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25 May 1961

CURRENT INTELLIGENCE WEEKLY SUMMARY



APPROVED FOR RELEASE DATE: JUL 2001

CENTRAL INTELLIGENCE AGENCY

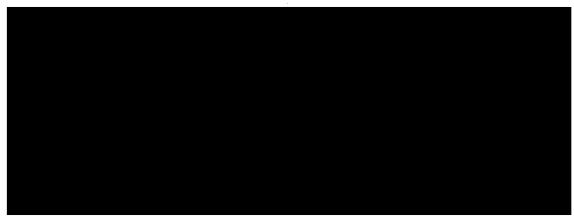
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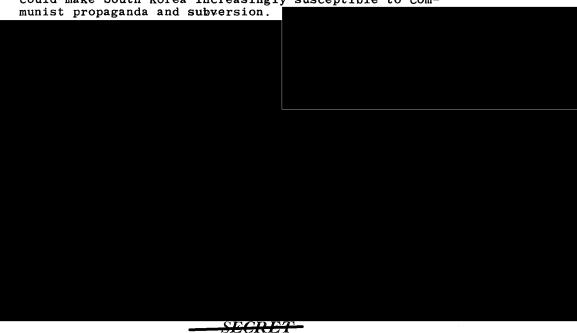
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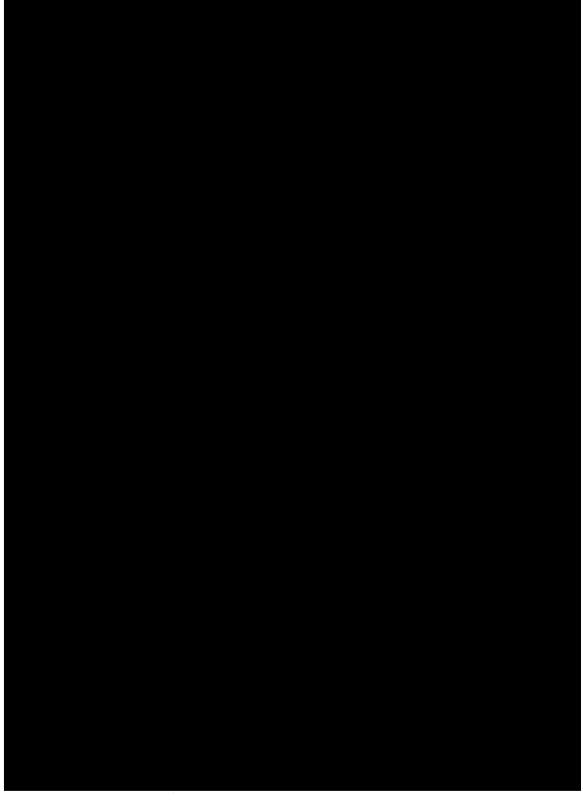
THE WEEK IIN BRIEF



There are indications of a growing split in the Supreme Council for National Reconstruction between Maj. Gen. Pak Chang-hui, architect of the 16 May coup, and Army Chief of Staff Lt. Gen. Chang To-yong, titular head of the council. Chang is believed to favor an early return to civilian government rather than an indefinite period of military rule. The new group lacks capable administrators, particularly in the economic field, where growing confusion has brought business activities almost to a standstill. While there is no evidence of North Korean military preparations to take advantage of the unsettled situation, dissension within the coup group could make South Korea increasingly susceptible to Com-



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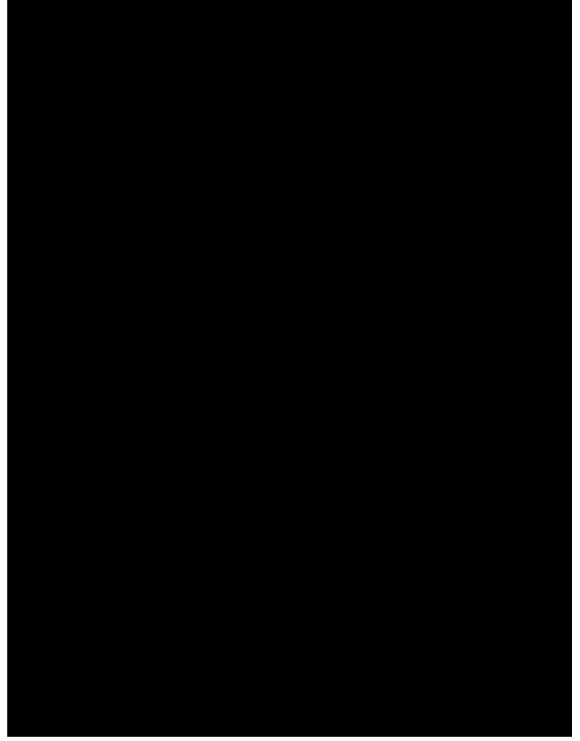
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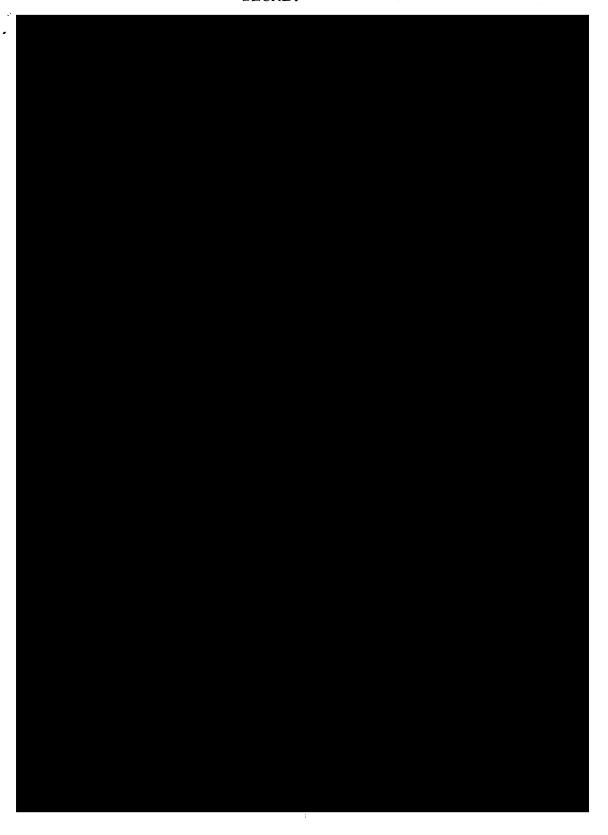
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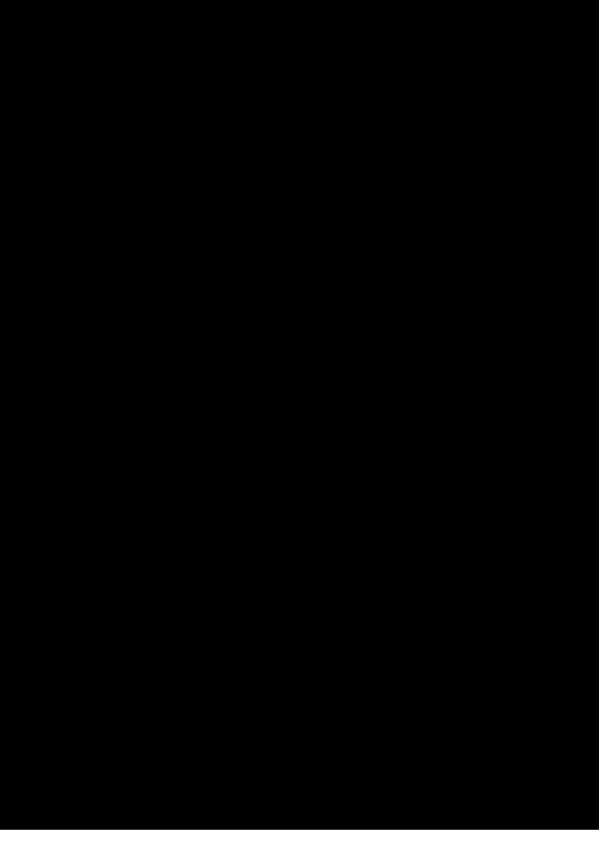
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APPROVED FOR RELEASE DATE: JUL 2001

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vi

CURRENT INTELLIGENCE WEEKLY SUMMARY

SOUTH KOREA

The Supreme Council for National Reconstruction, the military group which has control of the government in South Korea, is continuing to consolidate its position and to neutralize possible sources of opposition. However, there are indications that coup strongman Maj. Gen. Pak Chong-hui is becoming increasingly displeased with Army Chief of Staff Lt. Gen. Chang To-yong, who is believed to favor a relatively early return to civilian government. Should Chang be forced out of the ruling junta, the regime would probably be strongly influenced by junior officers who desire an abrupt break with the past and an indefinite period of military

The retention of President Yun Po-sun as chief of state has given the insurgent government a semblance of constitutionality. Government ministries have been reopened and a new all-military cabinet appointed. However, administrative and technical talent is scarce, and most of those who qualify for important positions are tainted by association with either the Chang Myon or Rhee administrations.

The shortage of capable senior personnel is particularly apparent in the economic field. The regime has taken stopgap measures to prevent a serious dislocation of the economy, but there are indications of business stagnation. Bank of Korea officials report that mounting administrative confusion is impeding economic activity.

The new government is committed to improve living conditions. Unless it can fulfill its economic promises, it probably will experience the same public antipathy as the Chang administration.

Apprehension is developing among educated civilians over

the repressive tactics of the military rulers. Political parties and organizations have been ordered abolished, and most members of the former administration have been placed under house arrest or imprisoned. A nationwide roundup of all leftists and suspected Communists is under way. According to local press reports, between 3,000 and 4,000 persons, many of them probably hoodlums and criminals, have been seized. Strict press and radio censorship has been imposed, and many persons are reportedly listening to Communist broadcasts from Pyongyang for news of events in South Korea.

Asian Communists, whose cautious initial reaction to the coup suggested a lack of first-hand information, have now taken the measure of Seoul's new leaders, and hostile propaganda has mounted steadily during the past week. Peiping's People's Daily charged in an editorial of 21 May that the US stage-managed the coup to maintain its "colonial rule."

Speaking at a rally of 200,000 in Pyongyang on 20 May, North Korean Vice Premapproved FOR RELEASE II called on the South DATE RAY 2001 population to smash the coup; Pyongyang earlier had urged all South Korean military personnel to resist the coup leaders. The North Koreans have used the disturbed situation to renew their call for reunification, claiming that only by joining with the "self-sufficient" economy of the North can South Korea solve its economic problems.

While there is no evidence of North Korean military preparations to take advantage of the unsettled situation, dissension within the coup group could make South Korea increasingly susceptible to Communist propaganda and subversion.