between a presidential government system and a parliamentary cabinet system, and between a direct and an indirect presidential election system.

Socially in Korea, the public has more grudges against the giant corporations than trust in them. That is why both the ruling and opposition parties are trying to curry favor with the public by inserting in their draft revision of the constitution provisions designed to curb corporate enlargement and concentration. In this connection, the question of revising the constitution can be, depending on circumstances, a matter of life and death for the South Korean economic circles. But, for some reason, Korean businessmen have been very slow in dealing with the political developments centering around the constitution revision issue.

One South Korean industrialist gave the following reason for this: "For one thing, how the political situation revolving around the constitution revision issue will turn in the future is not clear. What is more, thanks to the recent business upturn, we are so busy trying to secure raw materials and otherwise taking care of business that we have no time to think about politics." Be that as it may, the hearts of business leaders are heavy with a presentiment of possible political unrest in view of their experience of their own powerlessness in time of political turmoil.

In its modern history, South Korea twice experienced military takeover of government in periods of political turmoil, first, in 1961 when a group led by General Pak Chong-hui staged a coup d'etat, and later in 1980 when General Chon Tu-hwan and his colleagues seized power.

Following the 1961 coup, the junta carried out a "purge" of the business circles, including the arrest of 11 influential businessmen on charges of illicit accumulation of fortunes. In case of the leader of the Samsung group, Yi Pyong-chol, who is regarded as a symbol of the South Korean industrial circles, evaded arrest because he happened to be in Japan when the warrant of arrest was issued. He was reprieved only after he issued a statement pledging to "donate all his property to the state."

In the 1980 takeover, no industrialists were arrested, but more than 8,000 persons, including government employees and senior officials of government-run enterprises, as well as financial organizations, were purged on charges of graft and corruption. A "purification committee" was set up for private firms to purge them of those officials on the grounds that they either committed graft or corruption, or held a questionable view of the state. Particularly, some business owners were ordered to revert their assets to society, and the new government went so far as to adopt a temporary policy of not allowing "second-generation presidents."

Not stopping at purging people, the new government forcibly and high handedly carried out corporate mergers, with emphasis placed on a readjustment of the heavy and chemical industries.

In 1980, the year in which there was a government takeover, South Korea unprecedentedly registered a negative GNP growth. The main reasons were higher oil prices, a poor crop accompanied by political unrest, the uneasiness of the industrial circles about the new government, the sagging enterprising spirit, and the wait-and-see attitude of foreign businessmen abroad.

In the past, South Korean economic or industrial circles were really powerless in politics and before political power. Even now, there are some episodes which tell of a similar atmosphere. The following rumor is one of them.

Kim Ki-hang, chairman of the board of directors of South Korea's Ilhae Foundation, visited Japan in mid-June to introduce himself to various Japanese circles. His visit drew attention. The name of the foundation, Ilhae, was taken from General Chon Tu-hwan's pseudonym. The foundation is South Korea's first full-fledged think tank, and rumor has it that it was set up to serve Chon Tu-hwan after he retires.

The foundation, funded with the donations collected for the victims of the Rangoon bomb incident in October 1982, originally started as a scholarship foundation for the bereaved children. But large buildings have been erected on an expansive space in Songnam in the suburbs of Seoul since late last year, touching off rumors that the foundation is collecting a huge amount of donations from corporations. Some even suspect that the foundations may begin functioning as President Chon Tu-hwan's "cloister government after his retirement.

Ilhae Foundation has never disclosed its funds and assets. But according to rumors, its assets amount to tens of billion won (over Y10 billion). The representatives of major firms are listed as its board members, and the foundation is becoming a mammoth establishment supported by the entire South Korean business circles.

Incidentally, some rumors about Ilhae Foundation relate to the Kukche Group's bankruptcy. This group, once one of the 10 top South Korean conglomerates, went bankrupt in February last year with about 200 billion won in debt. All its 23 affiliated companies completed bankruptcy procedures as of this July. According to the rumor, the Kukche Group was crushed because it had refused to make donations to Ilhae Foundation.

This kind of rumor about business firms often circulate in Korea. A strange rumor got about last year that Taeu, one of the three top business groups, was in danger. In this case also, the rumor said that the reason was its refusal to make a contribution to the ruling party's campaign chest in the February election. Similar rumors spread when the Singhung Business group and the Yulsan group went bankrupt in the late seventies and the Myongsong group in the early part of the eighties. They were said to have been crushed because they belonged to people from the Cholla area where the opposition parties have a strong backing.

The reason the South Korean business circles are weak-kneed before political power is that most of the corporate giants consolidated their foundations by dint of special government factors, including preferential financial measures. Accordingly, when there is a government takeover, the ties that connected the old regime and outside interests are severed overnight, and businessmen may become the target of a purge. Traditionally, politics and the economy in South Korea have been based on personal connections. Therefore, in the past a change of government spelled a halt or end to the activities of particular business firms.

The South Korean economic journal (published by Chungang Sinmunsa) carried in its 20 July issue an outcome of the poll it had took of businessmen on the constitution revision issue. Out of the 150 company presidents polled, only 100 responded. The low rate of response was due to the fact that with the political situation in a delicate stage, those 100 presidents refrained from expressing their political views. On the constitution revision issue, 64 percent of the respondents expressed their optimism saying that they expect the issue to be resolved in one way or another, and 36 percent replied that they were not sure or that it would be difficult to predict.

As urgent problems to be solved, they listed in the following order: 1) neutrality of the military; 2) a peaceful change of government; 3) economic growth; 4) freedom of expression; 5) the relaxation of tension between the North and the South. The student movement ranked eighth, which indicates that surprisingly they attach not much importance to this movement. The fact that the question of political neutrality of the military is listed at the head of the list indicates that based on their experience in the past,

the businessmen strongly feel that they do not want a "coup" in case the controversy over the constitution revision issue should precipitate political confusion.

Most of the South Korean businessmen, when they visit Japan, say that they do not want the soldiers to meddle in politics. In their heart of hearts, the business circles for the present find both alternatives pesky--the military's meddling in politics on one hand, and on the other hand, a radical opposition government led by Kim Yong-sam, Kim Tae-chung, and others who demand the dissolution of the giant corporations and the adoption of a mass-based national economy.

Although, at heart, they "do not want political confusion and a coup," they are not prepared to make an active appeal to the public. After all, for the South Korean businessmen, politics or the government is something they should make use of for their own ends, but they do not have much of a desire to share hardships with the government or the powers that be in time of difficulty, for they have as yet only a feeble sense of identity with them. Even there were phenomena of businessmen escaping abroad in the times of political difficulty in the past.

The public still looks upon big corporations as private interest groups rather than useful social entities. For this reason, it is possible that political statements by business circles will rather raise suspicions on the part of the public and add fuel to their grudges against big corporations (the Zaibatsu). This possibility necessarily makes the South Korean industrial circles timid with regard to politics.

Nevertheless, the Korean economic circles have at last begun to make a move. There are four major economic organizations in South Korea. They are: the National Federation of Businessmen (NFB) (President Chong Chu-yong), the Korean Trade Association (President Nam Chin-u), the Korean Chamber of Commerce and Industry (President Chong su-chang), and the Central Federation of Small and Medium Business Cooperatives (President Yu Ki-sun). The NFB was the first to open a barrage in rebuttal to criticisms against the corporate giants. The occasion was a consultative meeting of representatives of various sectors sponsored by the Korean Institute of Economics, its affiliate.

The lack of a clear decision on the part of the establishment as to who will be succeed President Chon is one of the reasons why the economic circles are still weak-kneed in politics. True, there is a growing atmosphere in favor of No Tae-u, representative of the ruling Democratic Justice Party. But it is still not clear what President Chon Tu-hwan has in mind. As far as the economic circles are concerned, they want the successor to be named as soon as possible.

Where the political situation revolving around the constitution revision issue will lead to depends on which in the mind of the Korean people will gain the upper hand--the political or the economic concern. If the political concern dominates, it will be advantageous to the opposition camp which pins its hope on the public enthusiasm for a direct election

of president. On the other hand, if the economic concern dominates, it will benefit the ruling party whose goal is stability.

In the final analysis, how far the public's economic mind has been cultivated in keeping with the expanding scope of the economy constitutes a measure of the political power of the South Korean economic circles. In other words, the current political situation evolving around the constitution revision issue will test the substance of the "miracle of the Han River." In this sense, the South Korean economic circles need to deal in real earnest with the current political situation centering around the constitution revision issue.

13311/9835

CSO: 4105/187

S.KOREA/ECONOMY

HEAVY TRADE IN BLACK-MARKET DOLLAR EXCHANGE

Seoul MAEIL KYONGJE SINMUN In Korean 22 Aug 86 p 3

[Article by reporter Yi Paek-man: "Black-market Dollar--Yesterday and Today; Truth in Sharp Drop of Dollar Value Because of Rumor of Devaluation of U.S. Dollar or Upward Revaluation of Korean Won"]

[Text] Editor's note: The exchange rate of the Korean won to the U.S. dollar is gradually dropping. Due to an upward revaluation for the first time in history, the value of the dollar in the black market has dropped sharply. The current situation of the dollar black market is investigated.

The exchange ratio in the Myongdang black market is 88,700 won for \$100 as of last 21 August.

It was 692 won less than the cash sale ratio of the Bank of Korea (89,392 won) on the same day. At the beginning of this year, one could buy a dollar at a price 20 won higher than the official rate. (One paid 20 won per dollar more than the official rate.)

Ever since the United States pressed to revalue the Korean won last July, the price of the U.S. dollar in the black market dropped so sharply that it created an abnormal black-market condition where its rate is below the official rate.

Although generally, the price of a deal labeled "black" as a prefix tends to be more expensive than the regular price, the current dollar exchange on the black market shows a totally opposite abnormal phenomenon.

The dollar black market, which has been exercising a significant influence behind the scenes, centered around base towns since the U.S. armed forces have been staying in Korea after the liberation of Korea, have had no business.

In 1972 after a large-scale gold-smuggling operation was caught, the dollar black market was hit hard and consequently, the black-market rate was below the official rate; but this was only a temporary phenomenon.

The current situation of the black market is quite different from the past. The rate dropped not because of a social or political cause but because of an economic mechanism.

Due to the psychology of the expectation that the won will continue to reevaluate, the "dollars in the chest" are pouring out into the black market, and the demand for dollars has been drastically reduced, because buying dollars, which are expected to devalue, calls for a loss. Furthermore, since the interest rate in the United States is lower than that in Korea, it is wiser to keep the won and sell the dollars.

Such a phenomenon is expected to continue unless the atmosphere of upward revaluation of the won disappears. It is currently estimated that there are about 200 people who are doing business in the 12 dollar black markets (in 4 cities and provinces) throughout the country, and the average monthly exchange volume is estimated to be about \$1.5 million.

For example, in Seoul, the black markets are divided into the five areas of Myongdong, Hwaehyongdong, Namdaemun, Ch'onggaech'on's 4th and 5th Streets, and It'aewon. The dollar volume and the number of business people are about 60 percent of the total.

In Pusan, there are 2 black markets in Ch'angson-dong and Kwangbok-tong, and the number of business people is about 30. The monthly dollar volume exchanged is estimated to be about \$300,000.

In Taegu, there is only one market in Kyodong.

In Kyonggi Province, there are four black markets centered around the base towns: Kangnungdong in Uijongbu City, Saengyondong in Tongduch'on City, Shinjangdong in Songt'an City, and P'aengsong in P'yongt'aek City.

Most people who buy and sell dollars, sitting on chairs on the street, are women of middle age or older.

The income of these people fluctuates, depending upon the exchange rate. In the 1950's, after the Korean War, the volume of foreign currency exchanged underground was so great that the black market played the role of an exchange bank without a license. Consequently, the income was good and a big hand behind the scene controlled the exchange rate.

The situation was such that the government monetary authorities unofficially announced the exchange rate in the black market.

There was another boom in the black market in the 1970's when Kisaeng tourism and business in the Middle East were at their height. The dollar black-market price also soared without limit during the period of political change or unstable international political situation such as the aggravating Vietnam War. At that time, even small-scale business people on the streets could make more than 1 million won as a monthly income.

However, these people's income dropped sharply after 1985. Because the political situation was stabilized, the dollar amount that students and tourists going abroad could take was controlled, and the value of gifts tourists could take home from abroad was also tightly restricted.

Customers who used to buy large dollar amounts no longer frequent the black market, and even if they buy dollars these days, the purchase is only for the minimum amount necessary. The average monthly income of those who work in the dollar black market is known to be only about 200,000 to 300,000 won. They are mostly those who cannot break away from having been engaged in this business in the past, and are trying to earn pocket money or kill time. For this reason, the average age of these people ranges from the in 50's to the in 60's.

The dollar black market has been surviving so far because of its advantage of not disclosing the purchasers' identity, the source of their dollars, and their uses.

Those who sell dollars on the black market are mostly girls entertaining in the base towns and Korean tourists returning from abroad with leftover dollars. Others selling dollars on the black market include foreign tourists, crews of ocean-going ships, those visiting Korean permanent residents in foreign countries, and employees of hotels or night clubs, whose major customers are foreigners and civilian employees working for the U.S. army in Korea, etc.

In the late 1970's, when the construction business in the Middle East was at its height, the construction workers used to bring dollars back home and exchange them on the black market, because they could get 10 won more per dollar than the official rate of the banks.

Dollars are exchanged in ultimate secrecy on the black market. Even the two neighboring markets, Myongdong and Hwehyondong, are controlled by separate mechanisms. Furthermore, those involved in these markets are also veiled in mystery. Many of them have nicknames such as "Juni's Mom," "Sewing Grandma," and "Grandma with Eyeglasses," and the deals with regular customers are done under these nicknames. That is, only dollars exchanged between those who don't know each other.

About 50 incidents of merchants in the dollar black market being assaulted have occurred since the 1970's, but most of them remain unsolved because of the thoroughly secret nature of dollar black-market deals. The merchants themselves take the preservation of this kind of secret as their unwritten law.

Ever since the homicide incident involving a black-market merchant (Ms Yi Chong-suk, 70) occurred inside the Myongdong Cathedral in 1984, social gatherings were organized in every market, but their management is not going well because of the lack of mutual cooperation. This also reflects on the secret nature of the black market dollar deals.

The exchange rate of the black market dollar fluctuates from day to day. The one or two so-called 'big hands' behind the scene, who handle a large volume of dollars and determine the rate by considering the political, economic, social, and international situation, notify the rates to their suborganization.

Although the current dollar black market is said to be down, the recovery of the rate in the black market is indicated to be a matter of time so long as the complete liberation of capital is not accomplished.

13302/12948  
CSO: 4107/234

## S. KOREA/SCIENCE AND TECHNOLOGY

### HIGH-TECH RESEARCH BUDGET TO SOAR IN 1987

Seoul SEOUL SINMUN in Korean 5 Aug 86 p 1

[Text] As a means of coping with pressures from advanced countries for opening our markets wider, the government has decided to increase special research and development expenditures drastically beginning next year to make concentrated efforts to develop advanced technologies related to material patents.

According to the specific research and development plan drafted by the Science and Technology Agency on 4 August, the government will spend 100 billion won in research and development expenditures next year, or a 100 percent increase over the current fiscal year. The money will be spent to support research and development efforts in the following five areas: 1) technology in the information industry, 2) technology for energy and resource development, 3) technology for development of new materials, 4) technology related to industrial elements, and 5) technology related to public welfare. The plan also calls for a drastic increase in funding for specific-purpose basic research conducted in universities in support of these technical areas. In addition, the government will implement a long-term investment program covering up to fiscal 1990 for research and technical support aimed at improving the level of technologies in these five areas. This program will be reviewed annually and implemented on a priority basis.

To push this program intensively, the science and technology agency has entered into consultations with the concerned agencies, including the Economic Planning Board, the Ministry of Trade and Industry, the Ministry of Communications, and the Ministry of Health and Social Affairs.

In the technology development area related to the information industry, one of the aforementioned major target areas, the science and technology agency's plan calls for the domestic production of super-minicomputers, the installation and operation of computer networks for administrative and educational research purposes, the introduction of supercomputers, the development of a 4M DRAM, and the fostering of the software industry as a strategic export industry.

In particular, computer technology will be developed stage by stage, with a specific goal for each stage. For example, super-minicomputers will be domestically produced in 1987-91 at the first stage, the foundation for the development of an artificial intelligence computer will be built in 1992-96 in

the second stage, and the computer will be actually developed in 1997 or thereafter in the third and final stage.

As the semiconductor development goals, a 4M DRAM and a 16M DRAM will be developed by the end of 1980 and by the mid-1990's, respectively, and a 256M DRAM will be developed by the year 2000.

In the development of energy and resource technologies, No 11 and No 12 nuclear power plants will be built by 1990 mainly by using domestic technologies. In addition, nuclear fuel for the heavy- and light-water reactors will be domestically produced, and a system will be established for the control of nuclear waste.

In the development of technologies in microchemistry and bioengineering as well as new material technologies, which are most closely related to material patents, the plan calls for building the foundations of testing and inspection systems, such as screening centers and toxicity testing centers, which are essential to research for the invention of new materials. In addition, material engineering centers will be established.

Industrial element technologies for common use in existing industries, such as molding and other basic industrial technologies, production and processing technologies, and technologies related to materials and parts will be developed mainly at industrial facilities on a continuing basis at the initiative of the private sector. The government plans to provide active support for the training of necessary technical personnel.

In the area of public welfare technologies, such as those related to environmental protection and public health, the research and development capacity of the National Environmental Research Institute and the National Health Institute will be drastically augmented in order to bring up the level of environmental-pollution prevention and control technologies on a par with those prevailing in advanced countries.

13311/12859  
CSO: 4107/223

## S. KOREA/SCIENCE AND TECHNOLOGY

### PROGRESS IN KOREA'S TECHNOLOGY EXPORTS

Seoul MAEIL KYONGJE SINMUN in Korean 18 Jul 86 p 4

[Text] Almost All Industries Including Textiles

As the Korean economy has surpassed that of semi-developed countries, Korea is being transformed from a technology importer into a technology exporter. The technology exports are expanding into almost all industries including not only such key industries as electronics, machinery and steel, but also textiles and engineering.

The importing countries are mostly in such underdeveloped regions as Southeast Asia, Africa, the Middle East, and Central and South America, whose technological levels are inferior to Korea's, but some importers are such technologically advanced countries as America, Japan and West Germany.

These technology exports are expected to become more active in the future because underdeveloped countries are rushing to industrialize their economies. The United States and Japan have been stressing high-tech exports as they gradually move away from manufacturing areas.

Thus, some people think our experience in industrialization should be rather advantageous to underdeveloped countries. But the scale of the technology exports is not too great, yet. Centered on manufacturing area, the technology exports are only beginning to develop. Moreover, technology exports carry a certain amount of risk because of the boomerang effect. In general, no significant problems are expected to result from the transfer of widespread technologies to underdeveloped countries.

Through this process, Korea is being transformed from a technology importer into a technology provider. Let's take a closer look at the technology export status.

#### Electronics

Leading the way are the Goldstar Company and Samsung Electronics. In the case of Samsung Electronics, it recorded a total of four cases of technology exports thus far, including its first exports of equipments and related technologies, which can produce 60,000 color TVs and 100,000 black-and-white TVs, to

Indonesia's [Telecsonic] Company in December 1983. In May 1985, Samsung exported equipment, which can produce 150,000 color TVs per year, to Brazil's CCE Company, and in April last year, it exported \$1.5 million worth of color-TV-production equipment to Dominica's [Coripio] Company and provided VTR production technology to Malaysia's AVI Company.

Samsung was the first exporter of the VTR technology in Korea, and parts exports amounted to \$10 million in 1986 and are expected to be \$25 million in 1987.

Encouraged by its first exports of black-and-white TV production technology to Thailand in September 1980, Goldstar Company provided production technologies of color TVs and audio equipment and its trademark rights to Turkey's [Bestel] Company and Spain's [Elbe] Company in June last year. Goldstar is known to have received \$4 million from Turkey and \$2.4 million from Spain in royalties.

Samsung Corning exported a glass valve technology and equipment, which can produce 300,000 black-and-white TVs per year, to India's Teletube Company.

Sambo Computer developed a computer software called "RPG II" and is exporting it to the United States and Japan.

#### Machinery

Successful in technology exports are Korea Heavy Industries, Daewoo Heavy Industries, Hyundai Heavy Electric Machinery, Hyosung Heavy Industries, and Kia Machine Engineering. In addition, Hwachun Machinery is negotiating with a few countries for technology exports.

Korea Heavy Industries exported \$768,000 worth of drilling technology services to Malaysia in 1981. In addition, in 1982, Korea Heavy Industries won a \$12.93 million contract to inspect Iraq's Baghdad Power Plant, and in 1985, it provided Saudi Arabia with a technology for VCM/PVC storage tank, and in February this year, it provided Malaysia with a technology for cement operations and repair.

Hyosung Heavy Industries provided Nigeria with transformer production and repair technologies in January, 1982, and in addition to royalty, it will be receiving \$260 per day for training until January 1988.

Daewoo Heavy Industries entered into a modernization contract with the Burmese National Railroads in July 1985 and received 850 million won for dispatching technicians and 400 million won for technical training when it sold 71 passenger coaches and 100 freight cars.

Daewoo Heavy Industries is presently negotiating to export technologies for production of passenger coaches and freight cars. The contract is expected to be signed in September at the earliest.

At the same time, Hwachun Machinery is negotiating with India's Electro Mechanical Company to export the Pumpyong Lathe's parts production technology. This contract, if attained, will make the first technology exports in engineering machinery.

## Steel

### Exports to West Germany

Pungsan Metal and Koryo Zinc found their ways for technology exports. Pungsan Metal provided West Germany's [Storburg Metal Work] Company with alloyed-copper material technology, which was jointly developed with the KAIST (Korea Advanced Institute for Science and Technology), for semiconductor lead frames. The royalty includes an initial payment of \$200,000 and an ordinary payment of \$60 per ton. This is significant in that domestic technology was exported to a technologically advanced country.

Based on the fact that the current price of lead frame is \$3,000 per ton, the ordinary royalty is estimated to be about \$300,000 per year. Koryo Zinc exported a silver concentrate recovery technology to Norway's Norzink Company. Koryo Zinc will receive a technology fee of \$50,000 and 10 percent of the silver concentrate price as royalty. Koryo Zinc is presently negotiating with Southeast Asian countries to export a smelting technology. Hanbo Steel exported a steel mill construction process technology to Libya.

## Textiles

### Entry into India and Mexico

Followed by the technology exports by Tongyang Nylon, Sunkyung Company and Samyang Company, such chemical fiber companies as Cheil Synthetic Fiber and Koryo Synthetic Fiber are actively pursuing export negotiations.

In 1983 and 1984, Tongyang Nylon exported a nylon tire cord manufacturing technology to India's JK Synthetics Company and the [Launague] Company. A fixed price of \$1.2 million was charged to synthetics Company, and royalty for the [Launague] Company was \$1.5 million for non-monopolistic operation rights and basic design technology.

In February this year, Samyang Company provided Mexico's [Selmex] Company with a polyester SF (cotton) production technology.

Samyang provided 1.2-1.5 [Senio] machine blocking process technology and know-how. It is also negotiating with Southeast Asian countries. In August 1982, Sunkyung exported, on a turnkey basis, technologies for a textile printing factory with an annual production capacity of five million meters and a sewing factory with an annual production capacity of two million clothes to Rwanda's capital Kigali.

Cheil Synthetic Fiber is negotiating with Bangladesh and Sri Lanka to export a polyester production technology, and Koryo Synthetic Fiber is negotiating with Bangladesh and Sri Lanka to export a synthetic fiber production technology and a handicraft know-how. Now that they have attained agreements in principle, they are working on details of the agreements. Also, Hanil Synthetic Fiber and Taegwang Industries are working on plant exports while Chungbang and Daenong are working on exports of cotton spinning equipment and related technologies.

## Miscellaneous

### Shoes, Paper Manufacturing and Shipbuilding

Technology exports are brisk also in the areas of shoes, ceramics, medical equipment, paper manufacturing, and shipbuilding. Tongyang Rubber Industries exported a shoe manufacturing technology to Sri Lanka, and Kukje Trading and Hwasung, Inc. succeeded in exporting their own brand high-quality sports shoes. Sunil Dextrose earned a total of \$578,000 worth of foreign currencies for exports of manufacturing technologies for high-concentrate fructose and heterogamous flower sugar to Indonesia and Pakistan.

Kyongdok Trading provided Sri Lanka's [Kundenmar Group] with a socks manufacturing technology, and Yuhan-Kimberly provided its affiliate U.S. Kimberly with a \$2 million worth of plant and related technologies. Goldstar Communications is contributing to exports of technical manpower while exporting \$15 million worth of EMD switchboards, along with technical training, to the Philippines. Hankuk Glass received \$100,000 for exports of blueprints for color glass manufacturing. Hankuk Trading is receiving 30 percent of dividend profits each year for providing Malaysia with adobe manufacturing technology.

Present Status of Major Technology Exports

| <u>Company Name</u>              | <u>Importers</u> | <u>Contract</u> | <u>Particulars</u>                              |
|----------------------------------|------------------|-----------------|-------------------------------------------------|
|                                  |                  | <u>Date</u>     |                                                 |
| Goldstar                         | Thailand         | 80.9            | Black & White TV Mfg. Technology                |
|                                  | Turkey           | 86.6            | Color TV Audio Trademark                        |
|                                  | Spain            | 86.6            | Electronic Range Trademark                      |
| Samsung Electronics              | Indonesia        | 83.12           | Color TV, Black & White TV Plants               |
|                                  | Brazil           | 85.4            | Color TV Plant                                  |
|                                  | Dominica         | 86.4            | Color TV Plant                                  |
|                                  | Malaysia         | 86.4            | VTR TV Technology                               |
| Samsung Corning                  | India            | 83.1            | Glass Valve for Black & White TVs               |
| Samyang Company                  | Mexico           | 86.2            | Polyester SF Mfg. Technology                    |
| Tongyang Nylon                   | India            | 83.7            | Nylon T/C Spindle                               |
|                                  | India            | 84.5            | Nylon Non-Monopolistic Rights and Design        |
| Pungsan Metal                    | West Germany     | 86.2            | Semiconductor Lead Frame                        |
| Koryo Zinc                       | Norway           | 86.7            | Silver Concentrate Recovery Tech.               |
| Kia Machinery                    | India            | 85.9            | 4-Speed Transmission Mfg. Tech.                 |
| Daewoo Corp.                     | Pakistan         | 86.2            | Sewing Factory Construction Sys.                |
| Hyundai Heavy Electric Machinery | Nigeria          | 82.1            | Transformer Production & Repair                 |
| Hyosung Heavy Industries         | Bangladesh       | 81.9            | Single-Phase Current Transformer Technology     |
| Hankuk Heavy Industries          | Malaysia         | 82.2            | Drilling Manufacturing Technology               |
|                                  | Iraq             | 82.6            | Power Plant Inspection Technique                |
|                                  | Saudi Arabia     | 84.3            | Cement Plant Operation Technique                |
| Sunil Dextrose                   | Indonesia        | 86.9            | High-Concentrate Heterogamous Flower Sugar Prod |
|                                  | Pakistan         | 85.7            | " "                                             |
| Kyongdok Trading                 | Sri Lanka        | 80.1            | Socks Manufacturing Process                     |
| Daewoo Shipbuilding              | United States    | 83.6            | Patrol Boat Design Service                      |
| Lucky, Inc.                      | Malaysia         | 84.4            | PVC Flouring                                    |
|                                  | Saudia Arabia    | 84.11           | PVC/VCM Manufacturing Technology                |
| Sambo Computers                  | Japan            | 83.10           | RPG II SW                                       |
|                                  | United States    | 85.11           | RPG II SW                                       |
| Sunkyoung, Inc.                  | Iraq             | 83              | Bicycle Plant                                   |
|                                  | Rwanda           | 82.8            | Dyeing Process Technique                        |
| Honam Ethylene                   | Japan            | 83.11           | Natural Gas Treatment Plant                     |
| Haetae Confectionery             | Saudi Arabia     | 81.12           | Chewing Gum Mfg. Technique                      |
| Hyundai Lumber                   | Malaysia         | 86.3            | Furniture Factory Construction                  |
| Hankuk Glass                     | Taiwan           | 80.7            | Color Glass Manufacturing                       |
| Hankuk Powder Metal.             | India            | 85.6            | Metallurgy Parts Manufacturing                  |
| Hanbo Steel                      | Libya            | 81.6            | Steel Mill EG                                   |
| Korong, Inc.                     | Thailand         | 82              | Nylon Filament Technology                       |

## S.KOREA/SCIENCE AND TECHNOLOGY

### ELECTRONICS INDUSTRY ATTRACTS FOREIGN INVESTORS

Seoul MAEIL KYONGJE SINMUN in Korean 15 Aug 86 p 7

[Text] Prominent foreign electronics firms are vying to advance into Korea to build advance bases for the production of finished electronics products and parts through joint ventures with local firms. According to data released by ROK government authorities, the number of joint ventures in the electronics sector went up to 35 in the past year from an average of 10 cases in the period from 1980 through 1984. The tally shows that the total investment for capital participation amounts to \$38.83 million.

Carrier, a U.S. firm which entered Korea last year through a joint venture with Daewoo Electronics, invested \$22.47 million to produce air conditioners. Its investment in the joint venture named Taeku Carrier accounts for 57.9 percent of the total foreign investment last year.

Televideo of the United States invested \$7.3 million in the computer and terminal equipment sector, and L.M. Erickson Co. of Sweden and Oriental Precision Instrument Co. of Korea invested \$3.69 million each to form a joint venture named Oriental Electronic Communications Co. to produce electronic telephone switchboards for the rural areas.

The breakdown by countries of the 35 foreign firms which entered Korea on joint ventures last year is: 16 from the United States and 15 from Japan, accounting for the bulk of the total, with the Netherlands, Sweden, Finland, and Hong Kong accounting for the remainder with 1 each.

The breakdown of the investment by sectors is: \$1.63 million in three cases in the household appliance sector by Sanyo of Japan (acoustic equipment), Quintronic of Hong Kong (black-and-white and color TV's), and Phillips of the Netherlands (electric razors); \$6.17 million in 16 cases in the parts and materials sector, including investment by Dupont of the United States (connectors) and Nishiyama of Japan (quartz for use in semiconductors); and \$30.7 million in 11 cases in the computer-operated industrial equipment sector, including Carrier of the United States (air conditioners), Japan (Hou) of Japan (industrial refrigerators), and (Nokia) AB of Finland (electronic communications equipment).

According to analysts, the still relatively low wage level, as well as the electronics industry's annual growth rate exceeding 30 percent in our country, is responsible for the brisk foreign investment in joint ventures.

Particularly because of the strong yen, Japanese firms are expected to set up joint ventures in Korea, mainly in the electronics sector. (See the attached table.)

List of Foreign Firms Participating in Joint Ventures in Korea with Their Investment (Investment in Thousands of Dollars)

| Name of Joint Venture              | Country and Name of foreign Firm | Items                                      | Amount of Investment |
|------------------------------------|----------------------------------|--------------------------------------------|----------------------|
| Hanguk Samyang Electric Appliances | Japan Sanyo                      | Acoustic equipment                         | 918                  |
| Hanguk Quintronics                 | Hong Kong Quintronics            | Black and white and color TV's             | 430                  |
| Hanguk Electric Home Appliances    | Dutch Phillips                   | Electric irons and razors                  | 290                  |
| Taehan Chungchon                   | Japan Nakagawa                   | Electric switches                          | 100                  |
| Tongwon Industries                 | Japan Togen                      | Connectors                                 | 100                  |
| DuPont Korea Electronics           | U.S. DuPont                      | Connectors                                 | 1,900                |
| Yongsin Quartz                     | Japan Quartz                     | Quartz glass for semiconductors            | 505                  |
| Korea Ehwa                         | Japan [Efa]                      | Electronics parts                          | 250                  |
| Haesok Precision                   | Japan Shinko                     | Semiconductor main frames                  | 500                  |
| Hanguk Toshiba Quartz              | Japan Nishiyama                  | Quartz for semiconductors                  | 111                  |
| Hanguk AMP                         | U.S. AMP                         | Connectors                                 | 1,300                |
| Hanguk QMI                         | U.S. Siltronics                  | Quartz for semiconductors                  | 212                  |
| Hanguk Precision Mag               | U.S. (individual)                | Magnetic parts                             | 390                  |
| Hico Electronics                   | U.S. 3L                          | IC's                                       | 150                  |
| Columbia Electronics               | U.S. (individual)                | Semiconductor diodes                       | 100                  |
| Hanguk Pico                        | U.S. Pico                        | Cable TV parts                             | 100                  |
| Hirose Korea                       | Japan Hirose                     | Connectors                                 | 259                  |
| Chongju Electronics                | U.S. (individual)                | PCB's                                      | 100                  |
| Nucleic Acid Magnesium             | U.S. Yokohama                    | Magnetic heads                             | 100                  |
| Daewoo Carrier                     | U.S. Carrier                     | Air conditioners                           | 22,472               |
| Tonggwang                          | Japan (individual)               | High frequency coaxial cables              | 123                  |
| Communication Wire                 |                                  |                                            |                      |
| Oriental Electronic Communications | Swedish Erickson                 | Electronic switchboards for rural areas    | 3,693                |
| Yong Kyong (joint stock co.)       | Japan Yamani                     | Thermal conductor belts for industrial use | 100                  |
| Unnam Trading                      | U.S. [Marchan]                   | Automatic bill collectors                  | 104                  |

| Name of Joint<br>Venture        | Country and Name<br>of foreign Firm | Items                                  | Amount of<br>Investment |
|---------------------------------|-------------------------------------|----------------------------------------|-------------------------|
| Ilchin (joint stock)            | Japan [Hou]                         | Industrial<br>refrigerators            | 113                     |
| Chin-kwan Electric              | Japan Karashima                     | Cooling valves for<br>air conditioners | 146                     |
| Korea Signaling                 | American Standard                   | Traffic control<br>apparatuses         | 800                     |
| [Tendimovita]<br>Communications | Finnish [Nokia]<br>AB               | Electronic comm.<br>equipment          | 2,901                   |
| Pacific Wako                    | Japan Takashiho                     | Car heat regulators                    | 200                     |
| Hanguk Inductor                 | U.S. Inductor                       | Electroinduction<br>melting furnaces   | 100                     |
| Teitech                         | U.S. Harrison                       | Printer heads and heads                | 123                     |
| Wang Computer Korea             | U.S. [Scient]                       | Computers and heads                    | 100                     |
| Televideo Korea                 | U.S. Televideo                      | Computers and<br>terminals             | 7,307                   |
| Five Star Songchon<br>Electric  | Japan Matsumura                     | Special illuminators                   | 103                     |
| Hanguk Sado Industries          | Japan Sato                          | Electric personal care<br>apparatuses  | 160                     |
| Total                           |                                     |                                        | 38,831                  |

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## S. KOREA/SCIENCE AND TECHNOLOGY

### STEEL INDUSTRY STEPS UP DEVELOPMENT OF NEW MATERIALS

Seoul MAEIL KYONGJE SINMUN in Korean 31 Jul 86 p 7

[Article by reporter Kim Sang-hyon: "The Steel Industry Sets out To Develop New Materials"]

[Text] The steel industry is making feverish efforts to produce various materials domestically.

Each steel company selected specific goals for developing new materials, and some of these goals have already been triumphantly fulfilled one after another.

This has been prompted by the sharp increase in demand in those sectors of industry, such as automobile and electronics, which are playing a leading role in pulling the economy upward.

There is also another factor. As our domestic industry shifts to a higher technical level, it requires new materials, and those industrial sectors which were previously regarded as unprofitable are emerging as potential providers of new products in the markets, thus spurring the development of new materials.

In addition, the import prices of major materials have risen sharply due to the strong yen in particular and this is also prompting the development of new materials.

The following is a rundown of progress in the development of major steel materials.

#### Rolled Steel Plate

This is an ordinary level of steel plate and is widely used in automobiles, electronics, and other products.

Pohang Iron Works, United Iron and Steel, and Eastern Steel are its major producers.

The steel industry is hastening the development of products of high added value, such as high-strength cold-rolled steel plates, above all other steel plates. Of the entire variety of high-strength cold-rolled steel plates, demand for ultra-thin high-strength strips is on the rise.

Pohang Iron Works and Eastern Steel are pushing the development of this kind of new material, expecting to replace \$6.2 billion worth of imports each year.

Pohang Iron is also pushing the construction of another cold rolled steel mill with an annual capacity of 720,000 tons.

Eastern Steel is drastically expanding steel plate facilities with the goal of increasing the annual capacity of 150,000 tons by investing over 30 million won.

#### Electrolytic Zinc Plated Steel Plate

An electrolytic zinc-plated steel plate is made by surface-treating an ordinary steel plate and then coating it with zinc.

Compared with a cold rolled steel plate which is not surface-treated or coated, and compared with the existing coarse electrolytic zinc-coated steel plates, this new material has a high processing quality.

One characteristic of this steel plate is that thanks to its fracture resistance, its quality does not deteriorate in any molding or press processing.

This steel plate is used as a major material in automobiles--in the bodies, chassis, air filters, and so forth--refrigerators, washing machines, air conditioners, VTR's, and other electronic products.

It is also used in shutters, sashes, and other building structures as well as in desk files and furniture.

Pohang Iron Works, United Steel, and Dong Yang Tin plates developed this new steel plate. Of these three companies, United Steel has recently completed an electrolytic zinc-plated steel plate facility with an annual capacity of 200,000 tons by investing over 20 billion won in domestic and foreign funds. Pohang Iron Works is pushing the construction of a mill with an annual capacity of 300,000 tons.

#### Specialty Steel

This is used in a variety of products from automobile parts to nuclear energy facilities, and its products are numerous.

That is why specialty steel is regarded as a measure of industrial development. In the United States, West Germany, Japan, and other advanced countries, the ratio of specialty steel to their total output of ordinary steel is 20 percent, compared with 5 percent in our country.

This indicates that there is immense potential for growth in our specialty steel market.

In our country, Sammi Integrated Specialty Steel is specializing in specialty steel production.

This company is currently developing wire materials, such as permalloy electric-heating coil, press-molding material, plastic injection molding material, bearing steel, and high-speed tool steel.

Because of its special property of gaining a high degree of magnetic permeability with a small amount of electric current, permalloy is used in radar equipment and the [headcores] of communications equipment.

Electric heating coils, because of their high specific resistance, not to mention its high heat hardness and high heat and corrosion resistance, finds applications in wide areas ranging from electric home appliances to industrial heat-treating furnaces. Press-molding material used in press stands can maintain a high degree of shock and friction resistance in high heat and is highly amenable to processing.

Plastic injection molding material, which has an outstanding mechanical processing and compressing capability, is used in thermosetting resins and so forth, bearing steel is used as a material requiring a high degree of pressure-resistant stability and fatigue-resistant capacity; and high-speed tool steel, which is a kind of high-alloy tool steel, is used in cold molding.

Sammi Integrated Specialty Steel is investing to the tune of 2 billion won for the development of this kind of specialty steel. It is expected that when such steel is domestically produced, it will replace about \$20 million worth of imports of the same kind.

Sammi plans to double its specialty steel production facilities to an annual capacity of 1 million tons by 1990 with a total investment of over 100 billion won.

#### Stainless Hot Coil

Our country is importing all of its stainless hot coil supply from Japan. This metal is used as a basic material in stainless pipes and Western tableware. Pohang Steel Works is pushing a plan to meet all its stainless hot coil need domestically.

Pohang Steel Works has completed a technical development stage and is now planning to build a hot-coil mill with an annual capacity of 250,000 tons by 1989 by investing a total of 130 billion won.

The size of the domestic stainless hot coil market is about 220,000 tons.

#### Surface-treated Steel Plate

This is a high value added commodity which is made of drawn tubes coated with nickel, chrome, electrolytic copper, and so forth.

It is used as a material in automobile and electronic parts. Currently, Dong Yang Tin is developing electrolytic nickel-coated steel plates and electrolytic copper-coated steel plates. Electrolytic nickel-coated steel has

a superb coating and processing capability and is contributing to the high quality of food and other containers.

On the other hand, electrolytic copper-coated steel, which combines the merits of steel, which is cheap, and copper, which has strong corrosion resistance, is used as a material in automobile and refrigerator parts and pipes. Dong Yang Tinplate has installed part of the needed equipment to expedite the supply of material.

Meanwhile, Eastern Industries is currently developing cold rolled wire, which is used in bolts and nuts used in automobile parts. This material has the merit of going through high-stress processing even in normal temperature.

#### New Steel Materials Currently Under Development

| <u>Company</u>                   | <u>Material</u>                                                                                        | <u>Use</u>                                                                                                                                                                           |
|----------------------------------|--------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Pohang Iron Works                | Stainless hot coil, high-strength cold-rolled steel plates, electrolytic zinc-steel plates             | Pipes, tableware, auto parts, cars, electronic parts, building materials                                                                                                             |
| Sammi Integrated Specialty Steel | Permalloy, electric heating coil, press molding, plastic molding, bearing steel, high-speed tool steel | Radar equipment, electronic communications [headcore], home appliances, industrial heating furnace, press stands, thermosetting resins, cutting tools for cold molding, cold molding |
| Eastern Steel                    | High-strength cold rolled steel plates, chrome-coated steel plates, vinyl chloride steel plates        | Auto parts, food containers, building materials                                                                                                                                      |
| Dong Yang Tinplates              | Electrolytic nickel-coated steel plates, copper-coated steel plate                                     | Auto parts, food containers, other containers, refrigerators, auto parts                                                                                                             |
| Eastern Industries               | Cold-rolled wire                                                                                       | Bolts and nuts                                                                                                                                                                       |

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## S.KOREA/SCIENCE AND TECHNOLOGY

### LATEST REPORTS ON AUTOMOBILE INDUSTRY

#### Energy-Efficient Car Being Developed

Seoul HANGUK ILBO in Korean 11 Jul 86 p 2

[Text] In order to speed up the development of energy-efficient cars, the government has decided to form a combined research organization consisting of government research agencies and automobile makers, which will develop automobile engines and model design techniques.

The decision was made at the transportation energy conservation planning conference, which was held on 10 July by the Ministry of Power Resources. Representatives of various transportation businesses and related organizations participated in the meeting. It was decided at the meeting that upon completion of studies by the Ministry of Power Resources on establishment of the miles-per-gallon standards, the government will announce medium- and long-term standards for miles per gallon, and that the auto makers which produce cars that fail to meet the standards will be fined.

In addition, the Ministry of Power Resources designated 143 large-scale transportation businesses as model companies for energy conservation, while promising various kinds of support for the companies that perform well in energy conservation. At the same time, it decided to form energy conservation promotion committees for each transportation business and geographic region, which will launch a self-propelled energy conservation drive in the transportation area.

#### New Compact Cars, Market Strategies

Seoul HANGUK ILBO in Korean 13 Jul 86 p 2

[Text] Daewoo's newly developed small passenger car, the LeMans, will make its first entry into the market on 20 July. After a few months, or early next year, Kia will introduce another new small passenger car, which will open a heated three-cornered fight in the domestic small car market. Kia's car, which will be sold in both domestic market and the overseas market beginning next year, is expected to be in the 1,100-1,300-cc class, which is somewhat smaller than the LeMans, the Excel, and the Presto, all of which are in the 1,500-cc class. Kia's car is presently code-named a Y-car and does not have a formal name yet, while its specifications and price are kept secret in view of business strategy.

Ford, Kia's partner, has named the Y-car as Festival and plans to import at least 80,000 units per year under the OEM [original equipment manufacturer] method.

When the LeMans shows up next week, the domestic small car market, which has been dominated by Hyundai's Pony, Excel, and Presto for a long time, will become a battlefield for Hyundai's Presto and Daewoo's LeMans.

As a result, consumers will significantly benefit from the greater selections and improvements in price, performance, safety, and service, thanks to the increased competition. With the introduction of the LeMans, the automobile market has already shown a sharp reaction, such as a large decrease in the price of used cars and the reduced production of Prestos and Excels from 6,000 cars per month to 5,000 cars per month.

Although the large number of new cars provide a choice, it also makes the choosing difficult. A wise selection requires consumers to know a great deal about automobiles.

In general, most Americans, who are experienced in buying automobiles since automobiles are an absolute necessity for them, are said to negotiate prices first. However, people with money to spare tend to evaluate safety first, regardless of price. Some people go for color, function, or performance, but most people base their decision in the following order: economy, safety, and convenience (including function and performance).

In terms of economic efficiency, Kia's Festival is expected to be the least expensive of all new cars in the small-car class, although the firm price has not been determined yet. This is because the Festival is in the 1,100-1,300-cc class whereas the Presto and the LeMans are in the 1,500-cc class. The Presto will be the next in terms of price. When compared with fully loaded models in the 1,500-cc class, the Presto has a price advantage because it is slightly smaller than the LeMans in terms of engine displacement, length and width. When fully loaded, the 1,500-cc class Presto is priced at 4,575,000 won. This is 515,000 won [as published] cheaper than the similarly equipped LeMans, which is priced at 5,190,000 won.

If we add other necessary costs, such as the registration tax, acquisition tax, public bond purchase, stamp and certificate stamp fees, license plate, safety association fee, and liability insurance premium, the total price of the fully equipped Presto is 5,355,350 won, which is 664,200 won cheaper than the LeMans, whose total price is 6,019,550 won. However, it is difficult to determine accurately the relative difference in automobile prices because the simple one-to-one comparison is nearly impossible. Even the prices of the same cars differ from each other, depending on whether they are base models, luxury models, or fully equipped models. Also, the so-called options, such as the air conditioner, make a big difference in prices. For example, a luxury Presto without any options costs 4,299,000 won, the Super version costs 4,575,000 won, and the Super Automatic version costs 5,111,000 won. The fully loaded LeMans costs 5,190,000 won, and its simple luxury version costs 4,850,000 won.

Another important point to consider, in terms of economy, is the price of used cars. Consumers should determine the price and quality of each used car based on 2-3 years of usage. In addition, an economic analysis should include fuel costs and repair costs (including parts).

In addition to economic efficiency, safety is another important point to consider, but domestic consumers have difficulty judging automobile safety because Korea has not yet adopted objective safety standards or official safety-judging agencies. In general, automobile safety is positively correlated with automobile's size and weight.

The maker of the Presto boasts that the car passed a U.S. safety standard while the maker of the LeMans boasts that the car was designed in accordance with a renowned German safety standard.

Just as taxi drivers often tell us which car is cheaper to maintain and which car is safer, consumers could benefit from various opinions. The automobile industry expects the Festival, too, to provide a decent level of safety since the car has been designed with technical support by Japan's Mazda, which is Kia's partner and a leader in small cars.

On the other hand, Hyundai, which has been fighting hard to recover from the medium-size car market that has been dominated by Daewoo's Royale series, plans to begin selling the newly developed 2,000-cc class Granger (priced at 16-17 million won), the largest domestic passenger car whose size exceeds the existing Granada, beginning in the latter part of July. Consequently, the medium-size car market, too, will become a battlefield for the Royale Salon and the Granger.

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## S.KOREA/SCIENCE AND TECHNOLOGY

### FOOD IRRADIATION PROCESS INTRODUCED

Seoul HANGUK ILBO In Korean 16 Aug 86 p 8

[Article by reporter Pak Kyong-un: "The Nation's First Large-scale Radiation Food Treatment Plant Is Scheduled To Go Into Operation Next Year in Incheon"]

[Text] We are ushering in an age in which food sanitation is ensured through radiation treatment. Beginning next year, a considerable amount of food including farm products will be treated with radiation to sterilize or to kill worms or to prevent germination. The radiation treatment of food is widely being used in advanced countries, and our country is about to enter a stage of practical application of this technology. In our country, Yungyong Products (its president is Paek Yong-chu) is the first company to push the industrial use of methods of treating foods with radiation. With technical assistance from the Kroeian Energy Institute, this firm is building a large-scale radiation food treatment facility in Incheon. This plant, with a capacity of 500,000 curies (curie is a unit of radioactivity), is expected to be the largest facility of its kind.

This facility, which is under construction with a capital outlay of 4 billion won, is scheduled to be completed and put into operation next April. The equipment is supplied by ACL, a Canadian nuclear energy firm, which will also supply cobalt 60, which emits gamma rays.

Yungyong Products plans to treat farm products with radiation mainly for the prevention of germination. Radiation treatment of chestnuts, garlic, onions, fresh mushrooms, and other farm products prolongs their preservation and prevents losses accruing from decomposition or vermin damage during their storage and distribution. The plant's annual capacity of anti-germination treatment is said to be 400,000 tons. The firm plans to develop sterilizing and worm-killing technologies for feed grains and foodstuffs.

With an increasing application of the food-sanitizing technology using radiation in daily life, the circulation of foods processed with radiation is expected to increase a great deal in the future. This prospect is backed up by signs indicating that a considerable number of firms, including food companies, are planning to participate in the radiation food treatment business. Furthermore, the legal groundwork has been laid for permitting the treatment of foods with radiation. In July last year, the Ministry of Health

and Social Affairs revised the Food Sanitation Law to add a provision on the food radiation treatment business, thus paving the legal way for the distribution of radiation-treated foods.

In the past, the controversy over the question of whether foods treated with radiation are safe or harmful has barred the circulation of radiation-treated foods on the market.

Radiation technology as applied to foodstuffs means treating them with radiation to hinder germination and prolong their preservation through its sterilizing and worm-killing effects. Gamma rays and electron beams emitted by cobalt 60 and cesium 139 are used in the sanitizing treatment. In most cases, gamma rays emitted by cobalt 60 are used. They physically prevent food from decomposition and germination while killing germs or worms inside foods.

This technology is experiencing such a boom in various countries that radiation treatment facilities are ever expanding. Currently, 135 facilities for food-sanitizing treatment by radiation are in operation throughout the world, and the number of food items permitted to undergo radiation treatment for sanitizing purposes exceeds 270 items in 42 countries. In the Netherlands, for example, they recently succeeded in prolonging the blooming period of flowers by treating the soil with radiation, thus drastically increasing flower exports.

President Paek of Yungyong Products pointed out that because of the perfect sterilizing as well as the economical effects of radiation treatment, many countries in the world are vying to expand their facilities for sanitizing treatment of food with radiation. He added that his company is hastening to introduce this process for commercial purposes. According to a survey by the Food and Agricultural Organization (FAO), 25 percent of the harvest is lost from decomposition or vermin damage after the harvest. But when the radiation treatment is introduced, it prolongs the duration of food preservation without using refrigerating facilities, in addition to sterilizing foodstuffs and killing worms in them. This has an indirect effect of increasing food production.

It will also result in a tremendous saving in energy used in food storage. Radiation treatment can completely sterilize the food with one one-fifth to one-fifteenth of the amount of energy needed in sterilizing by heat.

Sanitization by radiation is all the more attractive because it will free us from fears of unsanitary, contaminated, and harmful foods. For example, the use of EDB, a fumigating agent used in the sanitization of chestnuts in our country, has been banned in advanced countries because of its residual toxicity and environmental pollution. They are replacing EDB by radiation treatment. Large doses of various harmful chemical preservatives are reportedly used in dried fish, but this problem will be easily solved if dried fish is treated with radiation.

President Paek said that no one can also ignore the effect of creating an added value and increasing exports. The U.S. Food and Drug Administration (FDA) is banning the import of pears from Korea on the grounds that they are contaminated with colitis germs. But President Paek expects that the introduction of radiation treatment will pave the way for Korean pears to enter the U.S. market because the treatment will kill all the colitis germs. He also foresees an increase in kimchi exports because radiation treatment will delay the souring of pickled vegetables.

The problem is that many people still fear that radiation-treated food may be harmful to health. But no food is more sanitary than radiation-treated food. A joint specialized committee made up of officials from FAO, the International Atomic Energy Agency, and the World Health Organization, during its meeting in Geneva, Switzerland, in 1981, reached the conclusion that the treatment of food with less than 10 KGY, or 10,000 gray (gray is a unit of radiation measurement), will have no dietary, biological, toxicological, and genetic effects whatsoever. The U.S. FDA also confirmed this conclusion in 1984.

Radiological specialists stress that in order to shut out food pollution from our society, now is the time for us actively to foster and develop technologies used in treating foodstuffs with radiation.

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N. KOREA/ECONOMY

SMALL HYDROELECTRIC POWER PLANT CONSTRUCTION URGED

Pyongyang NODONG SINMUN in Korean 7 Aug 86 p 3

[Article by Wi Chae-chil: "Construction of Small and Medium Hydroelectric Power Stations"]

[Text] Electricity is the basic energy that drives modern industry. By increasing electric power output we can stabilize production in all sectors of the national economy and satisfactorily meet the growing demand for power in the national economy. To meet the increasing demand for electricity in a foresighted manner, we have to push power plant construction, with hydroelectric power plant construction as its basis and by correctly combining it with the construction of thermal and other power plants, in accordance with our party's chuche-oriented power base construction policy.

Hydroelectric power plants, which rely on the abundant water resources in our country, are highly economical and reliable. For this reason, our party is encouraging the nation to build large-scale power plants in a big way by widely introducing a water-power resources development method that is uniquely our own designed to fully develop and utilizes water-power resources abundant in our country, rivers and streams in particular. Accelerating the construction of Taechon and other large scale hydroelectric-electric power stations constitutes an important guarantee for consolidating the power bases and meeting the future as well as immediate electricity demand in a comprehensive and reasonable manner.

It is our party's consistent policy to call for the accelerated construction of small and medium-scale hydroelectric power plants along with large-scale hydroelectric power plants.

Stepping up small and medium-size hydroelectric power plant construction is an important requirement in boosting the nation's power generating capacity and qualitatively strengthening the power bases.

The great leader Comrade Kim Il-song said:

"We have to erect dams on rivers and streams everywhere in the country and build hydroelectric power stations in a big way." (Selected Works of Kim Il-song, Vol VII, p 358)

Large power stations, particularly large hydroelectric power stations, are the backbone of our country's energy bases.

However, we can not satisfy the growing demand for electricity in our economy or fully utilize the nation's power resources if we build nothing but large hydroelectric power stations.

Ours is a mountainous country. Rivers and streams flow through valleys and glens. Therefore, if we only use large rivers to build power stations, we cannot meet the fast growing demand for electricity.

Only by giving top priority to building large hydroelectric power stations and correctly combining large scale power plant construction with the construction of small and medium power plants, can we put our water resources to effective use and thus meet the growing demand for electricity on a steady basis.

Small and medium-size power plants are not so productive compared with large hydroelectric power stations in terms of labor productivity and power output. Despite this shortcoming, they are useful in meeting on time growing electricity demand, particularly, demand for electricity in the countryside, and make it possible to bring the sites of power production closer to the locations of power resources and power consumption and to produce power evenly throughout the country because we can build them in a short period of time with small funds.

Rivers and streams are widely distributed throughout our country, and we have advantageous topographic conditions for developing our hydropower resources, in addition to the material and technical foundations for and rich experience in building and operating hydroelectric power plants. Given this favorable condition, we can--by giving priority to building large hydroelectric power stations and, at the same time, combining it with small and medium-size hydroelectric power plant construction--consolidate the electric power bases by properly mobilizing and utilizing the nation's natural and geographical conditions. This will enable us to meet the increasing demand for electricity and maximize the beneficial effects of power plant construction on the national economy.

Building small and medium-size hydroelectric power plants in a big way is an important requirement in smoothly meeting local demand for fuel and power.

How much we can satisfy local fuel and power demand is one of the important questions arising in our efforts to implement the party policy of simultaneously developing large national-scale industry and small and medium-size local industries. Only by ensuring a plentiful supply of fuel and power, can we constantly develop local industry and produce food, clothing, and other daily necessities for our people.

Thanks to the party's wise leadership, our local industry has grown very fast. Today our local industry occupies an important place in the production of consumer goods, accounting for a considerable portion of the nation's gross

industrial output. Especially in recent years, under party leadership, local industry has grown in scale as never before and the amount and variety of products have also increased.

As the material and technical foundations of local industry strengthen and as the amount of production increases, demand for electricity, along with that for raw materials and fuel, is also increasing. This requires us to build small and medium-size power plants in a big way so that we can mobilize the nation's electric power resources for maximum use.

The construction of large hydroelectric power stations requires a huge capital outlay, takes a long time to complete, and needs the construction of new power transmission and distribution facilities. Small and medium power plants, on the other hand, constitutes an important electric power base because they complement these shortcomings of large stations and enable us to quickly meet local electricity demand. Therefore we have to explore and mobilize local inner reserves to build small and medium power plants everywhere in a big way with small investment in time and money. This will enable us to satisfactorily meet local industry's electricity demand which is rapidly increasing as productivity rises and as the modernization of technical equipment progresses in local industry. We can also bring the sites of power production closer to the locations of the power resources and power consumers and allocate the nation's power generating stations in a balanced manner so that we can simultaneously develop all areas of the country.

Imyongsu Lumber Enterprise has built several small power plants by effectively utilizing the streams flowing through the gorges and glens, thereby securing its entire power supply on its own. As a result, it has rendered a considerable benefit to the state through significant economy on the use of bituminous coal and other kinds of fuel. This is clear proof of the validity of our party policy of properly mixing construction of large-scale hydroelectric power stations with that of small- and medium-scale hydroelectric power plants.

We have rich resources and experience which will enable us to build small and medium-size hydroelectric power plants in a big way. We also have our own necessary technology and labor. Moreover, we have a solid foundation for producing and supplying necessary equipment and materials on our own.

The whole thing depends on our determination. Once we make up our mind, all we have to do is push the task to a successful end by displaying the revolutionary fighting spirit and the revolutionary spirit of self-reliance and arduous struggle.

Our party demands that the construction of small and medium-size power plants be pushed by mobilizing the masses.

Chagang Province's exemplary experience in building small and medium-size hydroelectric power plants shows that all goes well when we rely on the masses and give full play to their ability and wisdom. When our functionaries inculcate the importance of building small and medium-size hydroelectric power stations in the minds of the masses and lead them forward, the masses will

come forward with firm determination to meet the local electric demand on their own.

The basic principle in building small and medium-size hydroelectric power stations is that they be built by exploring and mobilizing local inner reserves and potential. But it is possible that some equipment and materials are not locally available in some areas. Therefore, it is an important requirement in actively accelerating the construction of small and medium-size hydroelectric power plants that this factor be integrated into planning and they be supplied in time. All local leading functionaries must take a firm grip of the construction of small and medium-size hydroelectric power stations and give on-the-spot directions in a revolutionary manner so that they can consolidate the nation's power bases.

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N. KOREA/ECONOMY

EARLY COMPLETION OF NORTHERN RAILROAD CONSTRUCTION URGED

Pyongyang NODONG CHONGNYON in Korean 16 Jul 86 p 1

[Editorial: "Let Us Accelerate More Energetically the Northern Railroad Construction and Finish It Early"]

[Text] The great leader Comrade Kim Il-song gave us cordial instructions many times and set forth for us concrete measures for the acceleration of construction of the northern railroads.

The northern railroads are one of the monumental objects being constructed in compliance with the great plans of the great leader comrade. They are an honorable and valuable construction project assigned exclusively to our youths by the party.

When the northern railroad construction project is completed, the railway transportation will become more smooth throughout the country and favorable conditions will be effected for the development of natural resources in that region.

Construction workers of the northern railroads, who are accelerating construction with their hearts burning with firm resolutions to repay the party's great trust and expectations with loyalty, fully displayed their wisdom and courage and completed the basic portion of the roadbed construction throughout the entire region. They scored great success in building railroad tunnels and railway bridges and in constructing minor structures and laying railroads.

The construction of the northern railroads is a grand nature-remaking work. Although a great success was already scored in the construction of new railroads, the task that must be carried out from now on is also stupendous. Even as for the first stage construction of the project, the construction of many railroad bridges and the work of expanding and coating railway tunnels must be carried out; the construction of small structures must be carried out; and many more works, including laying rail and building railway stations, are yet to be done.

Our party hopes that that huge construction task will be accomplished in a short period of time, and that the first stage construction of the northern railroads will be completed as soon as possible.

The dear leader Comrade Kim Chong-il pointed out as follows:

"The youths must become active guards of our party's economic policy who will thoroughly implement that policy."

Today, the SWYL organizations and the construction workers of the northern railroads are confronting a valuable and honorable task of finishing early the first stage construction of the northern railroads, upholding the great leader's instructions and the party's intentions.

The most important thing that should be done in order to accelerate and finish early the first stage construction of the northern railroads is that all the SWYL functionaries and commanders must concretely organize the organization and command of the battle.

Today the morale of the constructors of the northern railroads is high. They are full of determination to finish the first stage construction of the northern railroads and to repay the party's great trust and faith in them with loyalty. The problem is how to conduct the operation and command the construction.

All the SWYL functionaries and commanders in the united command, brigades, and regiments of the northern railroads must map out accurately their combat plans by process in conformity with the actual conditions of the construction, must thoroughly establish the revolutionary life style of implementing without fail the monthly and quarterly plans, and thereby must see to it that all the youth construction workers will unconditionally fulfill their daily plans every day. Furthermore, they must concentrate their force in those construction tasks, including the construction of railroad bridges and small structures, which must be carried out before the laying of rails. They must accomplish those tasks one by one by means of an annihilation method and must thereby increase the speed of overall construction.

On the other hand, all the SWYL members and commanders must see to it that the mass technological innovation movement will be launched forcefully among the youth construction workers and technicians. They must actively introduce advanced construction methods in all work, including the construction of railway tunnels and railroad bridges; they must unceasingly innovate technology; they must create new standards and new records; and they must thereby guarantee the quality of construction at the highest standard.

The masters of construction of the northern railroads are the youth construction workers. In order to finish the first stage construction of the northern railroads in a short period of time, it is imperative that the revolutionary spirit of self-reliance and arduous struggle be highly displayed among the youth construction workers.

Since the construction of the northern railroads is a grand nature remaking task, it can be faced with many bottlenecks and difficulties. To confront squarely bottlenecks and difficulties and effect breakthroughs in overcoming them by highly displaying the revolutionary spirit of self-reliance and

arduous struggle is one of the important ways of enabling them to implement thoroughly the great leader's instructions unconditionally.

Above all, the youth construction workers must overcome conditions unfavorable for the construction and thereby must successfully accomplish the construction of railroad bridges and small structures by means of their own resources and technology. Meanwhile, those youth construction workers who are in charge of difficult constructions, including the construction of long railroad tunnels and muddy tunnels must highly display, by employing whatever means available, the life style of carrying out combat tasks assigned to their units on their own. They must thereby accomplish overall construction ahead of schedule.

When one thinks and acts through the spirit of self-reliance and arduous struggle, and when one struggles on through the spirit of crossing burning rivers and walking along muddy roads, boundless creative power and wisdom will spring up and the mettle and guts with which all difficulties can be overcome will be brought about. All the youth construction workers must confront squarely all the coming deadlocks and difficulties and overcome them with strong fighting spirit and the spirit of devoted struggle. They must mobilize and utilize more inner reserves, must conserve material and labor, and still they must accomplish construction ahead of schedule.

The northern railroads are the honorable and valuable objects of construction which are assigned exclusively to our youths by the party.

In order to finish, in a short period of time, the first stage construction of the northern railroads, it is imperative for the SWYL organizations at all levels and the youths to launch energetically their work to support the construction.

It is of importance at this juncture that all SWYL organizations and youths must take joint responsibility for the construction of the northern railroads and must come to the aid of the youth construction workers.

Today at the site of construction of the northern railroads, many materials, including cement, steel materials, and fuel oil, are needed. During the period under review, the SWYL organizations and youths in the plants and business enterprises in various provinces, cities, including Pyongyang City, and counties, sent to the site in a social movement much equipment and materials and thereby contributed greatly to the railroad construction. All the SWYL organizations must firmly organize the organizational and political work designed to render material and technological assistance for the construction of the northern railroads. They must thereby see to it that more materials and machine tools and parts needed for the railroad construction will be sent to the sites.

Furthermore, the SWYL organizations and youth in the field of transportation must effect a fresh innovation in the work of transportation and thereby must transport materials, including steel materials, to the site of the northern railroad construction in time. On the other hand, the SWYL organizations must efficiently organize the work designed to guarantee the livelihood of the youth construction workers.

Now is the very time when we must highly display our loyalty toward the party and the leader through practical actions and when our young hearts must burn intensely.

All the SWYL functionaries and commanders, going deeply down among the youth construction workers, must launch with mettle the political propaganda and economic agitation which are designed to arouse them forcefully for the implementation of the great leader's instructions. They must thereby see to it that the railroad construction site of several hundred ri will smelt with fresh revolutionary spirit and heroic struggle will be launched in every battle ground. All the youth constructors, cherishing the mettle of youth given by the party, must spread out construction boldly and undauntedly and thereby must again display the wisdom and valor of the Korean youth in the struggle designed to finish as soon as possible the first stage construction of the northern railroads.

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N. KOREA/ECONOMY

CONTINUOUS MACHINE TOOL-BEGETS-MACHINE TOOL MOVEMENT URGED

Pyongyang NODONG SINMUN in Korean 2 Aug 86 p 3

[Article by Chong Kwan-song: "The Modernization of the National Economy and the Machine Tool-begets-machine Tool Movement"]

[Text] Today our workers are vigorously accelerating the revolutionary movement to modernize the national economy by upholding the great leader Comrade Kim Il-song's New Year's message for this year and his programmatic instructions before the 11th Plenum of the 6th Party Central Committee.

The modernization of the national economy is an inevitable process in socialist construction and is an urgent requirement in the economic development of our country.

One of the important ways to modernize the national economy is to wage a vigorous machine tool-begets-machine tool movement in the machine industry sector. This relates to the important role the machine industry, particularly the machine tool industry, plays in realizing the modernization of the national economy.

The machine industry is the heart of industry and the foundation of development and technical progress in all sectors of the national economy. The modernization of the national economy, in itself, signifies the modernization of technical means and presupposes a rapid development of the machine industry.

Machine tools are the matrices for the machine industry, and the development of the machine industry begins with development in machine tool production.

By increasing machine tool production, we can strengthen the material and technological foundations of the machine industry itself, the heart of industry, and thus enable us to create a solid base of a self-sustaining, modern machine industry and put it on a new, modern technological foundation. It will also enable us to ensure satisfactorily the production and supply of machinery and equipment needed in all branches of the national economy, such as the heavy and light industries and agriculture, thereby, on the one hand, developing the nation's overall productivity and, on the other hand, successfully pushing forward the technical revolution aimed at freeing our workers from toilsome labor.

Today, attaining a rapid increase in machine tool production is an urgent requirement in developing the nation's machine industry onto a higher level, accelerating the modernization of the national economy and successfully implementing the 10 major prospective targets for socialist economic construction.

A great transition took place in machine tool production after the machine tool-begets-machine tool movement was launched in March 1950 under the sagacious leadership of the great leader Comrade Kim Il-song. The nation's machine industry, which started from scratch after liberation, has developed so fast and reached such a high level that it can now meet, virtually on its own, all the needs for machinery and equipment in all sectors of the national economy, such as industry and agriculture. However, the current acceleration in socialist economic construction demands that the machine industry be brought onto a still higher level in a way consistent with the modernization requirement of the national economy. It particularly calls for new innovations in machine tool production as an urgent task. The over-all mechanization and automation of production are goals in the modernization of the national economy.

A drastic increase in machine tool production is an important requirement in the implementation of the policy of modernizing the national economy. Machine tool production must be decisively increased in order to equip all branches of the national economy with modern machinery. Therefore we have to push vigorously the technical revolution.

Only by drastically increasing the production of machine tools can we strengthen the material and technical foundations of the machine industry even more and thus equip the entire national economy with modern technological means and actively expedite the overall mechanization and automation of production.

In accelerating socialist economic construction through the modernization of the national economy, the machine industry is faced with an urgent task of multiplying on its own all kinds of machine tools, such as small and general-use machine tools and precision machine tools, as well as large and specialized machine tools. When we produce more modern and efficient machine tools by energetically waging the machine tool-begets-machine tool movement, we can satisfactorily meet the demand for various kinds of machinery and equipment needed in realizing an overall mechanization and automation of production in all branches of the national economy. This will enable us to accelerate the technical revolution and successfully fulfill the 10 major prospective targets for socialist construction for the 1980's.

The respected and beloved leader Comrade Kim Il-song said:

"We must launch a vigorous large machine tool proliferation movement as a mass campaign in order to produce necessary machines and equipment on our own." ("Selected Works of Kim Il-song," vol VII, p 60)

During his on-the-spot guidance tour of Chongjin City and North Hamgyong Province in June last year, the great leader had a deep insight into the requirements of socialist construction in our country and the actual state of development in our machine industry and proposed the task of launching another vigorous machine tool-begets-machine tool movement as a mass campaign.

The "June 1985 machine-tool-begets-machine tool movement" is a mass-based technical innovation movement designed to consolidate further the existing material and technical foundations of the machine industry built under the revolutionary banner of self-reliance and to improve constantly the level of technical equipment in all branches of the national economy. This mass movement is of historic importance in accelerating the modernization of the national economy and advancing the technical revolution to a new height, and thus successfully attaining the 10 prospective targets of socialist economic construction.

Beloved Comrade Kim Il-song has sagaciously led us to wage vigorously the "June 1985 machine-tool-begets-machine tool movement" as a partywide, mass-based movement. New achievements have been made in distributing machine tools under the refined leadership of our party.

Holding high the signal fire of the "June 1985 machine tool-begets-machine tool movement," the workers of the 10 May Factory built 7 new machines only in 1 and 1/2 months after they had launched their battle, and factories and enterprises in North Hamgyong Province built more than 770 modern machine tools of various kinds by the end of last year.

The workers participating in the machine tool-begets-machine tool movement in various parts of the country built a total of more than 900 large and special machine tools. By upholding the intentions of the party and displaying the revolutionary spirit of self-reliance and arduous struggle, and by using our own designs, our own technology, and our own ability and know-how, the workers and technicians of the Yongsong Machine Tool Complex, in particular, admirably built a 10,000-ton press, which demonstrates the might of our chuche-oriented industry and will greatly contribute to our nation's scientific and technological development and the modernization of our national economy. They accomplished this feat in addition to building large and special machine tools. The workers of the Sungnni Automobile Factory also built 40 machine tools of various kinds last year, in addition to developing new large and special machine tools.

All this highlights the justness and vigor of the "June 1985 machine-tool-begets-machine tool movement" launched vigorously under the seasoned leadership of our party.

While strenuously waging the "June 1985 machine tool-begets-machine tool movement," the workers in the machine industry became convinced that they can build any kind of necessary machine tool if they tackle the task with the revolutionary spirit of unconditionally and thoroughly implementing the leader's teachings and party decisions and instructions.

All functionaries, party members, and workers must energetically carry on the "June 1985 machine tool-begets-machine tool movement" and brilliantly fulfill the targets they have resolved to attain, and thus actively contribute to accelerating the modernization of the national economy and implementing the grand program for socialist economic construction.

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N. KOREA/ECONOMY

DEVELOPMENT OF CHEMICAL INDUSTRY URGED

Pyongyang NODONG SINMUN in Korean 3 Aug 86 p 3

[Article by Chong Han-mo: "The Development of the Light Industry and the Small and Medium Chemical Industry"]

[Text] To develop both the large scale chemical industry as well as small- and medium-scale chemical industry by means of placing great emphasis on the development of chemical industries carries a very important significance in developing the light industry.

The great leader Comrade Kim Il-song taught as follows:

"...by means of establishing a great number of small- and medium-size chemical plants, we must increase the production of auxiliary raw materials, chemical medicines, and paints and varnishes."

Developing the small and medium chemical industry is an important problem arising in satisfactorily meeting the divergent demands of increasing needs of raw materials and resources in the national economy and, in particular, in the light industry.

Thanks to the judicious leadership of the great leader and the energetic guidance of the party, a firm foundation for the light industry has been laid everywhere in our country. The production potential of the light industry is very large. Thus only if raw materials, fuel, and resources are provided in sufficient quantities can the production of popular consumer goods be increased far more than the present rate of increase and, consequently, our livelihood will be improved far more than it would be at the present rate in a short period of time. The problem is to produce more plastics, paints and varnishes, adhesives, binding agents, and reagents. A way of producing these chemical products is to develop the small and medium chemical industry.

In view of the fact that the small- and medium-scale chemical industry plays an important role in developing the light industry, our party has long been putting forth the demand for developing on a large scale the small and medium chemical industry along with the central large-scale chemical industry and has been judiciously leading the struggle to meet the demand. Thanks to the party's judicious leadership, large scale inorganic and organic chemical

industries were established everywhere. Plants of the small- and medium-scale chemical industry were built on a large scale and thereby are contributing greatly to the development of the light industry. However, today, in view of the fact that new light industry plants were built in great number and their production increased rapidly, it is in demand that the production of chemical products of various types and forms be increased quickly.

In particular, in recent years, plants and business enterprises, upholding the party's will, have been actively launching the struggle for the production of "3 August Popular Consumer Goods"; and, subsequently, the demand for various basic chemical products, including plastics, paints and varnishes, and auxiliary raw materials has been increasing rapidly.

Such a reality demands that greater emphasis be placed on the development of the small- and medium-scale chemical industry and the production of basic chemical products be increased unceasingly. Only when the variety and quantity of the basic chemical products, such as plastics and paints and varnishes, are increased, the production of synthetic resin products and popular consumer goods, such as clothes drawers and blanket drawers, can be increased, and the quality of those goods can be improved greatly.

The chemical industry is an important base of raw materials which supplies raw materials and resources to various fields of the national economy, including the light industry. However, it would be difficult for the large-scale chemical industry plants to supply various minor chemical products, including the basic chemical products, demanded by various fields of the national economy. Although those chemical products demanded in large quantity must be supplied by large-scale chemical plants, those chemical goods which are essential but not demanded in large quantity must be produced and supplied by the small- and medium-scale chemical plants, which must be established everywhere. This is an important method of meeting the demand for various chemical products which are very economical but produced in various types and forms.

The raw materials and resources for which the small- and medium-scale chemical plants are to be established can be found everywhere.

When the generator gas coming out of the gas generator, various side products that come out of the refineries, and mineral powder that flow out of the ore dressing stations are chemically processed, a great number of chemical goods and rare reagents can be produced. From those fractions and by-products which come out of the chemical plants in which crude oil and petrochemical products are produced, important chemical products, including paints and varnished and auxiliary medicines, and intermediate raw materials can be produced in great quantity. If we effectively utilize the existing economic foundation and the abundant natural resources, various needed chemical products can be produced on our own to our hearts' content. Only if we really steel our hearts and get to work, all things in need can be produced as much as we want even from those by-products and wastes that come out of plants and business enterprises.

Developing the small and medium chemical industry is a forceful method of quickly increasing, without making any large investment, various chemical products that are needed in developing the light industry.

Building large-scale chemical plants may require large investment and a long period of time. However, building the small- and medium-scale chemical plants requires small investment and can be done in a simple way. Therefore, goods can be produced right away. No large equipment is necessary to establish the small- and medium-scale chemical plants; and the production plant does not have to be large.

Even the buildings that have already been in use may be utilized. If the building is small and the production process can be set up there, basic chemical products can be produced as much as you want. You can find reserves everywhere. Only when you use your head, get a novel idea, and firmly establish, with boldness, the small- and medium-scale chemical plants, not to mention the basic chemical products demanded in small quantity but even those raw materials and resources that are demanded in large quantity, too, can be produced in a local district. When this is done, light industry plants can be operated at full capacity, you can normalize the production at a high level, you can overfulfill daily, monthly, and quarterly plans, and you can greatly contribute to the improvement of popular livelihood.

To develop small- and medium-scale chemical industry and thereby to satisfactorily meet the rapidly increasing demand for chemical products in the fields of light industry and many fields of the national economy is a very valuable work designed to materialize our party's will of improving popular livelihood one step further. Now that we have a firm foundation provided for the chemical industry through self-reliance and arduous struggle, and that we have the technical manpower capable of correctly managing and operating it, only if we make a little more effort and act revolutionarily, can we have greater prospects for the development of the small- and medium-scale chemical industry. All the party members and the workers, upholding the party's will, must vigorously launch into the work designed to develop the small- and medium-scale chemical industry.

To wait for favorable conditions being provided and to not have an idea of achieving leaping advances are not the work habits of leading functionaries of the era of revolution and of the era of struggle.

Those functionaries who, with the revolutionary life style of managing their household on their own no matter how unfavorable the conditions may be, boldly act to mobilize inner reserves, to put the masses' resources and wisdom in motion, and thereby to make their advance courageous, are competent functionaries, smart managers wanted by our party, and the command personnel of revolution. When one is equipped with such a life style and such work habits, no difficulty poses a problem and one can solve all the problems arising in developing the small- and medium-scale chemical industry on one's own. When the functionaries go down among the workers and technicians, plant deep in their minds the party's intentions regarding the development of the small- and medium-scale industry, and put their wisdom in motion, we can establish more small- and medium-scale chemical plants, we can normalize production at a high level in those existing small- and medium-scale chemical plants, and we can rapidly increase the production of the chemical products, such as dyes, paints and varnishes, adhesives, reagents, and plastics.

Firmly organizing the small and medium chemical goods raw material bases is an important requirement for the development of the small- and medium-scale chemical industry.

No matter how many small- and medium-scale chemical plants may be established, they would be of no use if raw materials are not adequately supplied to them. Only when those bases which are capable of supplying on their own raw materials, for small- and medium-scale chemical products are established in sufficient number, the production of basic chemical products can be normalized and increased unceasingly. Therefore, it is of importance that the work of mapping out measures to produce more intermediary raw materials by means of utilizing maximally the existing raw material bases and the work of newly establishing some more of those measures be carried out with a view to the future.

It would be difficult to develop the small- and medium-scale chemical industry without the knowledge of science and technology. Only when the functionaries of pertinent fields, plants, and business enterprises are versed in modern science and technology, they can raise the level of the chemical industry up to the one the party wants it to be at. In particular, only when those scientists and technicians in the chemical industry step up their scientific research work, innovate technology, make many new inventions, draw many creative designs, and map out many rationalization plans, can the small- and medium-scale chemical industry be developed rapidly.

The work of developing the small- and medium-scale chemical industry is a work directly connected with the overall national economy, in particular, with the chemical industry. This work is not simply such a concern of whether or not more of some chemical can be produced; but it is an important political work related with the improvement of popular livelihood, which represents the highest principle governing the activities of our party.

All the functionaries and workers, by means of utilizing all the conditions and possibilities while establishing more chemical product production bases and keeping up repair and maintenance in conformity with the demands of the development of realities, must effect fresh transformation in the production of the basic chemical products, including various auxiliary raw materials, chemical medicines, paints and varnishes, and plastics.

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EDITORIAL ENCOURAGES GEOLOGICAL PROSPECTING

Pyongyang NODONG SINMUN in Korean 15 Jul 86 p 1

[Editorial: "Let Us Firmly Give Priority to Geological Prospecting Work"]

[Text] In order to increase unceasingly the production of coal and minerals, it is imperative to give priority firmly to the geological prospecting work.

The great leader Comrade Kim Il-song taught us as follows:

"An important problem we face in developing rapidly the extracting industry is to step up the geological prospecting work." ("Selected Works of Kim Il-song," vol 8, p 357)

The geological prospecting work is a process that must precede that of the extraction industry. Just as a military force can win its battle with the enemy only when it conducts reconnaissance well, so we can come to know where a deposit of certain resources is located in what amount and we can normalize the production of coal and minerals by mapping scientific and realistic plans of tunneling and mining in conformity with the deposits only when geological prospecting work is given priority in the extraction industry.

To step up the geological prospecting work is an important requirement for developing coal mines and mineral mines with a view to the future.

In order to develop coal mines and mineral mines with a view to the future, it is imperative to step up prospecting work and to find proposed mining sites in a sufficient number. A proposed mining site is a base at which the production of coal and minerals can be carried out with a view to the future; it is an important production base. Only when the prospecting work is given priority and proposed mining sites are found in a sufficient number, can coal mines or mineral mines be developed with a view to the future, can the mineral resources that have not been found in our country yet be discovered, and can the deposits of those resources be confirmed scientifically. When we do these, can we systematically develop the extracting industry with a view to the future.

During the period under review, in our country, the party's demand for firmly giving priority to the geological prospecting work was thoroughly met. A great quantity of coal and mineral resources was thereby secured in coal mines and mineral mines and many large scale coal mines and mineral mines were developed. However, in the view of the developing realities and the national

economy's increasing demand for coal and minerals, there are still many problems yet to be solved in the field of geological prospecting work. All the functionaries and workers in the field of prospecting work, not feeling complacent with the achievements already made, must continuously give priority to geological prospecting work over the extraction industry.

In order to give priority to the geological prospecting work, it is imperative to increase investment in the field of prospecting work and to raise the standard of technological equipment.

Reinforcing the technological equipment in the field of prospecting work is a fundamental requirement for guaranteeing success in the geological prospecting work. The reason for that is the fact that geological prospecting work is a very difficult and complicated work, which is different from other kinds of work, of discovering natural resources buried deep under the ground and of confirming the quantity of those resources. When modern prospecting equipment is provided and various pieces of analytical and experimental equipment are guaranteed sufficiently, we can find the natural underground resources more efficiently and can see to it that those resources will be used effectively in the economic construction.

Clearly keeping in mind the fact that, if they fail to give priority to the geological prospecting work which is the first process of the production of coal and minerals, they would not be able to develop the extraction industry and, further, to develop the national industry either, the state administrative council and the pertinent fields must continuously increase investment in that work. In particular, the field of machine industry must produce various modern prospecting equipment, including boring machines, cars, mobile repair cars, and various experimental and analytical appliances and must send them into the field for prospecting work. At the same time, plants producing prospecting machinery and the experimental appliance plants must step up technological innovation movement, must thereby design and manufacture more of such prospecting equipment and experimental appliances as fit for the topographical conditions of our country, and must dispatch them in good time.

Efficiently organizing the rank and file of prospecting workers is an important requirement for further developing geological prospecting work.

The geological prospecting work is a responsible and difficult work that must be carried out while treading steep mountain areas under complicated topographical conditions. Furthermore, the geological prospecting work is scientifically and technologically complicated in that it must be carried out by cutting sample ores and analyzing them by employing various prospecting methods that fit for various natural and geological conditions. Only when the rank and file of prospecting workers are reinforced by those who are highly loyal to the party and the leader and who are equipped politically, ideologically, technologically, and practically, can the geological prospecting work be carried out in accordance with the party's will.

The party organizations in the pertinent fields must organize the rank and file of prospecting workers with those functionaries equipped politically,

ideologically, technologically, and practically. They must unceasingly give functionaries ideological indoctrination and see to it that those functionaries will carry out their geological prospecting work with the honor and pride of underground scouts and as the masters, and that those functionaries will thereby find more coal and minerals.

Actively introducing advanced methods of prospecting is an important guarantee for effecting fresh innovations in geological prospecting work.

In our country whose natural and geological conditions are complicated, only when we completely study those advanced prospecting methods that fit for those characteristics of our country, can we increase the prospecting speed and efficiency.

Functionaries of the field of prospecting work must unceasingly innovate technology, must improve existing methods of prospecting, and must actively introduce new scientific methods of prospecting.

Geological prospecting work is a stupendous and complicated work in which we find various kinds of underground resources over a wide area. Therefore, it cannot be successfully carried out solely by those functionaries specialized in the prospecting work. When we make broad masses of people involved in the prospecting work together with the prospecting specialists corps, we can score great success in the geological prospecting work.

The party organizations of all levels must paraphrase and indoctrinate the party's demand for developing the geological prospecting work deep among the broad masses of people. They must see to it that the broad masses of people will be aware of the characteristics of their regions and districts, and that the broad masses of people will be actively mobilized in finding underground resources. For future needs, they must see to it that the broad masses will vigorously launch into the work of finding more coal resources.

It is also important to improve logistics work for prospecting functionaries.

Prospecting functionaries are carrying out difficult jobs, unceasingly moving around. They carry out prospecting even in the severely cold weather of winter. Even under hard circumstances in which rains and storms are raging, they work hard to carry out tasks assigned to them, regardless of whether or not someone is watching them. It is our bounden duty and ethic to provide them with sufficient daily life needs and comforts.

The party organizations and functionaries in the pertinent fields and regions and all the workers must step up logistics supply work for the prospecting functionaries, who are carrying out difficult jobs, so that they may do their work without feeling any inconveniences in their life. They must try to find bottlenecks facing those functionaries and must resolve them in time. In particular, they must step up the work of supplying side dish food for those functionaries. When they do these, the prospecting functionaries will highly display their initiative and positive attitudes and will find more coal and minerals to repay the party's great trust and confidence in them.

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N. KOREA/FOREIGN TRADE

FOREIGNERS' INCOME TAX LAW DETAILED

Pyongyang FOREIGN TRADE in English Sep 86 pp 8-9

[Text]

(Adopted by the Decision No. 12 of the Standing Committee of the Supreme People's Assembly of the Democratic People's Republic of Korea on March 7, 1985)

Article 1. The foreigners who earn an income within the territory of the Democratic People's Republic of Korea shall pay income tax according to this Law.

Article 2. The foreigners' income tax shall be levied on the following categories of income:

1. Income from remuneration
2. Income from royalties for invention right, technical documents, technical know-how, etc.

Article 3. Income tax rates on remuneration are as follows:

| Amount of monthly income | Tax rate (%) |
|--------------------------|--------------|
| 500 won and less         | Exempt       |
| 501 won to 2,000 won     | 5            |
| 2,001 won to 4,000 won   | 10           |
| 4,001 won to 6,000 won   | 15           |
| 6,001 won to 8,000 won   | 20           |
| 8,001 won to 10,000 won  | 25           |
| Above 10,001 won         | 30           |

Article 4. Income from royalties for invention right, technical documents, technical know-how, etc. shall be taxed at a rate of 20 per cent.

Article 5. The following categories of income shall be exempted from the foreigners' income tax.

1. Prizes and subsidies given by the Government of the Democratic People's Republic of Korea,
2. Interest on the money deposited in the banks of the Democratic People's Republic of Korea,

3. Incomes stipulated to be exempted from income tax in agreements between the governments of the Democratic People's Republic of Korea and other countries,

4. Other incomes stipulated by the Ministry of Finance of the Democratic People's Republic of Korea.

Article 6. The foreigners' income tax shall be calculated in terms of Korean *won*.

Article 7. The foreigners' income tax shall be paid by the relevant organizations or enterprises after deducting the tax from their income at the time of payment of the income to the foreigners.

Article 8. The organizations or enterprises which pay incomes to foreigners shall pay the foreigners' income tax to the relevant financial organs on the prescribed date.

In case of failure to pay the foreigners' income tax in due time, arrears of 0.3 per cent of the overdue income tax for every day of delay shall be surcharged, starting from the first day of default.

Article 9. The financial organs have the right to audit the payment situation of the foreigners' income tax.

The organizations and enterprises paying income to foreigners should present information necessary for auditing to the financial organs.

Article 10. The financial organs may impose a penalty according to the seriousness of offence.

Detailed Rules and Regulations of the Foreigners' Income Tax Law of the Democratic People's Republic of Korea

(Approved by the Decision No. 23 of the Government  
Administrative Council on May 17, 1985)

Article 1. The Detailed Rules and Regulations are applicable to all foreigners who earn an income within the territory of the Democratic People's Republic of Korea (hereinafter called the DPRK).

Article 2. The foreigners who earn an income within the territory of the DPRK are liable to pay income tax according to the Foreigners' Income Tax Law and the Detailed Rules and Regulations of the DPRK.

**Article 3.** The foreigners' income Tax shall be levied on the following categories of income:

1. Income from remuneration

- 1) Income from pay (wages), salaries, etc.
- 2) Income from extra pay, bonuses, bounties, dividends, etc.
- 3) Income from lecture fees or translation fees, etc.

2. Income from royalties for invention right, technical documents, technical know-how, patent right, trade mark right, lease of property, etc.

3. Income from sales of goods

- \* When a foreigner intends to sell goods, he should notify relevant financial organs.

**Article 4.** Income tax rates on remuneration are as follows:

| Amount of monthly income | Tax rate (%) |
|--------------------------|--------------|
| 500 won and less         | Exempt       |
| 501 won to 2,000 won     | 5            |
| 2,001 won to 4,000 won   | 10           |
| 4,001 won to 6,000 won   | 15           |
| 6,001 won to 8,000 won   | 20           |
| 8,001 won to 10,000 won  | 25           |
| Above 10,001 won         | 30           |

**Article 5.** The income from royalties for invention right, technical documents, technical know-how, patent right, trade mark right and lease of property and the income from sales of goods shall be taxed at a rate of 20 per cent.

**Article 6.** The income tax levied on foreigners shall be calculated as follows:

1. The income tax on remuneration of foreigners shall be calculated by applying an appropriate tax rate to the amount of income.

2. In case foreigners' incomes include incomes from remuneration, incomes from royalties for invention right, technical documents, technical know-how, patent right, trade mark right, lease of property, etc. and incomes from sales of goods, the income tax shall be calculated by applying an appropriate tax rate to each income.

3. When the monthly income of an individual person from remuneration is realized in many places, the income tax shall be calculated by applying an appropriate tax rate to the total sum of income.

**Article 7.** The income tax rate on remuneration of foreigners shall be applied separately according to individuals and the income tax rate on royalties for invention right, technical documents, technical know-how, patent right and trade mark right, lease of property, etc. and incomes from sales of products shall be applied separately.

**Article 8.** The following categories of income shall be exempted from the foreigners' income tax.

1. Prizes and subsidies given by the Government of the DPRK.

2. Interest on money deposited in the banks of the DPRK.

3. Incomes stipulated to be exempted from income tax in agreements between the governments of the DPRK and other countries.

4. Pay for foreign students, apprentices and research students, incomes from travelling expenses, sundry expenses, cultural expenses, gifts, souvenirs, etc. paid by the DPRK, money remitted from abroad to foreigners and other incomes stipulated by the Ministry of Finance of the DPRK.

**Article 9.** Foreigners' income tax shall be calculated in terms of Korean *won*.

The income tax on a foreigner's income made in foreign currencies shall be assessed in terms of Korean *won* according to exchange rate on the date of paying the foreigners' income tax quoted by the Trade Bank of the DPRK.

**Article 10.** The foreigners' income tax shall be paid by the relevant organizations or enterprises after deducting the tax from the income at the time of payment of the income to the foreigners.

The foreigners' income tax on remuneration shall be calculated and paid monthly. The income tax on royalties for invention right, technical documents, technical know-how, patent right and trade mark right, lease of property and sales of goods shall be calculated and paid every time when the income is paid.

**Article 11.** The organizations or enterprises which pay incomes to foreigners should pay the foreigners' income tax to the relevant financial organs on the date prescribed.

In case of failure to pay the foreigners' income tax in due time, arrears of 0.3 per cent of the overdue income tax for every day of delay shall be surcharged starting from the first day of default.

1. The foreigners' income tax should be paid within 5 days from the date when income is paid.

2. At the time of payment of the foreigners' income tax, the organizations or enterprises shall file the foreigners' income tax returns with the designated bank. The bank shall examine and ascertain the returns and keep one copy with itself and send one copy each to taxpayer and the relevant organizations or enterprises.

3. The financial organs shall collect deficiencies from the taxpayer and refund excess payment to the taxpayer after examining and ascertaining the amount of the income tax paid by foreigners.

**Article 12.** The financial organs have the right to audit the payment situation of the foreigners' income tax.

1. The financial organs have the right to audit the payment situation of the foreigners' income tax of the organizations or enterprises paying income to foreigners and the related organizations and enterprises.

2. The relevant organizations and enterprises should afford information necessary for the audit to the financial organs and comply with their auditing.

**Article 13.** Foreigners may bring an action in a court for excess taxation of the relevant authorities.

**Article 14.** The financial organs may impose a penalty according to the seriousness of offence against the Foreigners' Income Tax Law.

In case of failure to pay the foreigners' income tax or deficient payment, the financial organs may impose a penalty of up to 100 per cent of the income together with arrears and bring an action in the relevant court according to the seriousness of violation.

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N. KOREA/INTERNATIONAL COMMENTARY

UNITED STATES ACCUSED OF PLOTTING CHEMICAL WARFARE

Pyongyang MINJU CHOSON in Korean 3 Aug 86 p 4

[Article by Pak Won-hae: "In Pursuit of a Chemical War"]

[Text] According to reports, a few days ago Reagan blabbed about investing a huge amount of money to hasten the development and production of binary weapons.

Coinciding with this, White House Spokesman Larry Speakes ranted that "the U.S. policy concerning chemical warfare remains unchanged" and that it is "necessary" to "stockpile" a large number of chemical weapons to cope with a new war.

At a time when the whole world is opposing and condemning the U.S. imperialists' adventurous machinations for chemical warfare, the U.S. war maniacs intend to keep on increasing the production of chemical weapons. This shows that they are hell-bent on starting a new war even by using chemical weapons.

While stepping up the production of nuclear weapons as part of their preparations for a new war, the U.S. imperialists, in pursuit of their permanent goal of world conquest, are making frantic preparations for chemical warfare by increasing the production of chemical weapons.

A chemical weapon is a weapon of mass-destruction which kills or maims people by its toxic chemical substances.

The world's people have been unanimously demanding a halt to the production of chemical and biological weapons because of their heinous character. The development and use of chemical weapons have long been prohibited under an international covenant. But the imperialists, led by the U.S. imperialists, secretly hastened research on toxic agents and their production and used them in battlegrounds. It is no secret that the U.S. imperialists committed the heinous bestiality of massacring our people with biological and chemical weapons during the Korean War. Even now the U.S. imperialists are introducing numerous chemical weapons into South Korea and conducting military exercises in preparations for chemical warfare in this area.

The U.S. imperialists, jointly with their South Korean puppets, have even erected more than 10 gas factories in South Korea.

They are frantically deploying chemical weapons to various places in Europe. The U.S. Department of Defense has even drawn up a plan to produce new types of chemical weapons for deployment to U.S. allies. In step with this, NATO military organizations, a high-level military planning committee among them, have adopted a decision endorsing the U.S. plan to begin the production of binary chemical weapons, a new generation of chemical weapons.

According to an estimate by experts, a huge amount of chemical weapons, including more than 100,000 tons of toxic substance, 150,000 tons of chemical shells, and more than 3 million chemical bombs, are currently stored in the secret U.S. ammunition depots.

The U.S. imperialists' intention to hasten the production of binary weapons on top of this huge stockpile of chemical weapons proves that they are becoming all the more feverish with their machinations to launch a chemical war.

The U.S. imperialists are bent upon producing more chemical weapons, which are mass-destruction weapons, in an attempt to fling mankind into the scourges of a chemical war, but their calculation is wrong.

If the U.S. imperialists should keep on dashing headlong on the road of a new war wielding their chemical weapons, they will end up perishing in the fire they themselves started.

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