

Korea-Agriculture & Fisheries (incl. Land Reform)

File Cover No. Sp. 2895

With Tip-Back Holder Pat. No. 361978

MacMillan Office Appliances Co., Ltd.

309 Athlone Ave., OTTAWA, CAN.

File No. 7 - 1 - 2 # 1 **Vol.** 1

Classified

CONFIDENTIAL

KOREA - FORTNIGHTLY REPORT

NO. 15

July 10 - 23, 1962



The changes in the Government and S.C.N.R. which took place on July 10 have already been reported in an addendum to our last Report, though they come within the period covered by the present one. There have been so far no more such changes, though there are rumours of some to come. The formation of a Committee of the S.C.N.R. to deliberate on the form of the Constitution under civilian government, and some rather Delphic utterances by General Pak, have led to renewed speculation both about the Constitution and the General's own future. Chang Myon is reported to have given financial support to the Democratic Party "plot", but will probably not be prosecuted. Funds frozen after the currency reform have, in effect, now been completely freed. The Stock Exchange has reopened. There has now been rain in all parts of the country, and power restrictions due to the drought have been lifted.

S.C.N.R.

2. With new appointments to Counter-Intelligence and Logistics Commands, of the 25 present members of the S.C.N.R. only the heads of the former services (including Marine Corps) and of the Capital Defence Command now also hold commands in the armed forces. Capital Defence Command is unique in that it comes directly under the Chairman, S.C.N.R. There may be no particular significance in this slightly changed pattern. On the other hand it may portend a complete dissociation between the S.C.N.R. and the actual command of the armed forces (with the heads of the services also losing their seats), and the continued existence of the S.C.N.R. after the formation of a civilian government as a sort of supersenatorial body charged with maintaining the aims of the "revolution".

Government

3. The changes of July 10 represent a further stage in the "civilianisation" of the régime. The Government now consists of six civilians (including, for the first time, the Prime Minister), six serving officers and four retired officers, and General Pak indicated to the new Prime Minister at his inauguration that he expected him to carry on until the restoration of civilian government next year. The new appointments have been well received, and there is general satisfaction at the apparent strengthening of the economic team. There are rumours - not so far very substantial - of further changes, involving the Foreign Minister.

The Constitution, and the future of General Pak

4. A Special Committee of the S.C.N.R., to deliberate the future form of the Constitution, was set up on July 11. It consists of Lee Chu Il as Chairman and eight S.C.N.R. members

/mostly

CONFIDENTIAL

000803

CONFIDENTIAL

- 2 -

(mostly chairmen of existing permanent committees) with twenty-one constitutional experts to advise them. A sub-committee of nine under Dr. Yu Chin O has already been formed, which will presumably do the drafting. Reports suggest that this is most likely to be done on the basis of amendments to the existing constitution, rather than by starting again from scratch, but no definite form has been prescribed, and General Pak himself has said that his statement of August 12, 1961, which laid down a Presidential form of Constitution with a single chamber of about 120 members, only represented the Government's thoughts at the time and is not to be regarded as a directive. It seems also that the new Constitution is finally to be approved by some sort of popular referendum.

5. On Constitution Day (July 17) the invited audience addressed by General Pak (vicariously) and the Prime Minister included some fifty former members of the National Assembly. General Pak took the line that the military government's measures have all been in the spirit of the Constitution.

6. General Pak still seems uncertain about whether he is to stand as President. On July 19 he said that he would not return to military service, since he had engaged in politics and the army should be free of politics. (Nevertheless, one ex-Minister has just received a high military appointment, and the retired ex-S.C.N.R. members are also expected to return to the army.) Later the same day, in another interview with the press (he was on tour) he implied that the next president should be a politician.

Democratic Party Plot

7. Kim Sang-don and the others (forty in all) arrested in connexion with the latest "plot" are to be tried publicly by court-martial. It is reported that Chang Myon was involved to the extent of providing 1 million hwan to the plotters, but General Pak has said that he is not to be separately charged, though he may have to appear as a witness. General Kim Chong O, Army Chief of Staff and an inveterate enemy of Chang Myon's, has however said that Chang will be charged if his complicity is proved. Chang's former adviser, Mr. Whitaker, who was expelled from Korea last month, is also said to be involved.

Officials

8. Further details (but not the names) of the 325 officials who are being punished have been announced. Eight are in the Foreign Ministry (compared with 22 in the Economic Planning Board and 45 in the Ministry of Finance). 154 altogether are to lose their jobs, with varying degrees of ignominy (resigned, discharged, or dismissed). Classified by offences, the largest number (93) had an "easy-going attitude".

Judges

9. A law has been passed which makes it possible for judges to be dismissed by simple disciplinary action, without having to go through the procedure of impeachment.

/ The

CONFIDENTIAL

000804

CONFIDENTIAL

- 3 -

The Press

10. One more daily paper, the Minguk Ilbo, has disappeared. While its loss is regretted on general grounds, it will probably not be widely mourned, and its closure was due solely to financial loss.

C.I.A. Conference

11. It has been announced that a conference was held from July 16-20, under the Chairmanship of Kim Chong Pil and attended by representatives of Korea, Nationalist China, the Philippines, Thailand and Vietnam, to discuss anti-Communist strategy in the area, and that a number of Korean proposals were accepted. This seems to have been some sort of a follow-up of the APACL meeting. U.S. and Turkish observers were also present.

The Korean item in the United Nations

12. Lee Su Yong arrived here on July 13 from his African tour, and left again a week later for New York after conferring with officials. In speaking to the press he adopted a cautious attitude and said that it remained to be seen whether Korea was in a better position, with regard to the General Assembly debate, than last year. He confirmed the Government's repudiation of the "march North" policy and said that there was no alternative to eventual peaceful reunification under U.N. auspices.

Relations with the United States

13. After the alarms of recent weeks, relations with the Americans seem to have settled down again. General Pak has indicated general acceptance of the American line on the Status of Forces question. A Korean sub-committee, specially appointed to investigate the areas round American camps, has reported on the need for further goodwill efforts, and recommended both an increase in the numbers of police and the "education" of prostitutes. General van Fleet has been here again, but there is no definite news of progress on any of the projects in which his group is interested. A Korean - U.S. Economic Conference is to open on July 27.

Relations with Japan

14. Reactions to the new Japanese cabinet have been very cautious. While Choi Duk Shin is reported to have welcomed the appointment of Mr. Ohira as the new Japanese Foreign Minister, the press as a whole remains pessimistic, and reports of Mr. Ikeda's renewed request for a Japanese Mission in Seoul are said to put a cloud on the prospects of renewed talks.

Relations with Vietnam

15. An official parliamentary delegation from Vietnam, headed by the President of the National Assembly, visited Seoul from July 14-19. They were accorded the full official treatment, including calls on General Pak and Ministers, a working meeting with the Prime Minister, entertainment by the Foreign Minister and the Director, C.I.A., and the presentation of an honorary degree. Only generalities seem to have been exchanged.

16. Meanwhile the Korean Military Advisory Group has returned from Saigon.

/Relations

CONFIDENTIAL

000805

CONFIDENTIAL

- 4 -

Relations with Syria

17. Diplomatic relations are to be established with Syria.

Appointments

18. (a) Choi Yong-duk, Ambassador to Nationalist China, has been recalled to the Foreign Ministry. It is generally expected that he will be replaced by Lt. General Kim Shin who is due to retire on August 1 from the post of Chief of Staff of the Air Force.

(b) Lt. General Chung Nae-hyuk, who recently resigned as Minister for Commerce and Industry, has been appointed Deputy Commander, First Army.

(c) Brigadier-General Chang Chi-ryang, President of the Tungsten Mining Corporation, has resigned to return to the Air Force as Deputy Chief of Staff.

Economic Affairs

Currency Reform

19. On July 13 the Government promulgated the Special Measures Law. This permitted the withdrawal of one-third of the amount of bank deposits frozen as a result of the currency reform of June 10, and required the transfer of the remaining two-thirds to one-year savings accounts, which may also be freely withdrawn if the owner agrees to forego interest.

20. This amounts to the practical abandonment of the currency reform, and of the plan to provide funds for the proposed Industrial Development Corporation by the compulsory mobilisation of deposits and the Government now intends to raise the necessary capital itself. The reform failed to uncover any large hoards of currency, although no doubt it provided useful information for the Government about the pattern of the distribution of money. Otherwise by a combination of bad timing and mismanagement it did little more than cause a setback to economic activity, particularly in small and medium industries. Although with the defreezing there was some fear of a run on the banks and even inflationary pressure, it does not seem to have happened and bank deposits have recovered to pre-reform figures although consumer spending is less.

Stock Exchange

21. The Stock Exchange re-opened on July 13, after being closed for more than a month (see paragraph 15 of Report No.14). Futures transactions are not to be permitted until August 1. Trading was sluggish at the re-opening, and prices generally low, but a recovery set in later.

Oil refinery

22. The Korea Petroleum Corporation Law passed on July 11, provides for the setting up of the corporation with capital of Won 2,500 million, all to be provided by the Government. The new entity's functions will be the construction and operation of the oil refinery envisaged for Ulsan (see paragraph 16 of Report No.3). It will enjoy the usual privileges of tax and customs duty exemption for a period, and virtual monopoly rights. An invitation to bid for the construction of the refinery is expected to be issued by the end of July. The foreign exchange and domestic costs will be met by the government.

/Five

000806

CONFIDENTIAL

- 5 -

Five Year Plan for Economic Development

23. The Prime Minister has given voice to some misgivings about the development of the five year plan. An increased money supply, he thinks, will lead to higher prices, despite the government's control over new bank loans, and economy in administration. There may be difficulty in raising the necessary local capital for the second year of the plan; this is to be provided by the government from the sale of government properties which may not produce enough in time to avoid difficulties. (The failure of the currency reform to switch large amounts of idle money into industry was probably responsible for the Prime Minister's gloom.) Both the Chairman of the Economic Planning Board and the Minister of Commerce and Industry have pointed out that for the Five-Year Plan to succeed it will need not only the support of the government, but that of businessmen and of the "ordinary civilian".

Small car assembly

24. The Saenara Motor Company has announced that it will begin the assembly of cars at its Inchon works in August 1962. (See paragraph 16(iii) of Report No.9)

Foreign Loan guarantees

25. A new law enables the government to give repayment guarantees in respect of loans made by foreigners to Korean firms or individuals, for industrial projects. The cabinet is empowered to select the projects which will qualify for guarantees, and the local firm will have to put up collateral for the amount of the loan.

26. Another new law permits private industrial firms to import capital goods on long-term credit, subject to the prior approval of the appropriate Ministry.

A.I.D. loan for cement plant

27. An A.I.D. loan agreement has been signed covering U.S. \$4,250,000 for the construction of a cement plant at Tanyang. The plant will have a capacity of 150,000 tons a year. The loan carries no interest, but a "commission" of 0.75 per cent a year, and is repayable over 30 years after 10 years deferment.

Economic Missions to Canada and Australia

28. The Ministry of Foreign Affairs has announced that "working level economic negotiating teams" will be sent to Canada and Australia. In fact it will be the same team of officials from here but will be led first by the Korean Ambassador to Australia, and later, in Canada, by the Ambassador to the United States. Canada, it seems, is to be asked for the assistance necessary to establish a vocational training school. Australia is to be asked to expand the existing scholarship programme and will also be tackled about Korean membership of the Colombo Plan.

/ Economic

CONFIDENTIAL

000807

CONFIDENTIAL

- 6 -

Economic Indicators

29. Foreign exchange reserves at the end of June were U.S. \$192,061,000, nearly U.S. \$6 million down on the preceding month's figure. The cause of this decline was the sale of the U.S. \$20 million of the stabilization fund. The reserves include U.S. \$118,908,000 in the Bank of Korea's foreign exchange account, U.S. \$47,706,000 in the Korea-Japan open account, and U.S. \$25,447,000 in miscellaneous accounts.

30. Exports in the first half of 1962 totalled U.S. \$22,429,000, rather more than one-third of the goal for the year. Supplies to the military were U.S. \$14,361,324, also a little more than one-third of the goal for the year.

31. Sales of A.I.D. dollars reacted sharply to the defreezing of all deposit accounts on July 13. More than U.S. \$12 million was applied for on the first full working day after the announcement.

Distribution

Far Eastern Department
Chancery, Tokyo
U.K. Commissioner General for S.E.A.
Political Adviser, Hong Kong
High Commission, Karachi
High Commission, New Delhi
Chancery, Washington
Chancery, Damascus
Chancery, Saigon
M.A.
File
Float

18
3

5

British Embassy,
Seoul
July 23, 1962

CONFIDENTIAL

000808

Tokyo, March 10, 1960.

Dear Mr. Han,

I have recently received a letter from the Canadian Department of Agriculture acknowledging receipt of the information on the Korean Botanical and Agricultural Institutes and the sample of Korean White Clover seed which you so kindly provided. The Department has specially requested that I convey its thanks to you and the Korean Mission in Japan for your courtesy in this matter.

Yours sincerely,


R. V. Gorham,
Second Secretary.

Kibong Han, Esquire,
First Secretary,
Chief, Secretariat,
Korean Mission in Japan,
Tokyo.



CANADA DEPARTMENT OF AGRICULTURE

RESEARCH BRANCH

CENTRAL EXPERIMENTAL FARM

10/13

YOUR FILE No:

OUR FILE No: 630.FK3

OTTAWA, CANADA

January 27th, 1960.

Mr Gorham
for action

Mr. Gilles Lalonde,
Second Secretary,
Canadian Embassy,
Tokyo, Japan.

Dear Mr. Lalonde:

We wish to acknowledge the receipt of requested information on the Korean Botanical and Agricultural Institutes, as well as a bag of Korean White Clover seed, for the use of Jean-Marc Girard at our Normandin Experimental Farm, Lac St. John region, Quebec.

It would be appreciated if you could convey our thanks to the Korean Mission in Japan for their courtesy in this matter.

Yours very truly,

G. M. Carman

G. M. Carman,
Chief,
Scientific Information
Section.

GMC:IB

c.c. J.-M. Girard

DEPARTMENT OF EXTERNAL AFFAIRS, CANADA.

(FILE COPY)

NUMBERED LETTER

TO: THE UNDER-SECRETARY OF STATE FOR
EXTERNAL AFFAIRS, OTTAWA, CANADA.

FROM: The Canadian Embassy

..... Tokyo, Japan:

Reference: Your letter J-106 of October 30, 1959.

Subject: Agricultural Information on Korea

Security: UNCLASSIFIED

No: 9

Date: January 6, 1960

Enclosures: 2

Air or Surface Mail:

Post File No: 7-1-2-1

Ottawa File No.

10050-40

References

We are attaching a copy of a letter dated
December 29, 1959 providing the names and addresses
of Korean botanical and agricultural institutions
and also a packet of Korean white clover seed as
requested in your letter under reference.

The Embassy.

Internal
Circulation

Distribution
to Posts

REPUBLIC OF KOREA

KOREAN MISSION IN JAPAN

Tokyo, December 29, 1959

Dear Mr. Lalande:

In compliance with your request dated November 18, 1959, I have the pleasure in furnishing the following information as well as a bag of Korean White Clover seeds, as received from my government recently.

1. Korean botanical and agricultural institutes:

Korean Agricultural Society,
c/o College of Agriculture, Seoul National
University, Suedoon-dong, Suwon City,
Kyunggi-do, Korea

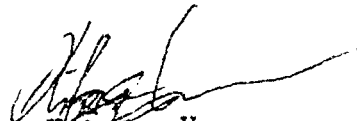
Korean Botanical Society,
c/o Seoul National University,
No. 31 Dongsoong-dong, Chongno-ku, Seoul,
Korea

Institute of Agriculture,
Suedoon-dong, Suwon City, Kyunggi-do, Korea

2. 0.5 lb of Trifolium repense L.

I would be happy, if you could relay the above information and article to the Canadian authorities concerned.

Sincerely yours,


Kiopng Han
First Secretary
Chief, Secretariat

Mr. Gilles Lalande,
Second Secretary,
Canadian Embassy,
Tokyo

Tokyo, January 6, 1960.

Dear Mr. Han,

I wish to thank you for your prompt action in obtaining for us the information concerning Korean botanical and agricultural institutions and a sample of Korean white clover seed which we requested of you some time ago.

I have sent the information and the sample of seeds to the Canadian authorities who will be more than grateful, I am sure, to receive them.

Sincerely yours,


R. V. Gorham,
Second Secretary.

Kibong Han, Esquire,
First Secretary,
Chief, Secretariat,
Korean Mission in Japan,
Tokyo.

7-1-2-1
Feb/59

REPUBLIC OF KOREA

KOREAN MISSION IN JAPAN

Tokyo, December 29, 1959

Dear Mr. Lalande:

In compliance with your request dated November 18, 1959, I have the pleasure in furnishing the following information as well as a bag of Korean White Clover seeds, as received from my government recently.

1. Korean botanical and agricultural institutes:

Korean Agricultural Society,
c/o College of Agriculture, Seoul National
University, Suedoon-dong, Suwon City,
Kyunggi-do, Korea


Korean Botanical Society,
c/o Seoul National University,
No. 31 Dongsoong-dong, Chongno-ku, Seoul,
Korea

Institute of Agriculture,
Suedoon-dong, Suwon City, Kyunggi-do, Korea

2. 0.5 lb of *Trifolium repense* L.

I would be happy, if you could relay the above information and article to the Canadian authorities concerned.

Sincerely yours,


Ki-bong Han
First Secretary
Chief, Secretariat

Mr. Gilles Lalande,
Second Secretary,
Canadian Embassy,
TOKYO

File No. 7-1-2-1

Tokyo, November 18, 1959.

Dear Mr. Han:

... I would like to enlist your assistance on a matter of enquiry which has been raised by our Department of External Affairs. It concerns a request made by a Canadian agronomist for the addresses of Korean botanical and agricultural institutes and, as well, samples of white clover seed or other leguminous species used for grass-land and pasture. For your handy reference I am attaching a copy of the letter which was received from Canada.

I should be grateful if you would let me know at your convenience whether your authorities can comply with this request. Incidentally, we have been told that the information and samples requested by the Canadian agronomist would be of value also to our Department of Agriculture in Ottawa.

Yours sincerely,

Gilles Lalonde,
Second Secretary.

Kibong HAN, Esquire,
Korean Mission,
Tokyo, Japan.

cc Dept. of External Affairs,
Ottawa.

(Translation)

DEPARTMENT OF AGRICULTURE
EXPERIMENTAL FARMS SERVICE
EXPERIMENTAL FARM

Normandin, Quebec,
October 22, 1959.

Information Service,
Department of External Affairs,
Ottawa, Ontario.

Sirs,

Would it be possible for you, through your services, to provide me with the addresses of the botanical and agricultural institutes that exist in Korea?

The climate of Korea is apparently the one that most resembles our climate in the Lake St. John area and Abitibi. I should like to obtain some white clover seed, Trifolium repens L., for my work of improvement and selection.

If white clover does not exist in Korea, I should like to know what leguminous species are used for grass-land and pasture, and to obtain some samples of seed.

I am giving you these details for it may be easier for your representative to obtain the information and samples directly, which would avoid perhaps the difficulties arising from my ignorance of the language.

For the reasons explained above, I am very anxious to have this information and should like to use the surest means of obtaining results.

Please accept my thanks.

Yours sincerely,

(signed) Jean-Marc Girard,
Agronomist.

DEPARTMENT OF EXTERNAL AFFAIRS, CANADA.

NUMBERED LETTER

TO: The Canadian Embassy

Tokyo, Japan

Security: Unclassified

No: J- 406

FROM: THE UNDER-SECRETARY OF STATE FOR
EXTERNAL AFFAIRS, OTTAWA, CANADA.

Date: October 30, 1959

Enclosures: 1

Air or Surface Mail: Air

Post File No: 7-1-2-1

Ottawa File No.

10050-40

References

As you will see from the attached letter, we have been requested to obtain the addresses of Korean botanical and agricultural institutes, and, as well, samples of white clover seed or other leguminous species used for grassland and pasture.

2. We discussed this request with officers of the Department of Agriculture in Ottawa, who informed us that the information and samples requested by the agronomist in Normandin, Quebec, would also be of value to the Department in Ottawa.

3. Will you please see what can be done to comply with this request.

NO.		INIT.
1	AMBASSADOR COUNSELLOR 1st SEC. 2nd SEC. (P) 2nd SEC. (C) A.O. CONSULAR CL. T. & C. D.N.D. (M.A.) D.N.R.	

Internal
Circulation

Distribution
to Posts

Under-Secretary of State
for External Affairs

Information Div./Miss Bélanger
Transl./ AD CAMPBELL/ac
(Translation)

DEPARTMENT OF AGRICULTURE
EXPERIMENTAL FARMS SERVICE
EXPERIMENTAL FARM

Our file:

Your file: 10050-40

Normandin, Quebec,
October 22, 1959.

Information Service,
Department of External Affairs,
Ottawa, Ontario.

Sirs,

Would it be possible for you, through your services, to provide me with the addresses of the botanical and agricultural institutes that exist in Korea?

The climate of Korea is apparently the one that most resembles our climate in the Lake St. John area and Abitibi. I should like to obtain some white clover seed, Trifolium repens L., for my work of improvement and selection.

If white clover does not exist in Korea, I should like to know what leguminous species are used for grass-land and pasture, and to obtain some samples of seed.

I am giving you these details for it may be easier for your representative to obtain the information and samples directly, which would avoid perhaps the difficulties arising from my ignorance of the language.

For the reasons explained above, I am very anxious to have this information and should like to use the surest means of obtaining results.

Please accept my thanks.

Yours sincerely,

(signed) Jean-Marc Girard,

Agronomist.

OKYO

DEPARTMENT OF EXTERNAL AFFAIRS

Subject

Korea

7-1-2-1

Date NOV 17 1957

KOREANS REAPING
BUMPER HARVEST

Bountiful Rice Yield Checks
Prices, Cushions Shock
of Lower U. S. Aid

By Foster Halley
SEOUL, Korea, Nov. 15—
Alongside the thatched mud-plastered huts of the country-side, bags of rice are beginning to mount as Korean farmers harvest their best crop since the end of the war in 1952 and the largest since 1941.

The Agricultural Ministry estimates the harvest at 75,658,000 bushels. That is 15,390,000 more bushels than was reaped a year ago.

The good harvest could not have come at a better time. It has helped the Government's stabilization program. It has helped hold the wholesale price index below the 125 level (with September, 1955 as the base of 100), thus averting further devaluation of the hwan below the present 500 to one dollar rate. It has cushioned the shock of a cutback of \$85,000,000 in United States aid for the present fiscal year.

Better Economic Picture

With nature thus lending a helping hand, Korean Government officials say this Republic is in better economic condition than it has been since it was founded in 1948.

As long as the necessity remains to keep a force of 700,000 men under arms, even though the United States pays most of the bill, Korea will be a deficit country. There is even a question as to whether it ever could support itself with its swollen population of 24,000,000 and the unnatural division at the Thirty-eighth parallel.

But what seemed impossible a year ago has been accomplished. Inflation has been slowed almost to a halt and money supply has been held at a reasonable level—124,065,000,000 hwan on October 15 compared with 123,038,000,000 last January. Prices and wages have been held in balance and production of many necessities has made some steady and in some cases spectacular advances.

Balanced Budget Planned

A balanced budget for the next fiscal year, beginning Jan. 1, has been presented to the National Assembly. Exports are increasing as new trade fields are opened, such as the export to Hong Kong of \$2,000,000 worth of cotton yarn and sheeting. And if treaty negotiations with Japan are successful, exports could be almost doubled from this year's estimated \$30,000,000.

Procurements here by the United States Army, which in Korea were begun as a dubious experiment a little more than a year ago, have increased to an annual rate of \$30,000,000. The Commerce Ministry believes that a total of \$54,000,000 may be possible next year.

Additional spending here by United States forces is estimated at \$2,000,000 a month. This brings invisible exports to an estimated \$50,000,000 for 1957, and may bring the amount to \$75,000,000 next year.

No Panic on Cutback

Reduction in United States aid came at the wrong time, some Korean leaders feel. But they have not been thrown into panic by the severe cutback and are making do with what is available. With the aid pipeline full, the real pinch will come a year from now, and especially if aid is further reduced next summer in Washington.

Among the factors that have led to a relatively favorable outlook here, it is generally agreed, are a higher caliber of Cabinet ministers and the rise of young and honest Koreans to positions of responsibility in all areas of the Government.

Outstanding among the Cabinet ministers are American-educated Dr. Henry Kim, Finance Minister; Song In Sang, Reconstruction Minister; and two retired army lieutenant-generals, Kim Il Hwan, who is Commerce Minister, and Kim Chung Yul, new Defense Minister.

Seem to Have Support

All apparently have the full backing of President Rhee and protection against political pressures by Lee Ki Poong, Speaker of the National Assembly and leader of the ruling Liberal party.

There are reports, too, of growing morality among business men and of an inclination, now that the inflation rise has been halted, to put surplus funds into production enterprises instead of into consumer goods for quicker profits.

The main complaint here among Government leaders entrusted with planning for the future is the inability to plan farther ahead than a year because United States' aid is granted on a year-to-year basis. Reconstruction Minister Song understands the political processes that make it difficult for Washington to do otherwise. But it adds to his difficulties not to know whether United States' aid in 1958 will be more than this year's \$215,000,000 or less.

The new Washington development fund takes up some of the slack. Decisions, however, are on an individual project basis and take a long time to process through mazes of red tape.

One hard decision remaining to be made by the Koreans is the revaluation of the hwan. It now is overpriced at 500 to the dollar. Its revaluation would make Korean goods more competitive in world markets and prices at home more realistic.

But with the National Assembly election coming in May, it is doubtful if anything will be done for the next six months at least. The Koreans are not being pressed to do it now.

NEW YORK TIMES

DEC 18 1957

NO. INIT.

AMBASSADOR
MUTTER
DUDER
HARRIS
GORHAM
SMITH
CHOCQUETTE
MISS CURRIE

file
JA

Mr. Holmes
Mr. Collins
Mr. Rogers
Econ. Div
F.E. Circ.
Tokyo
U.N.Div.
File
Far Eastern/
R.B. Edmonds

DEPARTMENT OF EXTERNAL AFFAIRS, CANADA.

(FILE COPY)

NUMBERED LETTER

TO: THE UNITED-SECRETARY OF STATE FOR
EXTERNAL AFFAIRS, OTTAWA, CANADA.

FROM: THE CANADIAN EMBASSY, TOKYO, JAPAN

Reference:.....

Subject:..... Korean Land Reform

Security: UNCLASSIFIED

No: Korea 258

Date: June 10, 1954

Enclosures: One

Air or Surface Mail: Air

Post File No: ~~258~~

Ottawa File No.	
7-1-2-1	

References

Conceivably the Department may be interested
in the attached statement, put out by the ROK informa-
tion people on Korean Land Reform.

"S. Morley Scott"
S. Morley Scott

Internal
Circulation

Distribution
to Posts

ROK Land Reform Explained at Geneva

Document divulgué en vertu de la Loi sur l'accès à l'information

File on 210-7

GENEVA, May 6 (UP)—The Republic of Korea Delegation today distributed to correspondents covering the Geneva Conference, a "Fact Sheet on Land Reform," designed to "bring the land question of Korea into a better perspective than it has commonly had in the press."

The statement traced the long history of land ownership customs in Korea and noted that the amount of farm tenantry sharply increased during the period of Japanese rule.

"In the 20-year period alone from 1919 to 1938," it said, "the number of tenants increased by 45 per cent. By 1945, more than half of the 11,000,000 Korean farmers operated plots of ground as tenants."

Solution Successful

"What has been widely misunderstood is the success with which the problem has been handled," the statement said. "The reform program in southern Korea has gone through two different phases."

"Under the U.S. military government, the so-called 'vested' farmlands—those formerly owned by Japanese and taken over on a trusteeship basis—were sold to their tenant occupants."

"This resulted in the sale of 280,494 chungbo (or 686,965 acres) to 587,074 former tenant families who comprised 24.51 per cent of all south Korean farm families," the statement said.

Assembly Takes Action

When the Republic of Korea was inaugurated, the statement said, further action was taken by the National Assembly.

On June 21, 1949, the statement said, the Assembly passed a law requiring the sale of all tenant-operated farmland to its occupants. The measure went into effect on Mar. 25, 1950, after twice being sent back by President Rhee for revision.

By Apr. 15, arrangements were completed for sales under this plan of 683,776 chungbo (709,320 acres) to 1,236,558 farm families.

The Communist onslaught, begun on June 25, 1950, disrupted the program. But by Nov. 10, with the Government temporarily back in Seoul,

village committees had been organized to investigate the operation on which official records had been destroyed.

By Mar. 1, 1951, a total of 1,029,000 acres of land had been distributed under the land reform and former tenants had become owners.

According to the Minister of Agriculture and Forestry, all of the remaining tenant lands were distributed by a sovereign nation even during the course of a ruinous war.

Farmers Are Owners

Henceforth, Farmer Tai Ha Song and his fellows can work on (and, when necessary, fight for) land which belongs to themselves, the statement said.

"In keeping with the free enterprise philosophy of the Republic of Korea, the former tenants pay for their new lands and the former landlords are recompensed for the loss of their property."

"The price charged the tenants is one third of the crop each year for a period of five years, thus amounting to 167 per cent of one total annual crop. In the spring of 1952, the period of payment was extended to ten years."

"The former owners are paid by the Government in the form of certificates which can either be cashed in for hwan or may be used to purchase vested industrial properties. By this means, the Government is seeking to convert the old landlord class into a new industrial class."

Free Enterprise Boosted

"Not only does this plan solve the problem of land tenure, it also provides a means for denationalization of the factories formerly owned by the Japanese and, since 1948, owned and operated by the Korean Government."

"The Republic of Korea expects, by this program, to end the situation in which it necessarily found itself of being a socialistic state owning a large proportion of all industrial property."

"A new free enterprise base is provided for both the new land-owning farmers and the newly evolving small industry entrepreneurs. Upon this base, when the ravages of the war are repaid, further democratic and pro development may be expected."

churia Document disclosed Sabre jets in the skies over North Korea.

They never got over south Korea, he said. These Russian pilots, as well as north Korean and Chinese flyers, learned the hard way that the Sabre jet is superior to the MIG, No said.

Live Longer

He added that he personally never wants to fight another Sabre jet. "You live longer by not fighting against a Sabre," the 22-year-old pilot explained.

No, who received a \$100,000 award from the United States for delivering the MIG, met with newsmen and expressed his thanks to the American people for permitting him to come to this country.

Speaking in precise English grammar he has been studying for seven months, No said he hopes to spend some of his \$100,000 for an education at the University of Delaware. He is scheduled to speak to north Koreans later today

the Access to Information Act and it didn't shoot me down, but I succeeded in getting information against one again. "You live longer by not fighting against a Sabre," he said.

Troops

(Continued from Page 2)

a Netherlands unit may have a Belgian commander.

In practice, outside the possibility that some German divisions may be commanded by non-Germans, the individual national forces will in all likelihood be commanded by their own generals. All the same, President Eisenhower's statement that the United States will encourage the closest possible integration between the EDC forces and those of the United States opens the door to American units in Europe in division or even regimental strength directly commanded by a non-American. And that promises trouble in Congress and dissatisfaction in Army ranks.

INVITATION For Aid Goods Procurement (All amounts

Notice Number	Commodity	P.A. Number	P.A. Amount
46	Wheat Flour	4118	850,000
47	Medicinal and Pharmaceutical Preparation	4262	1,400,000
48	Laboratory and Scientific Equipment	4263	300,000
49	Logs	4234	1,350,000
50	Abaca	4110	81,100

Notice Number	Delivery Cut-off Date	Area of Source
46	9/30/1954	U.S. & Possessions
47	10/31/1954	U.S. & Possessions, Canada, Israel, Australia, and Part. Countries
48	4/30/1955	U.S. & Possessions, Canada and Australia
49	12/31/1954	U.S. & Possessions, Canada, Philippines, Indonesia, India, Thailand, Pakistan, Indo-China, Burma, Latin America, Zealand, Australia, and Part. Countries
50	8/31/1954	Philippines

(Bidding Time: 10—12 a.m.)

000822

DEPARTMENT OF EXTERNAL AFFAIRS, CANADA.

(FILE COPY)

NUMBERED LETTER

TO: THE UNDER SECRETARY OF STATE FOR
EXTERNAL AFFAIRS, OTTAWA, CANADA.

FROM: THE CANADIAN EMBASSY, TOKYO, JAPAN

Reference:
Subject: Live Stock in South Korea

Security: UNCLASSIFIED

No: Korea 242

Date: May 12, 1954

Enclosures: None

Air or Surface Mail: Air

Post File No: 210-7

Ottawa File No.

7-1-2-1

References

It may excite you to know that in April
the Ministry of Agriculture took a census of all
domestic animals.

2. Draft cattle numbered 668,026, a decrease
of 31,000 since before the war.

3. Swine decreased by 20,000 to 506,748, having
been previously 566,578. (My faith in the abacus
continues to decline as I read more Korean statistics).

4. Chickens were firm at 2,245,752.

5. Other figures:

Milk Cattle	281
Horses	10,932
Goats	19,558
Shoop	1,300
Dogs	329,688
Rabbits	81,934
Ducks	82,762
Turkeys	998

Internal
Circulation

S. Morley Scott.

Distribution
to Posts

21 April 1954

*Miss
MacGarry*

TRANSLATION UNIT
OFFICE OF PROGRAMS & REPORTS

(Chosun Ilbo, 22 Apr): CATTLES NUMBER 660,000

The Ministry of Agriculture took a census of all domestic animals. In the census, cattles numbered 668,026 and showed a decrease of some 31,000 in contrast with the years prior to the outbreak of the war. Then swine numbered 566,578 and showed also a decrease of 20,000. However, the number of chickens did not decrease.

The results of the census are shown in the following table:

<u>Kind</u>	<u>Number</u>
Draft cattle	668,026
Milk cattle	281
Horse	18,932
Goat	19,558
Sheep	1,300
Swine	506,478
Dog	329,688
Rabbit	81,934
Chicken	2,245,752
Duck	82,762
Turkey	998

(Chosun Ilbo, 22 Apr): GRAIN WILL BE RELEASED TO GOVERNMENT EMPLOYEES
FOR BETTER TREATMENT

The Ministry of Agriculture disclosed that he instructed the FFA to release, immediately, the additional grain of 50,141 sŏk (for the months of January, February and March) to Government employees for their better treatment.

by Mr. Lee

Ext. 1208

FILE COPY

7-1-2-1
OTTAWA FILE

No.

Despatch No. 1239

November 22, 1952

Date.

SECURITY CLASSIFICATION

CONFIDENTIAL

FROM: Chargé d'Affaires a.i., Canadian Embassy, Tokyo

TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

Reference.

Land Reform in Korea.

Subject:

I have learned in confidence through Australian channels that on August 25 UNCURK had a meeting with Mr. Ham In-sob, Minister of Agriculture and Forestry in the Government of the Republic of Korea, to discuss land reform in Korea. Mr. Ham had on August 6 presented the Commission a report in the form of a table which was an incomprehensible jumble of local measures (chungbos, suks and won) and furnished with headings which were almost impossible to understand. After the interview, however, the general views of the Syngman Rhee government on land reform as reflected in the views of the Minister of Agriculture and Forestry were left in no doubt.

2. Mr. Ham recalled that land reform had been initiated by a law promulgated on June 21, 1949. In his opinion the programme had been influenced by revolutionary ideas which had been prevalent after the second world war. He traced these ideas to communist influence. He thought that experience in South Korea as well as in Japan had shown that land reform had brought about changes in land ownership but that it was doubtful whether the national economy had benefited or whether the position of the farmers was any better. Mr. Ham expressed the view that additional measures would have to be undertaken in order to increase agricultural production and to divert excess rural population to new industries. Some changes which Mr. Ham thought could be made in the land reform programme were: extension of the period for paying for newly acquired land beyond the present limit of five years and increasing the maximum acreage which any one farmer could be permitted to own. Mr. Ham said that the Korean Government was having difficulty in collecting payments from farmers for newly acquired land and that, in fact, the land was changing hands too quickly so that the programme had failed to provide a stable class of small landowners. Mr. Ham ended the interview with the rather sinister remark that any land reform programme should aim at benefiting the national economy rather than making social changes.

Original Signed by
A. R. MENZIES

A. R. Menzies,
Chargé d'Affaires a.i.

Based on A/AC.39/SR.198 (Documents List No.17)