

Central Intelligence Agency

FILE

DATE 5-4-88 **FILE**

DOC NO EA M 88-20054

OIR 3

P & PD 1



Washington, D. C. 20505

**DIRECTORATE OF INTELLIGENCE**

25 April 1988

**Prospects for North-South Korean Relations** [redacted]

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**Summary**

Despite North Korea's bombing of a South Korean airliner last November--with the loss of 115 lives--both Koreas have reasons to pursue dialogue, although a renewed exchange of proposals for North-South talks is unlikely until after the Olympics. Notwithstanding our concerns about additional violence as Seoul prepares to host the Games, P'yongyang's continued attempt to project an image of moderation suggests it recognizes the political costs of a bellicose policy--including damaging relations with its allies, curbing its limited access to foreign capital and technology, and circumscribing further the chances for direct talks with Washington. Indeed, with South Korean President Roh Tae Woo suggesting he is willing to renew dialogue with P'yongyang, and with a change in US administrations in the offing, the North may emphasize the "peaceful" side of its approach to the South over the next year. [redacted]

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This memorandum was prepared by [redacted] Office of East Asian Analysis. Information available as of 25 April 1988 was used in its preparation. Comments and queries are welcome and may be directed to the Chief, Korea Branch, Northeast Asia Division, OEA, [redacted]

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**Will P'yongyang Choose Diplomacy?**

We remain concerned that the KA 858 bombing could foreshadow further violence designed to portray South Korea as an unsafe site for the Olympics, but we do not believe it portends a policy that will rely solely on this course. In fact, since the incident, the North tried to appear the party most interested in tension reduction and talks:


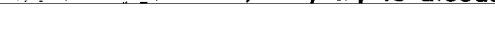

- In his New Year's speech, President Kim Il-song called for a North-South conference on tension reduction, to be attended by representatives of both governments and all political parties. The proposed agenda encompassed familiar items, including discussion of Team Spirit, the annual US-South Korean joint military exercise, disarmament, and Olympics cohosting.
- Following up on the speech, in January and again in March, P'yongyang proposed a series of joint conferences to discuss its ideas, to be held in the two capitals after a preliminary session at Panmunjom. 

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North Korea's four-year-long attempt to use more diplomacy has not achieved direct talks with Washington, Olympic cohosting with Seoul, or better access to Western capital and technology, but we believe P'yongyang has few, if any, options. An emphasis on violence will only widen the gap between the North and South in their competition for international prestige and, by alienating the Chinese and Soviets, could accelerate the South's dealings with Beijing and Moscow. Beijing and Moscow have avoided publicly blaming P'yongyang for the KA 858 bombing. 


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 Chinese leaders, upset over the incident, may try to dissuade the North from further terrorist activities, and  in January a Soviet official commented that Moscow was angry about the "blatant" North Korean sabotage. 

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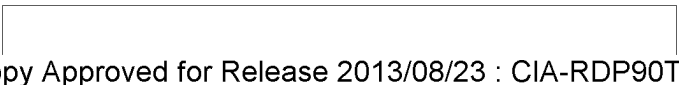
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The North could conclude that an emphasis on diplomatic norms could pay off in the long run. P'yongyang's enthusiastic welcome of the relaxed US guidance on contacts between US officials and North Korean counterparts in March 1987 suggests it would seize on any US policy changes that point to the possibility of bilateral contacts. 

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**New Openings in Seoul?**

The coming year may offer P'yongyang other reasons to emphasize diplomacy--a new administration in Seoul and a new one in Washington in 1989. In South Korea, President Roh Tae Woo has distanced himself from his predecessor, Chun Doo Hwan. Roh has projected an image of greater flexibility on policy, and his reported behavior and public statements hint at a different approach to the North. According to the US Embassy in Seoul, Roh played an important role in formulating South Korea's restrained response to the airliner bombing, apparently ruling out military retaliation. The Embassy



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also reported that Roh considered extending a conciliatory gesture, such as an offer of food aid, despite KA 858. [REDACTED]

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In public, Roh has adopted a softer tone toward the North than his predecessor:

- Shortly after the airliner incident, he downplayed P'yongyang's culpability by suggesting the terrorist suspects might either represent only "bellicose elements" or be rogue activists. The remarks appeared intended to give Kim Il-song a way to extricate himself from the KA 858 fallout.
- In his presidential campaign, Roh broke with policy intended to ensure that Seoul's allies did not get out ahead in relations with North Korea by publicly stating Washington and Tokyo could recognize P'yongyang before Moscow and Beijing recognized Seoul. Roh recently has hinted publicly at a "secret plan" proposing increased contact among six nations--North Korea, China, the Soviet Union, South Korea, Japan, and the United States--probably aimed at eventual cross-recognition.
- He has also endorsed the North-South dialogue, including a proposal for regular Cabinet meetings, and has called for a "big brother-little brother" relationship between Seoul and P'yongyang more in line with South Korea's growing economic, diplomatic, and technological superiority over the North. [REDACTED]

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#### **And the North's Reaction?**

To be sure, the North will probably see thorns on Roh's olive branches. In itself, his "big brother-little brother" analogy no doubt rankles--P'yongyang's demand for equal cohosting status with Seoul in the Olympics testifies to the importance of such symbolism. And in dealing with offers such as aid, P'yongyang would be unlikely to admit it needs help, or that the South is better off economically. The North also has steadfastly opposed cross-recognition in any form, considering it a ploy to permanently divide the peninsula. P'yongyang probably recognizes that Roh is not risking much on the issue, given Seoul's success already in expanding contacts with the North's allies.

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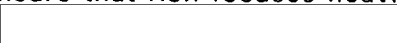
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If Roh's approach translates into a South Korean effort to seize the initiative on the dialogue, North Korea may feel pressured to respond. P'yongyang may also see opportunities to press its case on issues ranging from tension reduction to the withdrawal of US troops from the peninsula. Still, substantive progress on reunification issues, in our view, will be slow:

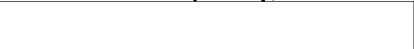
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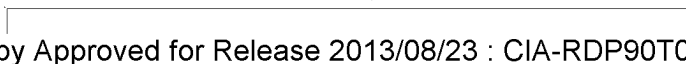
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- With the South in a position of strength--buoyed by its role as Olympics host--P'yongyang probably will see Seoul as the party holding all the cards, and therefore unlikely to offer real concessions during any negotiations.
- The South, for its part, has reason to proceed slowly. This year Roh not only will be preoccupied with Olympics preparations but also must establish working relations with a more vocal, freer opposition in the National Assembly. The agenda will ensure that Roh focuses heavily on consolidating his position domestically. 

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Assuming successful Games and Roh's consolidation of his political mandate, Seoul could see room to press harder on North-South initiatives. For its part, North Korea may see 1989 as offering a better chance for contacts with the United States as a new US administration settles in. Washington will remain the key target in P'yongyang's strategy to win withdrawal of US troops, and the North may regard continued pursuit of a diplomatic track with the South as essential if it hopes to take advantage of any new departures in Washington on Korea policy, such as occurred at the beginning of the Carter administration. 

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**Selected Examples of the North's Dual Approach**

North Korea's behavior over the past three decades--mixing acts of violence with proposals for talks--suggests the KA 858 bombing does not represent a departure from P'yongyang's longstanding two-track approach to Seoul.

August 1960: President Kim Il-song proposes talks leading to a North-South confederation, withdrawal of US forces, and mutual force reduction to 100,000 men each.

October 1962: Kim reiterates the confederation proposal.

December 1963: P'yongyang proposes a nonaggression pact, standing committee for cultural exchanges, and a conference of North-South representatives.

**July 1965: South Korean security forces apprehend a North Korean agent north of Seoul. He confesses he was on a mission to assassinate President Park Chung Hee.**

**1966-68: North Korean guerrilla forces operate inside South Korea in up to company-size strength. The forces seek to carry out swiftly executed attacks against US and South Korean military forces and inflict heavy casualties.**

September 1966: P'yongyang calls for a North-South conference of political parties and social organizations.

**January 1968: North Korean commandos attempt to attack the South Korean presidential mansion to assassinate President Park.**

**Late 1968: A 120-man guerrilla force lands on the east coast of South Korea and unsuccessfully attempts to organize a popular insurgency. The entire force is eliminated as it travels overland to the North.**

**June 1970: A third North Korean attempt to kill Park fails when a bomb explodes prematurely.**

April 1971: P'yongyang issues a proposal for "peaceful reunification" that calls for a North-South political consultative meeting involving representatives from political parties and public organizations.

September 1971-August 1973: The two Koreas exchange presidential envoys, conduct humanitarian contacts through the Red Cross, and establish a South-North Coordination Committee. Intermittent working-level contacts in the SNCC channel continue until 1975--and in the Red Cross channel until 1978--with no substantive progress.

**August 1974: A fourth North Korean attempt to kill Park fails when an assassin's bullets strike Mrs. Park instead.**

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**January 1980:** The North Korean Premier proposes a meeting with the South Korean Prime Minister and for the first time officially employs the term Republic of Korea.

**October 1980:** Kim Il-song proposes to form a Democratic Confederal Republic of Koryo, although he subsequently rejects a South Korean proposal for summit talks.

**July 1981:** North Korean agents hire a Canadian assassin to murder President Chun Doo Hwan, but the hit man absconds with the money.

**October 1983:** Chun narrowly escapes assassination by a North Korean-planted bomb in Rangoon, Burma; 18 South Korean officials are killed.

**October 1983:** P'yongyang passes through Chinese intermediaries a proposal for unconditional talks between Seoul, P'yongyang, and Washington.

**November 1984:** South Korea accepts the North's offer of flood relief supplies.

**November 1984-January 1986:** Bilateral talks progress intermittently on political, economic, and humanitarian issues.

**June 1986-July 1987:** North Korea presents proposals for talks on political and military issues.

**November 1987:** A bomb planted by North Korean agents on a South Korean airliner kills 115.

**January, March 1988:** North Korea calls for a North-South joint conference.

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**PROSPECTS FOR NORTH-SOUTH KOREAN RELATIONS**

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