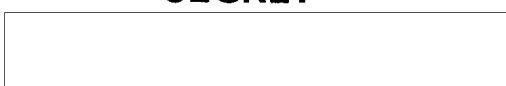


AIL *DA DR*

SECRET

NIE 42-70
2 December 1970(25X1)



| |
|--------------------|
| SR/CF |
| CI |
| SA |
| File |
| Destroy |
| Route |

NATIONAL INTELLIGENCE ESTIMATE
NUMBER 42-70

1 copy should be filed.

The Changing Scene in South Korea

Submitted by

Richard Helms

DIRECTOR OF CENTRAL INTELLIGENCE

Concurred in by the

UNITED STATES INTELLIGENCE BOARD

As indicated overleaf

2 December 1970

Authenticated:

James A. Lay Jr.
EXECUTIVE SECRETARY, USIB

SECRET

Nº 314



25X1

SECRET

The following intelligence organizations participated in the preparation of this estimate:

The Central Intelligence Agency and the intelligence organizations of the Departments of State and Defense, and the NSA.

Concurring:

Lt. Gen. R. E. Cushman, Jr., USMC, Deputy Director of Central Intelligence
Dr. Ray S. Cline, the Director of Intelligence and Research, Department of State
Lt. Gen. Donald V. Bennett, the Director, Defense Intelligence Agency
Vice Adm. Noel Gayler, the Director, National Security Agency

Abstaining:

Dr. Charles H. Reichardt, for the Assistant General Manager, Atomic Energy Commission and Mr. William O. Cregar, for the Assistant to the Director, Federal Bureau of Investigation, the subject being outside of their jurisdiction.

WARNING

This material contains information affecting the National Defense of the United States within the meaning of the espionage laws, Title 18, USC, Secs. 793 and 794, the transmission or revelation of which in any manner to an unauthorized person is prohibited.

GROUP 1
Excluded from automatic
downgrading and
declassification

SECRET

SECRET

CONTENTS

| | <i>Page</i> |
|--|-------------|
| CONCLUSIONS | 1 |
| DISCUSSION | 2 |
| I. THE BALANCE SHEET | 2 |
| II. THE NORTHERN CHALLENGE: A NEW DIRECTION? | 6 |
| III. THE SOUTHERN RESPONSE | 8 |
| A. Continuing Reliance on the United States | 8 |
| B. East Asian "Anticommunism" | 9 |
| C. Approaches to the Communist World | 9 |
| D. The Korean Question | 10 |
| IV. SOURCES OF INSTABILITY | 11 |
| MILITARY ANNEX | |

SECRET

SECRET

THE CHANGING SCENE IN SOUTH KOREA

CONCLUSIONS

A. South Korea's position on the Korean peninsula has improved considerably in recent years. It has had a long period of political stability. The economy is booming. Its military strength poses a substantial deterrent to any North Korean invasion. And South Korea's international position is notably stronger than that of the North. The planned withdrawal of one US Army division from South Korea will not of itself significantly alter this balance.

B. North Korea, probably in part responding to these changes and to the evident failure of its military confrontation tactics, has changed its line of attack. Terrorism and paramilitary action have been de-emphasized. North Korean efforts to build a base for political subversion in South Korea, as well as diplomatic activity abroad, both appear to be increasing. Pyongyang probably hopes by a more "peaceful" approach to weaken support for the vigorously anticommunist Seoul regime in world (especially American) opinion, and to play on the natural desire of many South Koreans for closer North-South relations.

C. South Korea is likely to respond to Pyongyang's more flexible tactics by some very tentative approaches of its own toward East Europeans and the USSR. But major direct moves to ease tensions with North Korea still seem far distant in view of Seoul's enduring hostility to and fear of the Korean communists. For some time, South Korea will be most concerned to maintain firm US security commitments, to retain some US troops on its territory, and to strengthen ties with fellow non-communists in East Asia, especially Japan.

D. Only South Korea itself could give the North a significant opening for its political subversion efforts. Pyongyang will be alert to ex-

SECRET

1

SECRET

exploit suspicions or misunderstandings between Seoul and Washington—especially Seoul's fear that the US might abandon it to its enemies. Perhaps even more important, the strong Park regime has kept Korea's old political ills under control but has not really cured them. Economic troubles, Park's increasing authoritarianism, problems in finding a successor to Park, or even an apparently diminished threat from the North which reduced incentives for national unity, all might make the South Korean political situation less stable. In such circumstances, North Korean propaganda and subversion might begin to have more impact than has been the case to date, and the North might be tempted once again to reintensify paramilitary action and armed subversion against the South.

DISCUSSION

1. During most of the time since World War II, South Korea has constituted a serious problem of one kind or another for US policy. Simple economic viability was long a worry—recovering from the ravages of wars, establishing the basis of a modern industrial society in a traditionally agricultural and resource-poor land, and much of the time fighting the twin handicaps of ruinous inflation and pervasive official corruption. Political life has been no less troubled. The shortcomings of Syngman Rhee's regime during the 1950s led to his overthrow in 1960. Under the brief experiment with free political activity which followed, the perennial factionalism of Korean political life degenerated into mounting public disorder. Major General Park Chung-hee and his military colleagues who seized power in 1961 put a stop to that. But they were slow to win genuine popular support, even after they converted themselves into a civilian government in 1963. And throughout these years, South Korea has lived under the shadow of the hostile North and its powerful Communist backers. In the last few years, however, changes taking place throughout Park's reign have culminated in a quite impressive position of strength.

I. THE BALANCE SHEET

2. President Park, although lacking the more flamboyant qualities of leadership, has slowly achieved dominance of South Korean political life and the acceptance of his countrymen by virtue of solid accomplishment. He has skillfully maneuvered among rival power brokers to give South Korea a prolonged period of political stability—authoritarian, to be sure, but more subtle in application than during much of Korea's modern history. He also has overseen an economic development program, centered on labor-intensive export industries, which has made most South Koreans better off than ever before. Since 1964, South Korea's real gross national product (GNP) has increased at the remarkably high rate of 12 percent a year, while industrial production has grown 19 percent and exports 41 percent annually. The South Korean economic scene has drawn the

SECRET

high, if grudging, praise of one Japanese businessman that "they are where we were 15 years ago."

3. Under Park's supervision, South Korea has developed one of the most competent and professional civil and military government structures in Asia. Its army, the fourth largest in the world, is reasonably well equipped through US aid programs, and its officer and non-commissioned officer corps has received leadership and combat experience in Vietnam. Moreover the younger officers now coming into leadership positions are better trained, and seem less rent by regional and personal factionalism and more imbued with professionalism, than were their predecessors. The civil bureaucracy also has gained in effectiveness. A large infusion of fresh blood following the military coup of 1961 has installed young men, well qualified by academic training and experience or by military service, in key positions.

4. Progress also has been made toward international acceptance. One of the most difficult problems was resolved on at least a formal level with the 1965 treaty normalizing relations with Japan. Since then, Japanese capital has played a vital role in South Korea's economic growth. Suspicion and outright dislike of Korea's sometime conqueror persist; but there nevertheless is a growing recognition within the leadership in both countries of common regional interests. An encouraging feature of the relationship has been quiet cooperation in the exchange of intelligence. Other advances toward international status have been South Korea's acceptance in regional groupings, such as the Asian and Pacific Council (ASPAC) and the Asian Development Bank. Its participation as an American ally in the Vietnamese war has given it a sense of pride and self-confidence which may prove as important as the more tangible military and economic benefits that participation has brought.

5. These very successes have created potential problems. South Korea has relied heavily on foreign loan capital to finance its economic boom, and in the process has accrued massive foreign debts. In normal circumstances South Korea should be able to handle these debts. But it is highly vulnerable to international economic conditions. A serious world-wide recession, or the loss of US markets, or anything which frightened off foreign investors, could undermine the whole delicate structure of rapidly growing exports to earn the money to repay the loans which make possible in the first place the industrial growth to produce the exports to earn the money.

6. There also are inequities in the distribution of South Korea's new prosperity. The rural areas lag in educational opportunities, housing, and health and other government services, as well as in actual income levels. Even in the booming cities unskilled wages remain very low, and the pressures of rapid urbanization could aggravate worker resentment at the prosperity of South Korea's growing middle class. The "revolution of rising expectations" is not yet a serious political problem in South Korea, but the ingredients are there.

7. Finally, South Korea's political stability rests too much on Park himself, and on a feeling of threat from the North which makes Park's strong rule seem

SECRET

3

SECRET

acceptable. Park's very success in dominating South Korea's political life has served to stunt the growth of democratic institutions, or the development of independent political leaders. There is no effective political opposition. The New Democratic Party (NDP), chief candidate for that role, is weak and divided. Park's own Democratic Republican Party is allowed little role in policy making, and even the implementation of policy is primarily in the hands of military men, with whom Park still identifies far more than with civilian politicians. Corruption still is an integral part of the governmental process, making the possibility of new national scandals ever-present. Park's heavy-handed rigging of elections he surely would win, even if they were free and fair, serves further to discredit the democratic process. In sum, while Park is careful to preserve the forms of parliamentary process, including a considerable degree of free speech and a relatively independent press, there is little real sharing of power or deep-felt public identification with the regime.

8. Of itself, this may not matter too much. Democracy is a foreign plant in South Korea, with shallow roots in the cultural traditions and emotions of the people. Personal and family ties still rate higher than any concept of impersonal law or broadly based political parties, and Confucian paternalism runs directly contrary to ideas of shared or diffused power. Stability, order, economic progress, and relative freedom from government harassment mean more to all but a very few Koreans than parliamentary processes, and on these counts Park delivers handsomely.

9. But Park (however understandably) has been unwilling to designate an heir apparent, and his skill in playing even his own supporters off against one another has kept any individual or group from emerging as an obvious potential successor. The powerful South Korean Central Intelligence Agency and the Army command are suspicious, even hostile, rivals. Kim Chong-p'il, the guiding political genius of the regime's early years, is able and aggressive and has something of a personal following. But this alone makes him suspect by many, and he can no longer count on Park's support for the succession. When Park chose to amend the Constitution last year, to enable himself to run for a third term as President in 1971, he forfeited an early opportunity to oversee the first orderly transfer of power in the Republic's history. Should that transfer take place when Park is unable to supervise and control it—i.e., after his defeat or death—continued stability probably would depend on whether the chance of circumstances threw up another individual who could impose his will on the congenitally feuding Koreans.

10. And Park's own dominance is based to an unhealthy extent on the widespread sense of threat from the North, which the government has at least in part purposely exaggerated. If this threat should recede—if national unity no longer seemed quite so crucial—a wide range of destabilizing tendencies could emerge. Relations with North Korea might become a controversial issue. Students—traditionally regarded by themselves and many others as the “conscience of the nation”—might be less willing to tolerate government corruption and limits on political freedoms. Trade unions might be more openly restive about government

SECRET

control. Ambitious individuals in the political parties or the military might hope to use such sentiments to challenge Park's virtually total command of South Korean politics.

11. Indeed, very tentative signs of such political stirrings already are evident. Kim Tae-chung, the young and aggressive NDP Presidential candidate for the 1971 elections, is mounting a surprisingly vigorous campaign by criticizing Park for—among other things—“creating this atmosphere of tension and horror . . . to prolong the life of [his] regime in the name of national security and anti-communism.” Kim does not now appear to be a serious danger to Park; many among the large crowds who apparently relish hearing him attack the President would not in fact want to substitute his untested abilities for the security Park has demonstrated he can provide. But such criticism could intensify Park's tendency under stress to withdraw into a distant authoritarianism, at times paralyzed by indecisiveness and at times impulsively over-reacting. If Park should take repressive measures against Kim or other critics which seemed out of proportion to the threat, he could further fuel the incipient discontent with his authoritarianism.

12. On balance, however, we think that South Korea should be able to cope with its problems and maintain a relatively strong position for the next few years at least. South Korea's strengths are especially impressive when measured against the apparent failings of the North. All our evidence indicates that North Korea's economy is doing badly compared with the South, and its political and military apparatus has been disrupted by a seemingly endless succession of high level purges.

13. The planned withdrawal of one US division from South Korea—about 20,000 of the presently authorized total of 63,000 men— will not of itself significantly alter the relative military balance between North and South. The South Korean military has shown increasing skill in coping with North Korean guerrilla infiltration efforts. With US air and logistic support, South Korea should be able to successfully defend against an all-out North Korean attack.¹ In the hypothetical situation where North Korean troops were joined by Chinese, the South (again with only US air and logistic support) is capable of holding off the combined forces for about a month. In fact, South Korea's military position vis-à-vis the North should be further strengthened by the \$1.5 billion equipment modernization program which the US intends to provide over the next five years.

14. Nor will South Korea's economy be markedly damaged by the planned US troop withdrawals. US military spending, which includes Vietnam-related items as well as money brought in because of troops actually in South Korea, has contributed on the average only about 15 percent of the real increase in South Korea's GNP during the 1965-1969 period. This share has been steadily declining with the expansion of South Korea's economy. The loss of about 20,000 US troops will at most slow down South Korea's (conservatively) estimated 10 percent annual growth during the next several years to a still highly impressive 9 percent, and

¹ See Annex for a discussion of North and South Korean military capabilities.

SECRET

will cost Seoul roughly \$50 million a year in dollar earnings. This loss is relatively small when compared with South Korea's export earnings of nearly \$1 billion in 1970, and its \$400 million annually in foreign capital inflows. It will not have much balance of payments effect so long as exports continue to climb rapidly.

II. THE NORTHERN CHALLENGE: A NEW DIRECTION?

15. The North Koreans seem to have read the balance sheet in much this way, and have revised their tactics against the South accordingly. The immediate cause of this tactical adjustment seems to have been the failure of their experiment with paramilitary tactics and terrorism from 1966 through 1968. Such large scale disasters as the Blue House raid and the mass landings at Ulchin on the east coast, far from encouraging the people of the South to rise in "people's war", only stiffened the South's resistance, while justifying the presence of US troops in the eyes of the world. Since early 1969, the rate of incidents along the Demilitarized Zone (DMZ) has dropped by over 80 percent. Meanwhile, the emphasis of Pyongyang's efforts has shifted to the infiltration of agents for political subversion—i.e., to recruit agents, organize cells, and to develop the political base for revolution in the South. Kim Il-song has recently signaled the continuation of this policy by warning that the people of the South must take the responsibility for their own revolution; the road ahead, he said, will not be an easy one.

16. While shifting its emphasis from armed to political subversion against the South, North Korea has also resumed its earlier campaign for international status and influence. An extensive effort is under way, particularly in Africa, to open trade and diplomatic ties. Denunciations of the UN's role in the Korean Question have again become somewhat more ambiguous. Attempts also have been made at least to seem more flexible on relations with the South. North Korea has revived earlier suggestions ranging from such limited steps as mail exchanges and visits between members of divided families, to a non-aggression pact, mutual troop reductions, and even a confederation of the two Koreas, each keeping its different social and political system. Pyongyang's constant demands remain the withdrawal of all foreign (i.e. American) troops from the peninsula and the ouster of the Park government by the South Korean people.

17. All in all, North Korea seems to be showing its peaceful face at the moment, both to the South and to international opinion. Kim doubtless hopes to exploit the natural desire of many South Koreans for better relations with the North. These shifts in military and diplomatic activity are reflected in new propaganda emphasis from the North. "Peaceful reunification" is once more the key phrase, with nation-wide elections possible if only (again) the foreign troops would leave. While it is granted that military means may eventually have to be used to achieve reunification, Pyongyang now claims to foresee this as a response it will make only when the South Koreans themselves rise up in revolt against their foreign oppressors and the native puppet government.

18. We have very little evidence as to why this change in tactics has come about, and still less about how long it might obtain. But speculation about the

SECRET

“why” does give some indication of “how long.” For a start, Pyongyang’s openly aggressive tactics were obviously not working. Far from weakening the South Korean regime, the evident threat was serving to solidify support for Park and acceptance of his strong rule. Nor was North Korean brinkmanship generating international pressure on the US to withdraw from Korea. Quite the contrary: it demonstrated the need for continued US military presence in the peninsula, while both Peking and Moscow were clearly reluctant to back up North Korean adventurism. With Pyongyang’s two potential backers feuding between themselves, the North Koreans could not count on receiving the level of support necessary to further pursuit of the high-risk policy.

19. And North Korea had mounting problems at home. We already have mentioned its economic failings, and the purge in late 1968 of key military and intelligence leaders.² We are not sure whether these men were eliminated because their policies toward the South had failed or whether Kim Il-song got rid of them for quite other reasons (most likely because he feared they were or might become a threat to his total control of the military) and then used them as scapegoats for an unsuccessful policy. Whatever the true reason for the purge, it seems likely that a need to regroup and rebuild at home would further diminish Kim’s enthusiasm for an aggressive policy toward the South which was not working anyway.

20. Kim furthermore can reason that his newer “peaceful” approach is having some success. His diplomatic offensive has thus far won recognition from a few more African and Middle Eastern states. More important, the Japanese have been encouraged to hope that North Korea may be ripe for their “bridge building” efforts, and are likely to increase economic and even political contacts. Most of all, Kim’s present course is in keeping with the current fashion of détente. He can hope that in the absence of a clear military threat, international and even South Korean support for Park’s fiercely anticommunist government will weaken. Indeed, he may see the planned reduction of US troop strength in the South as consistent with his present policy, if not an actual consequence of it.

21. What we cannot estimate with much confidence is Kim’s own volatile personality. His desire for the international limelight and his apparent tendency to act hastily and emotionally when he feels his position threatened, together with a real need to buck up the spirits of the North Korean populace and reconcile them to continued economic and political hardships, all may make it difficult for him to hold steady on a “peaceful” course. At any time he thought it opportune, and with very little warning, Kim could revert to a paramilitary approach toward the South. But insofar as evidence and logic are useful guides in such a situation, it seems to us likely that for some time to come North Korea should calculate that it has little to gain from aggressive military tactics on any significant scale against South Korean forces.

² Those purged in 1968 included three of North Korea’s five Army Group Commanders, the Minister of Defense, the Army Chief of Staff, and the Chief of the Army’s Reconnaissance Bureau.

SECRET

7

SECRET

22. Pyongyang probably will indulge in military spectacles from time to time. These might be directed at US targets in and around the peninsula if the opportunity arises—something like the *Pueblo* or EC-121 incidents—rather than at South Korea itself. Kim would hope to erode American interest in defending South Korea and to shake South Korean confidence in our willingness to react sufficiently vigorously, as well as to demonstrate that his quarrel is not with South Korea as such but with the “foreign oppressors” whose presence prevents better North-South relations. There might also be attempts at political assassination in the South. These probably would be designed to appear to be the work of South Korean “freedom fighters”, rather than North Korean military actions.

III. THE SOUTHERN RESPONSE

23. North Korea's more flexible tactics present a more complex and possibly confusing challenge to the South. It is a competition South Korea is eminently qualified to win, provided it has confidence in its considerable strengths vis-à-vis the North. We think it increasingly has. South Korean estimates of the impact of the proposed US troop withdrawals on the actual military balance largely parallel our own. But their frequently expressed concern that North Korea might miscalculate the withdrawals, as a sign of diminished US commitment, reflects their own fears that indeed this may be just the beginning of a general disengagement policy. While gaining in self-confidence, the southerners are not yet convinced of the permanence of their “economic miracle.” Moreover, they still see themselves confronted by an implacably hostile North Korea and surrounded by three neighboring giants—the Soviet Union, China, and Japan—who are unfriendly or at best untrustworthy. And they worry about the Americans who, they feel, once before withdrew troops from Korea too soon.

A. Continuing Reliance on the United States

24. Thus a continuing attempt to elicit further American assurances of military support—in writing if possible—will remain the cornerstone of South Korea's foreign policy for the foreseeable future. The South Koreans feel strongly that they are and ought to be an exception to the Nixon Doctrine. Seoul will continue seizing any opportunity to press for a bilateral guarantee of “automatic” US response to an attack or, failing that, for a regional security alliance. In the past it has tried such approaches as a “PATO” modeled on NATO (which some South Koreans seem to believe commits the US to automatic response in West Europe's defense), an ABM system with the US providing the weaponry and the countries within range of Chinese missiles the real estate, a security system among the countries contributing troops to the allied side in Vietnam, or expansion of ASPAC into a military alliance. Most recently, the Nixon-Sato communiqué of November 1969 raised South Korean hopes of a security system with the US, Japan, and Taiwan. The common theme in all these regional efforts—we believe the central South Korean aim—is not so much to improve cooperation with Asian neighbors as to get the US ever more securely bound to South Korea's defense.

SECRET

25. The same motive is present in South Korean thinking about Vietnam. [redacted] reports that some influential South Koreans have tried to think of ways to prolong or expand the war may not at all reflect Park's official policy. But he almost certainly takes comfort from a situation in which US and South Korean soldiers are allied in common anticommunist cause, and he has real apprehensions about anything that diminishes this active and lucrative cooperation.

25X1

B. East Asian "Anticommunism"

26. So long as they are reasonably confident of the American commitment, the South Koreans are likely to play their strong hand quite skillfully in diplomatic and economic competition with the North. They have more money for investment and for purchase of raw materials, and South Korean diplomats are not feared as a subversive element in the countries with which both Koreas would like relations. Seoul naturally will give first priority to strengthening ties with fellow non-communists in East Asia. Taiwan, and at least for the present Thailand, see Asian security problems in much the same light as does South Korea. Some ROK officials have even talked of offering South Korean troops to Thailand, especially if it became necessary to withdraw them from South Vietnam. Such an offer no doubt would be contingent on US bases and personnel remaining in Thailand; Seoul is not interested in taking on purely Asian entanglements.

27. Relations with Japan are likely to grow especially close, if not warm and friendly. Japan's economic stake in South Korea is high and growing, and with it inevitably comes some political influence. A whole network of political, intelligence, economic, and military exchanges is developing between the two at various levels of government and commercial life which may lead to a sort of big-and-little-brother relationship over the years. The South Koreans find their relationship with Japan galling, but useful, and expect the US to protect them from Japanese economic and potential military aggressiveness. If the US shield were removed, the South Koreans might be confronted with a choice between accepting a Japanese "protectorship" and coming to terms with the North. We think they probably would choose the Japanese alternative; but the process of making a decision would provoke strong emotions and divisions within South Korea.

C. Approaches to the Communist World

28. South Korea also is edging cautiously toward a different relationship with neutralist and even communist states. This is still very much in the talking stage in Seoul, and is in large part a defensive reaction. Seoul clearly is worried about US efforts to improve relations with the Soviet Union, even alleging that this restricts the US from moving to check North Korean aggressiveness. Now the West Germans, with whom Seoul has believed it had psychological affinities and similar interests, seem prepared to compromise on their divided-nation problem. At the same time, South Korean officials talk of a need to block North Korean diplomatic efforts throughout the world. Park appears responsive to the argument of some of his advisors that South Korea will be "isolated" in inter-

SECRET

9

SECRET

national opinion if it continues to seem so intransigent toward the communist world.

29. But South Korea's evaluation of its own strengths and needs also appears to be slowly changing. Seoul's protests about Japan's economic and other dealings with the North have an increasingly formal sound, as though South Koreans—while still not liking Japanese-North Korean exchanges—no longer see them as such a serious threat to their own interests. Superficially at least, Korean developments might follow the German model (albeit a decade or so behind) of both sides working for a lessening of tensions and specific improvements in relations while reunification remains impossible. But so long as Kim Il-song is in power in the North, and the Korean War generation in the South, a fundamental hostility to and fear of North Korea will persist. A crucial difference from the German situation is that the South Koreans have been through a bitter war with the North and still feel physically threatened.

30. The South Korean version of détente is therefore likely to remain a matter of very small steps, far behind those of most other non-communist states. Diplomatic relations may be established with countries which also recognize Pyongyang. Sporting and cultural delegations will be exchanged with East European states. And South Korea's stringent anticommunist law may be amended to permit trade with some communist countries.

31. Progress in this direction will be very slow indeed. Seoul will have trouble finding suitable goods to trade with communist states, and reconciling the traditional communist preference for barter trade and long-term deferred payments with its own desire for immediate foreign exchange profits. It certainly will not want to seem to lessen whatever obstacles other nations still feel to dealing with North Korea. Furthermore, it will want to be very careful about undermining the solid anticommunist front of the South Korean populace.

D. The Korean Question

32. The relationship with North Korea is a more important and much more difficult problem than approaches to other communist states. On 15 August—the 25th anniversary of Korea's liberation from Japanese rule—Park's surprise reunification proposal brought at least some propaganda advantage. He departed from previous official statements dismissing unification as a problem for the distant future. Instead, he challenged the North Koreans to help lay the groundwork by ceasing military provocations and publicly renouncing the forceful overthrow of the South Korean Government. The proposal, however, was hedged about with conditions clearly unacceptable to Pyongyang, which promptly denounced it. Thus, its main value probably lay in its impact on world and domestic opinion, with an eye toward both the UN vote on the Korean Question and the upcoming Presidential election in South Korea.

33. Park's formal airing of the subject did have one unavoidable side-effect—reunification will be discussed with increasing openness in the South. In an

SECRET

effort to control the pace of the blossoming debate, and to assert government control over it, spokesmen have described plans to allow discussion of North-South relations by stages: first among "experts", then scholars, then journalists, then students, ending with general public debate in 1972. Such control will not be entirely possible, particularly in the later stages. The government's own statements and actions will make it more difficult to accuse others of having violated the anticommunist law by merely discussing relations with the North.

34. If North Korean military activity remains at a low level, there is likely to be some increase of public pressure for more initiatives toward the North. Even very modest steps, e.g., family visits or mail exchanges, would imply a tacit recognition of the North quite dramatic in South Korean eyes. But there will be at least as many important South Koreans uneasy about the whole venture as there are pressing for greater flexibility. We expect Seoul's détente efforts to continue to be a matter of one step back for every two forward. And the issue of US troops on the peninsula will remain of crucial importance to both North and South, effectively limiting progress toward major rapprochement between them for a long time to come.

35. Even Seoul's desire to make more friends among more kinds of states must be seen in context of the priority it gives to relations with the US. Certainly South Korea would like as many nations as possible in its corner if the US protectorship were ever weakened or removed. But there really is no palatable alternative to that protection. Hence any gestures Seoul makes toward North Korea will be as much an attempt to demonstrate to Washington that it is not the South Koreans who are responsible for continuing tensions on the peninsula, as to prepare for a possible American withdrawal.

IV. SOURCES OF INSTABILITY

36. South Koreans suspect that while Washington may still consider their defense a necessary burden, it is one for which American enthusiasm is diminishing. They further worry that the US might want to share its Korean load with—perhaps even turn it over to—Korea's traditional enemies, the Japanese. Their suspicions about US constancy should ease as Seoul gains confidence in its own strengths vis-à-vis the North. For a very long time to come, however, there will be ample opportunity for misunderstanding. A compromise settlement in South Vietnam, further US troop withdrawals from South Korea or Japan, efforts to improve US-Chinese relations (including what might be seen as US weakness in opposing Peking's entry into the UN), all would arouse South Korean apprehensions that Washington's dedication to the anticommunist cause in Asia was weakening.

37. There is very little the South Koreans could do about any of these developments. We cannot rule out a South Korean military provocation in the DMZ, designed to show Washington that American troops still were needed in Korea. Moreover, some in Seoul may genuinely believe that they have much more leverage with Washington than is the case. If President Park,

SECRET

who has staked everything on the US tie, feels "abandoned" and exposed, it might aggravate his tendency to become more authoritarian in his rule and less accessible to the reasoned advice of subordinates in times of stress. Public pronouncements as to what the US "must" or "must not" do can expose him to embarrassment before his own populace, and exacerbate tensions between the two governments. Any break in harmonious US-ROK relations—e.g., intemperate statements by Park which alienated segments of American public opinion—would aid North Korean efforts to sow distrust and discord.

38. A more serious source of potential instability is the political situation in South Korea itself. Should the sense of threat from the North recede, the main justification for the repression of political life in South Korea would no longer appear acceptable to important elements in the population. We do not know what would happen in such a situation, but it could lead to confusion and struggle and some unraveling of political stability. In such circumstances, North Korean propaganda and subversion might begin to have more impact than has been the case to date, and the North might be tempted once again to reintensify paramilitary action and armed subversion against the South.

39. In sum, the dimension of the threat to South Korea is expanding beyond the military confrontation we are used to thinking of, into a more complex political competition at home and abroad. South Korea clearly has the advantage on the international front. But friction between South Korea and the US, or between the South Korean Government and its own people, could give North Korea an opening for more successful political or even paramilitary action in the South than has heretofore been the case.

SECRET

MILITARY ANNEX

SECRET

SECRET

1. Neither the North nor the South Korean military forces could conduct sustained independent offensive operations against the other. Each has the capability to launch an attack, but would require considerable outside assistance to continue operations. Both must import POL, as well as replacements for major items of equipment such as aircraft, missiles and rockets, tanks, artillery, most vehicles, and heavy ammunition. Without advance assurances of Soviet and/or Chinese logistic support, North Korea could not count on sustaining offensive operations in the South beyond a month or two.

2. The South Korean Army is larger than that of the North—about 548,000 men as opposed to the North's 360,000. The South's numerical superiority may be offset to a degree, however, by the North's greater number of maneuver battalions. In addition, individual North Korean soldiers are armed with the domestically produced AK-47 assault rifle which is superior to individual weapons in general use by the South. The North has a larger inventory of anti-aircraft artillery, large mortars, truck mounted rocket launchers, and tactical free rocket over ground (FROG) missiles. The South has a greater number of tanks; the North, however, has increased its armor assets over the last several years and its tank inventory includes the T-54 which is superior to any tank of the ROK Army. Both sides are about equal in number of field artillery pieces with the South having a preponderance of those of a heavier calibre. Major items of combat equipment in both armies have been obtained from outside sources and much of it is dated. There appear to be some changes under way in the organizational structure of the North Korean Army, which seem to have the effect of reducing the amount of heavy equipment in some individual regiments while upgrading former brigade-size units. This may reflect a shift in combat tactics to greater reliance on light infantry units, but it is not clear how this might affect overall capabilities in combat against the South Korean Army.

3. The naval forces of each are small and primarily oriented toward coastal defense. North Korea does have four W-class submarines and 14 Komar and Osa guided missile boats which provide it with a potential offensive capability. South Korean navy ships and their equipment are of World War II vintage and their obsolescence seriously erodes the navy's general combat effectiveness. The South Korean Navy would be at a tactical disadvantage in operations against North Korean submarines and missile boats.

4. North Korea still has a great advantage over the South in air power, although the gap is decreasing with the introduction of F-5s and F-4Ds into the South Korean Air Force.³ In addition, South Korea has an inadequate Airborne Early Warning system and insufficient air facilities for effective dispersal of units and equipment. The ROK Air Force is capable of providing tactical support to ground and naval forces under visual flight conditions only. South Korea could not cope with a substantial North Korean air attack without significant US air augmentation.

³ While there are remaining differences within the Intelligence Community with respect to the North Korean air order of battle, there is agreement as to the general proposition in this sentence.

SECRET

15

SECRET

SECRET

CENTRAL INTELLIGENCE AGENCY

DISSEMINATION NOTICE

1. This document was disseminated by the Central Intelligence Agency. This copy is for the information and use of the recipient and of persons under his jurisdiction on a need-to-know basis. Additional essential dissemination may be authorized by the following officials within their respective departments:

- a. Director of Intelligence and Research, for the Department of State
- b. Director, Defense Intelligence Agency, for the Office of the Secretary of Defense and the organization of the Joint Chiefs of Staff
- c. Assistant Chief of Staff for Intelligence, Department of the Army, for the Department of the Army
- d. Assistant Chief of Naval Operations (Intelligence), for the Department of the Navy
- e. Assistant Chief of Staff, Intelligence, USAF, for the Department of the Air Force
- f. Director of Intelligence, AEC, for the Atomic Energy Commission
- g. Assistant Director, FBI, for the Federal Bureau of Investigation
- h. Director of NSA, for the National Security Agency
- i. Director of Central Reference Service, CIA, for any other Department or Agency

2. This document may be retained, or destroyed by burning in accordance with applicable security regulations, or returned to the Central Intelligence Agency by arrangement with the Central Reference Service, CIA.

3. When this document is disseminated overseas, the overseas recipients may retain it for a period not in excess of one year. At the end of this period, the document should either be destroyed, returned to the forwarding agency, or permission should be requested of the forwarding agency to retain it in accordance with IAC-D-69/2, 22 June 1953.

4. The title of this document when used separately from the text should be classified: FOR OFFICIAL USE ONLY

DISTRIBUTION:

White House
National Security Council
Department of State
Department of Defense
Atomic Energy Commission
Federal Bureau of Investigation

SECRET



25X1

SECRET



25X1