FAR EAST SURVEY 5 JANUARY 1952

- B 1 -

NORTH KOREA

There is little discussion of the negotiations. Kim Il Sung's New Year's message to the armed forces, conventionally admitting that the road ahead is not smooth, assures that "victory" is certain provided everyone strives a little harder. The "valiant" struggles of the people's guerrillas in areas under Rhee's control are said to be winning the support of the people. The "compulsory registration" of Korean residents in Japan is assailed as a "villainous plot" to utilize Koreans as "cannonfodder." South Korea's recently passed budget, described as a "bankrupt" instrument with "recordbreaking" assessments, is said to be unprecedented anywhere else in the world. To attain unification of the Fatherland, Pyongyang calls for continuation of the "wartime" type of education; this is described as absolutely necessary. "Even better results" in 1952 are demanded of farmers, who are reminded that the war may continue "for a long time."

Kim Sees Ultimate Victory Ahead: Pyongyang places great stress on Premier Kim Il Sung's New Year's messages to the members of the Korean People's Armed Forces and the Chinese People's Volunteers in which, while assuring them of ultimate "victory," he warns that stringent times are ahead. The speech, which contrary to usual custom was not delivered by Kim, points out that the American "armed aggressors" have suffered "severe defeats," not only militarily, but also "politically and morally." With familiar bombast, Kim warns that if the imperialist aggressors do not abandon their "vicious ambitions" toward Korea, only "shameful defeat" awaits them.

Lauding the support of the People's Democracies, including the "great Soviet Union and the People's Republic of China," Kim declares that this support is strengthening "our confidence in final victory." But in a more somber tone he warns that "we must not allow ourselves to be carried away by our victories. We must strive to produce more heroes and model warriors, master martial arts, strengthen the ties with the people," and exert "utmost efforts" to bolster combat strength.

In a similar vein, Kim declares that the "friendly solidarity, peerless heroism, and patriotism" of the Chinese and Korean forces in the "sacred struggle" has set a "new example of noble internationalism and morality." Further evidences of Sino-Korean solidarity are shown by the conferring of medals by the Presidium of the Supreme People's Assembly on members of the Korean branch of NCNA for "outstanding services" in promoting friendship between the two peoples. The "continuous" donation of winter clothing by the Chinese is also cited.

South Korean Budget Assailed: There is increased attention to South Korea. Initial comment on the recently passed budget describes it as a "bankrupt" instrument, which will drive the people to "starvation and death." It is only too clear, Pyongyang says, that under present conditions in South Korea, where destruction of production facilities is so severe that it is impossible to find any basis to assess the national income, that taxpayers cannot shoulder such a huge budget. The new budget is

held to be 2,700 times the total budget for Korea under Japanese rule in 1936. Furthermore, the "record-breaking" burden of 45,000 won per capita, Pyongyang declares, is unprecedented anywhere else in the world.

Continued Guerrilla Activity Noted: The "valiant" struggles of the people's guerrillas in South Korea receive continuing applause. Pyongyang asserts that no matter what "deceitful" reports the Syngman Rhee gang may forge, it cannot "blind the eyes of justice" of the southern people. As a manifestation of the "warm policy" of the Government, Pyongyang says that those persons from the Syngman Rhee areas who have surrendered—and have been "forgiven"—have returned home to their families and are "living a happy life." "Burning with indignation" at the Americans and the Syngman Rhee gang which made them commit such crimes, they are firmly determined to serve the Fatherland "from now on."

Evidence of this "humanity" on the part of the People's Army is offered in a speech by a "liberated soldier," a former non-commissioned officer of Syngman Rhee's Seventh Division, who was captured by the People's Army. This soldier, reiterating Peking's charges of American "barbarism" in the treatment of POW's, denounces as "ridiculous" propaganda charges that the People's Army "slaughtered" POW's.

Registration of Koreans in Japan Protested: The so-called "compulsory registration of Korean residents in Japan" brings a stinging protest from the Central Committee of the All-Korea Federation of Labor. Denouncing this "registration" as a "villainous plot," Pyongyang points out that this campaign, which would utilize the Koreans as "cannonfodder" in the Korean war, "vividly unveils" the knavish ambitions of the revived Japanese aggressors.

Proof of the patriotism of Koreans in Japan is found in a message to Kim Il Sung in which more than 60,000 Korean residents in the Chugoku district of Japan pledge that the Koreans there will carry out the struggle until the "last enemy soldier" is driven from the Fatherland.

Wartime System of Education a Necessity: Concerned with strengthening education, which is presented as a prerequisite for attaining unification of the Fatherland, Pyongyang outlines the following six-point plan for all teachers and students: (1) Ideological consciousness and working systems must be stabilized along wartime lines; (2) Maximum efforts must be concentrated on achieving complete fulfillment of the education part of the economic plan for 1952; (3) Stress should be placed on cultivating the patriotism of students; (4) Stabilized education should be effected, not only for enlightening illiterates but also for increasing the political and ideological education of the general public; (5) Administration of part-time jobs for orphans should be developed; and (6) An extensive campaign to observe State financial regulations and to conserve and economize on materials and resources should be launched.

<u>Farmers Urged to Attain Better Results in 1952</u>: In other comment on internal affairs, farmers are reminded that the "liberation war" may be waged "for a long time," and, although praised for their past performances, they are exhorted to realize "even better results" for 1952 by utilizing past experience. Editorials of the NODONG SINMUN and the MINJU CHOSEN stress

CONFIDENTIAL

"В 3 -

that inflation must be prevented by "strict execution" of the "cash control plan" and that Government officials must "thoroughly" familiarize themselves with regulations and instructions for successful administration under "local" conditions.

Other Topics: Pyongyang's only comment on the truce talks follows the Peking line that America's "vicious intentions" and "deliberate attempts" to sabotage the meetings are the only obstacles to agreement. Korean gratitude for liberation by the Soviet Red Army is again expressed during the period under survey, but no mention is made of Stalin's birthday.

SOUTH KOREA

Pusan focuses on internal affairs, mainly grain and tax collections, "mopping-up" operations in North and South Cholla Provinces, and activities of the National Assembly. Although grain collection is said to be satisfactory in some provinces, all farmers are again urged to meet delivery quotas on time. The Agriculture and Forestry Minister optimistically observes that "self-sufficiency" can be achieved in next year's food production, but he adds that U.N. aid will still be required. Claims that the Communist "bandits" will soon be "completely mopped up" in the Chiri-san area are reiterated and the Security Bureau Director reveals that surrenders are "increasing daily." By-elections for National Assemblymen, Radio Pusan says, will be held the first week in February. Pusan claims that the "preliminary aims" of the ROK-Japanese conference were attained, despite many difficulties. There was no speculation concerning South Korea's status following the truce talks, nor are questions on Korea's unification highlighted.