

PART I  
SOUTH KOREA

Secret

From: 161200/I Apr. 48  
To : 231200/I Apr. 48

Headquarters, USAFIK  
Seoul, Korea  
23 April 1948

No. 136  
Maps: KOREA, 1/250,000  
East ASIA, 1/1,000,000

A. ARMED FORCES

1. Strength (Secret)

Police: No change  
Constabulary: No change  
Coast Guard: No change

2. Operational Activity (Confidential)

Border Incidents

There were two instances of SOVIET aircraft violating the parallel this week. On 21 April seven (7) fighter planes flew over OP #7 (888.7-1695.6) and on 22 April four (4) fighters flew over the same point.

An American officer and a sergeant were fired upon and pinned to the ground near OP #17 (1008.5-1696.1) on 21 April. The shots were fired by Korean civilians, but it was not determined whether they were North or South Koreans. There were no casualties although the Americans returned the fire in self-defense.

Attacks on American Personnel

On 09 April and again on 14 April the Military Government Field Officers Quarters in TAEGU (1150-1430) was stoned. No injuries resulted; two windows were broken.

B. CURRENT INTELLIGENCE1. Political Activitya. Candidacy Registrations

The office of the Chief Advisor, MG, released information at 231200 April stating that 939 candidates have registered for the 200 NATIONAL ASSEMBLY positions; that NSAKI, HANKOOK DEMOCRATIC PARTY, and DAI DONG YOUTH CORPS are the major organizations represented; that 18 women are candidates; and that 11 candidates will have no opposition.

The following tables give in detail the information mentioned above:

REGISTRATION OF CANDIDATES BY AREA

<u>AREA</u>	<u>NO. OF REG. CANDIDATES</u>	<u>ELECTORAL DISTRICTS</u>
SEOUL	82	10
KYONGGI DO	160	29
CHUNGCHONG PUKTO	54	12
CHUNGCHONG NAMDO	122	19
CHOLLA PUKTO	100	22
CHOLLA NAMDO	92	29
KYONGSANG PUKTO	126	35
KYONGSANG NAMDO	147	51
KANGWON DO	43	12
CHEJU DO	13	3
TOTAL	939	200

PARTY AFFILIATIONS REPRESENTED

Total candidates registered	- 939	All districts
Approximately	- 200	Registered as NSAKI and/o Hankook Democratic Party
Approximately	- 80-90	Registered as DAI Dong Youth Corps
Approximately one third of total		Registered as non-partisa
Approximately	- 18	Women registered (includ- ing 5 in City of Seoul)

OPPOSED CANDIDATES

<u>DISTRICT</u>	<u>CANDIDATE</u>	<u>PARTY AFFILIATION</u>
1. Kwangju (Kyonggi Do)	SHIN Ik Hi	NSAKI
2. Ka Pyung(Kyonggi Do)	HONG Ik Pyun	Non-Partisan
3. Chung Sup (Cholla Pukto)	NA Yong Kun	Hankook Dem. Party
4. Kwangju (Cholla Namdo)	CHUNG Kwang Ho	" " "
5. Yung Am (Cholla Namdo)	KIM Choon Yun	" " "
6. Yung Kwang (Cholla Namdo)	CHO Yung Kyu	Non-Partisan
7. Yung Yang (Kyongsang Pukto)	CHO Hun Yung	Hankook Dem. Party
8. Yung Duk (Kyongsang Pukto)	O Taik Yul	NSAKI
9. Yung Chun "A" (Kyongsang Pukto)	OHUNG Doo Yung	NSAKI
10. Yung Chun "B" (Kyongsang Pukto)	YI Bum Kyo	Non-Partisan
11. KIM Chun "B" (Kyongsang Pukto)	LEE Byung Kwon	Non-Partisan

LIST OF THE MORE PROMINENT CANDIDATES IN SEOUL

LEE Yun Yong	Acting Chairman of the Chosun Democratic Party
RHEE Syng Man	
LEE Chung Chun	Chairman, Dai Dong Youth Corps
KIM Helen	Dean of Ewha Girls College
CHANG Myun	Catholic leader, member of KILLA
PAK Seung Ho	Woman, Chairman of Patriotic Women's Association for Rapid Realization of Korean Independence
KIM Dong Wan	Prominent member of Hankook Dem. Party
AN Dong Wan	" " " " " "
PAIK Nam Hoon	" " " " " "

COMMENT: There is as yet no evidence of an organized attempt on the part of Communist elements to strategically place single candidates in each district as was expected. There are rumors that some communist candidates have registered.

"Danny" CHOI's candidacy in RHEE's bailiwick (see P/R #815) can prove to be the first instrument, admittedly imperfect, for measuring RHEE's popularity at the place where it counts - the polls. CHOI's difficulties in filing his candidacy led him to place his case before the Military Governor. The National Election Committee found that local politicians and strong-arm men, presumably RHEEists, had "interfered unduly" and CHOI was permitted to file after the deadline.

Reports indicate that a number of candidates listed themselves as non-partisan to escape the stigma of the name "HANKOOK Party," a name unpopular in some sections of South KOREA. Other candidates are campaigning that their KILLA activities have made them experienced legislators.

b. Developments in the North-South Conference

KIM Kyu Sik, moderate spokesman, and KIM Koo, leader of the dissident factions of the Right Wing, departed for PYONGYANG to participate in the conference between political leaders of North and South KOREA who now possess a common alignment in their opposition to the forthcoming election.

KIM Koo left SEOUL by train on the afternoon of 19 April accompanied by his son and his secretary.

The eve of departure gave KIM Koo an opportunity to play the role he does best: a lone man-against-the-world; a martyr. His numerous "farewell" speeches and last words of encouragement and guidance were those of a duty-bound warrior delivering a brave adieu to those who revere him; an injured, star halfback re-entering the game at the closing minutes of play to do-or-die despite the pleadings of team-mates and loud warnings from the opposition, who continue to evince respect for the potentialities of the heroic figure.

Typical of the script in this phase of the KIM Koo melodrama are the following excerpts:

"...I am going to set foot on the other half of our land. It is

impossible to describe my present feelings, which are a mixture of sorrow and elation. Some of my friends and associates are convinced that I shall fail; others are certain that I shall meet with outstanding success. My fate is of no importance. My success or failure is the success or failure of our nation.... The people of the North may be 'red' or they may be 'pink'; certainly they are brown of skin and they are all Koreans of the same blood and heritage.... If I fail at this conference, I may slit my abdomen on the 38th parallel.... I want to thank you for your sincere advice imploring me not to venture North... but I have dedicated my life to attain freedom for KOREA and I cannot withdraw from the fight as long as my brethren dwell in misery.... Rather than abandon the cause now I would commit suicide... to set an example for you young men...."

The martyr complex is displayed at an early age by Koreans. When KIM Koo's car was about to start for SEOUL Station, approximately twenty Korean youths who unsuccessfully attempted to dissuade KIM Koo from engaging in this effort at national unification prostrated themselves in the path of the vehicle. The sound of a depressed accelerator promptly brought them to their feet and reversed their outlook; life was sweeter than suicidal martyrdom - even for the restoration of a now parallelized KOREA.

The South Korean episode of the perils of KIM Koo ended with a photograph taken on the border, with KIM Koo, flanked by his son and his secretary, standing before a 38th parallel marker.

KIM Koo arrived in PYONGYANG, KOREA at 201115. He was joined there by numerous adviser-associates, most prominent of whom are CHO So Ang, CHO Wan Koo, UEM Hang Sop, and KIM Yi Han - all members of KIM Koo's NATIONAL CONGRESS and the CHUNGKING PROVISIONAL GOVERNMENT group.

KIM Kyu Sik, following a battle with his conscience (PART I, W/S #135, B, 1, b), left SEOUL by automobile at approximately 210700 April. His group, all members of the moderate NATIONAL INDEPENDENCE FEDERATION, included the following persons (those marked with an asterisk are considered of the moderate Left in political tendency; the others, of the moderate Right):

<u>NAME</u>	<u>N.I.F. PARTY AFFILIATION</u>
KIM Kyu Sik	NIF, Chairman
TCH'EI Dong O	None
KIM Boong Choon	New Progressive Party
SHIN Sook	Tch'awn Do Kyu-Bo Kook Dang
*SON Doo Whan	Laboring People's Party
KIM Seung Sook	None
*KANG Soon	Industrious Masses Party
LEE Doo San	Korean Mass Party
SONG Nam Heun	Democratic Independence Party
SHIN Ki Eun	None
HONG Myong Hi	Democratic Independence Party
LEE Keuk No	Healthy People's Party
LYUH Woon Hong	Social Democratic Party
PAI Seung Yong	None
*PAK Keum Oong	None
KWAN Tai Yang	None
SHIN Sang Bong	None
WON Sei Hoon	Korean Farmers' Party

KIM Kyu Sik stated that he believed his five principles (PART I, W/S #135, B, 1, b) had been accepted by the Northerners. His late departure, however, prevented his participation in early discussions, which, reportedly, began on 19 April.

COMMENT: The submission and reported acceptance of KIM Kyu Sik's totally innocuous "principles" is of little significance, since in accepting them the North Koreans committed themselves to nothing.

On the other hand, of portent in KIM Koo's "farewells" were statements that (1) he was not going North to become part of a Soviet satellite or to formulate a pro-Soviet and anti-American policy, and (2) he was proceeding to the Northern capital with a clear slate - no conditions, no preconceived agenda.

It is certain that Radio PYONGYANG is ready to twist every word and phrase of the South Korean principals (KIM Koo and KIM Kyu Sik) into connotations which would suit communist purposes. PYONGYANG intercepts revealed an immediate and thorough airing of the opinions which South Korean communists and refractory communists disguised as "moderates" freely express as they grieve about alleged malpractices in the administration of the US zone and their ready extollation of the sinewy well-being wrought by the "inexhaustible initiative" abounding in Soviet-occupied North KOREA.

The Soviets did not lose time in getting on with the "historic" conference. It is believed that this haste is dictated by communist strategy which still aims at sabotaging the South Korean election, to be held on 10 May.

### c. Korean Interim Legislative Assembly

After a one month adjournment, KILA on 19 April sent to the Military Governor a proposal to abolish summer grain collections for South KOREA, and a request that Military Government import more fertilizer for rice growing purposes. The Assembly in addition decided to table all pending matters until the National Assembly convenes, then voted for adjournment until 20 May.

COMMENT: The decision to table all pending matters is tantamount to a declaration that KILA exists only on paper. Its members continue to enjoy free rail transportation, a monthly salary, and prestige for campaign purposes.

## 2. Civil Unrest

### a. War-of-Nerves Leads To Final Anti-Election Effort

Communists are expected to intensify anti-election disturbances on 01 May and 09-10 May following a five-week period devoted to a war-of-nerves.

Communist strategy in this war-of-nerves has been to soften their opposition with a minimum loss in personnel and discipline among themselves. Propaganda has been directed against the general public, pro-election rightists have been subjected to terrorism and scattered attacks have been made on police to secure arms and lower police morale.

COMMENT: Although some success has been achieved by this three-way communist strategy, the majority of rightists who have been taking part in the early part of the election program have not been noticeably deterred. Communist high-level strategists can be depended upon to change their present anti-election activity to a vigorous campaign of open attacks upon police, pro-election rightists and election installations.

### b. 14 Pro-Election Rightists Murdered

Fourteen right-wing politicians and members of their families were

killed during 17-18 April as communists opened an anti-election reign of terror against candidates and supporters of the election. This murderous campaign centered in KYONGSANG PUKTO, where the most attacks were also made against registration boxes (see PART I, B, 2), and CHEJU DO, where communists have been exhibiting their most strength during the month (see PART I, B, 2a, W/S #134 and PART I, B, 2b W/S #135).

Communist directives reveal that attacks against pro-election rightists have been ordered as a part of the last-ditch stand which communists are making against the election. Numerous accounts of rightists receiving death threats in the mail and being beaten have been reported.

c. 52 Attacks on Registration Booths

Two attacks were made against registration booths on CHEJU DO this week. An unknown number of records were taken from one booth and the second booth was burned.

The number of attacks against registration booths throughout South KOREA, since the first attack was reported on 04 April, now total 52. The total number of attacks reported last week, 44, was raised by three delayed reports covering incidents which occurred during the week ending 16 April and three more incidents for the week ending 09 April. (see PART I, B, 2, W/S #135 and PART I, B, 2, W/S #134)

Tactics and strength of the attacks varied. Mobs of up to 200 armed and unarmed men stormed some booths. Such attacks usually resulted in the booths being completely razed and registration records destroyed. In other cases, groups of two or three men posed as registrants and then turned on registration officials and destroyed records. Other booths were set afire during the night. In all cases, the communists sought to terrorize registration officials caught in and near the booths.

Attacks have been made in the following areas:

KYONGSANG PUKTO	21
CHUNGCHONG PUKTO	10
SEOUL	10
CHOLLA NAMDO	8
CHEJU DO	2
CHOLLA PUKTO	1

Also, 12 known attacks had been made against registration officials either in their homes or upon streets. One official was killed in such an attack.

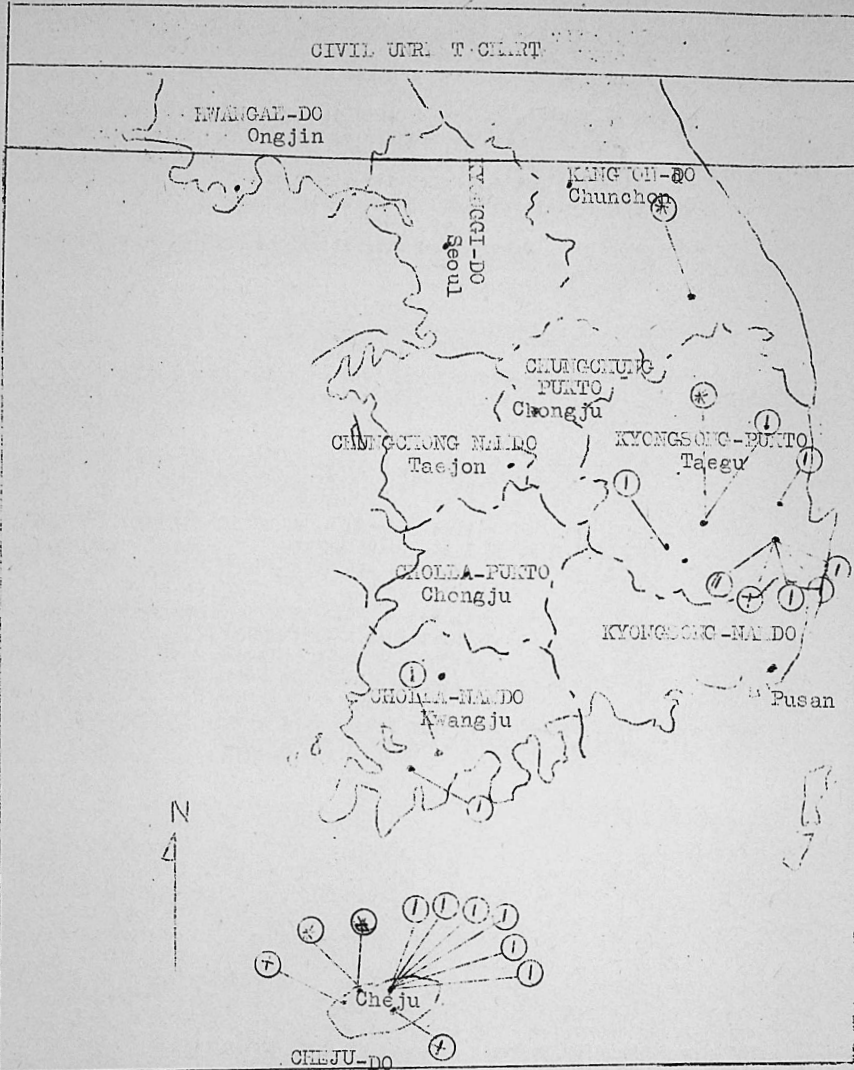
COMMENT: Last week's observation, that the communists' effort against the registration program was very weak, still holds in view of the fact that 13,455 booths were set up throughout South KOREA.

d. Miscellaneous Incidents

Other major incidents of communist-instigated violence listed this week were:

1. Two attacks were made on police boxes -- one in KYONGSANG PUKTO and one in KANGWON DO.
2. Two police were killed in KYONGSANG PUKTO.
3. Two communists were killed -- one in KYONGSANG PUKTO and one in CHOLLA NAMDO.

CIVIL UNREST CHART



- (\*) Attacks on Police boxes
- (+) Attacks on Registration Booths
- (1) Communists Killed
- (L) Rightists & Family Members Killed

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C. WAR POTENTIAL1. Economic Review

The following information was extracted from a 16 April report on the South Korean economic situation compiled by the Economic Adviser to the Commanding General:

General

Over-all prices have declined slightly during the past month, with the open market prices of rice and fuel wood dropping about 10 percent. Among the factors responsible for the downward trend of food and fuel prices from the peak levels reached in winter are a relatively early Spring and favorable prospects for the Spring crops. Although the Department of Agriculture will not issue official Spring estimates for the summer grain crop until later this month, preliminary reports indicate that the cereal crop planted last fall suffered relatively slight winter damage, and that South KOREA's 1948 barley, wheat, and rye harvest, scheduled for June, appears likely to be good. The Bank of Chosun currency issue remained relatively steady during the first half of April and on 14 April totalled about 29.2 billion won. The recall from circulation of Japanese-feature 100 won notes is proceeding smoothly. 24 April is the final day upon which any of the 7.3 billion won worth of Japanese-feature 100 won Bank of Chosun notes can be exchanged at par for post-war Korean-feature Bank of Chosun notes. Several smuggling shipments of Japanese-feature Bank of Chosun notes (totalling well over 100 million won) have been seized by government authorities in recent weeks. Both bank deposits and bank loans declined seasonally during February. Deposits in seven major banks dropped about 3 billion won during February and totalled 21.2 billion won at the end of the month. Loans of the same banks declined about 2.5 billion won and totalled about 31.1 billion at the end of February. By 15 April 4.6 billion of 12.2 billion won government-guaranteed loans for the purchase of 755,000 metric tons of the 1947 rice crop had been repaid to banks.

Government Finance

Preliminary reports of the Department of Finance and the Bank of Chosun indicate that March 1948 revenues from all sources were the highest since the beginning of the occupation, totalling approximately two billion won. Principal items were monopoly receipts of over one billion, taxes and customs receipts of more than 500 million, and railways receipts of about 473 million. Expenditures during March are estimated at about 1.8 billion but since books on the fiscal year are not closed before 31 May, a final report will not be available until after that date. Although the heavy end of the fiscal year payments and the expenses of the forthcoming election are certain to increase the gap between government revenues and expenditures, indications to date are that the deficit for the fiscal year 1947 ending 31 March 1948 will be somewhat less than anticipated. Actual total SKIG payments through February were 17.5 billion won against receipts of 13.2 billion won. Estimates for March bring the fiscal year total to 19.2 billion won in expenditures and 15.3 billion in revenues, making an indicated deficit of less than 4 billion as compared with an estimated deficit of 8 billion and the revised estimate of 6 billion. The preliminary figures, however, should not be given undue weight since delayed payments attributable to the fiscal year 1947 must be expected to bring expenditures nearer the approved appropriations of 21.5 billion won. Total receipts from the sale of civilian supplies for the fiscal year 1947 were 6.5 billion won, of which 538 million was disbursed for administrative expenses of distribution, and 1.8 billion won was expended for purchase of commodities for export and sale in Post Exchanges. The latter amount will be reflected in trade balances with JAPAN and in credits of Korean foreign exchange bank. The net amount withdrawn from Korean economy through the sale of civilian supplies during the fiscal year was 4.2 billion won, and the cash balance on 31 March was 4.7 billion won. The final figure of occupation expenditures during March

is not yet available, but a preliminary estimate is 432 million won. Actual occupation expenditures during the first 11 months of the fiscal year were 5 billion won. Hearings on the fiscal year 1948-49 SKIG budget are not yet completed by NEB and no departmental budgets are yet approved by MG. Final action cannot be taken before the end of April as NEB has returned two of the largest budget requests, those of the Department of Transportation and the Monopoly Bureau, for further revision by the Budget Bureau. As a stop-gap measure to permit uninterrupted operation, departments have been allotted one-twelfth of the annual amount recommended by the Budget Bureau, less subsidies and extraordinary expenditures. Necessary adjustments will be made when budgets are approved. A further delay has been caused by late action of the personnel ceiling board in recommending new tables of organization, since the Budget Bureau is obliged to recompute ordinary expenditures on a basis of standard personnel unit allowances.

#### National Land Administration

During its first three weeks of operation the National Land Administration concentrated mainly on setting up administrative machinery and the education of administrative personnel for the task of selling 683 thousand acres of vested farmland. Public farm sales, set up mainly to publicize the program and to clarify administrative procedures, have been held in main centers of South KOREA. Five thousand farms have actually been sold thus far, with title transfers entered in land registers and the deeds given to farmers. As the program has now gone into high gear, it is anticipated by the National Land Administration that farm sales will now average several thousand daily. Response of farmers to the program has been generally enthusiastic and practically all farmers thus far offered the opportunity to purchase their farms on the basis of payment of the equivalent of three annual crops have been anxious to do so and have appeared pleased with the low price. Practically all communist organizations in South KOREA have issued public statements denouncing this sales program, but the generally favorable response of farmers to the program thus far has put communists on the defensive.

#### Industrial and Mineral Production

South KOREA's factories and mines are generally recovering from a winter production slump, and over-all March 1948 output appears to be at least equal to September-October 1947 output, which was about 25 percent of capacity. The principal factors responsible for this production upturn include increased availability of electric power and raw materials. During March 1948 coal, tungsten, and machine paper industries each attained their highest production of any month since the end of the war. March production of anthracite and lignite coal totalled about 57 thousand metric tons, not including about ten thousand metric tons of anthracite mined at YONGWOL for use in the YONGWOL steam thermal plant. This output compares with a monthly average of 32 thousand metric tons during 1947. Difficulties are being experienced in transporting this increased output of coal over South KOREA's marine and rail systems, whose limited operable facilities are already overtaxed with equally high priority freight. The March 1948 output of tungsten concentrates totalled about 150 metric tons. The SANGDONG mine, largest in South KOREA, has rebuilt the mill which was largely destroyed by fire last November, and March production there totalled 120 metric tons of scheelite concentrate. The present milling operation at SANGDONG is extremely inefficient, and only about 50 percent of the scheelite is being recovered. Present facilities also do not provide for recovery of bismuth, which is present in significant amounts in the ore. About 400 tons of bismuth concentrate (about 30 percent bismuth), previously mined and milled at SANGDONG, has been recently sold for export. Plans are progressing to have samples of SANGDONG ore analyzed in the US in order to try to find a basis for improving the efficiency of SANGDONG milling operations. The production

of machine-made paper in March totalled 534 metric tons, compared to the monthly average of 268 in 1947. However, production of urgently needed paper could be still greatly increased if adequate sulphite pulp were available.

### Foreign Trade

South KOREA's exports are steadily increasing both in value and volume. During the first quarter of the calendar year 1948 South KOREA's private trade totalled 2.4 billion won, of which slightly more than half were exports. The private trade exports, about 1.2 billion won for the first three months 1948, exceeded the total won value of 1947's private trade exports of 1.1 billion won, and were almost five times the 1946 export total of about 250 million won. Although price inflation is partially responsible for the increases in value of private exports, the actual volume of private trade, especially of marine and mineral products, is increasing steadily. This gradual expansion of private foreign trade is being accelerated by recently liberalized trade policies. Under the "trustee shipment" plan announced in February, if the traders deposit in advance 10 percent of the value of the goods with the Korean Foreign Exchange Bank in KOREA, private traders may export goods and have foreign banks serve as trustees for export cargoes until such time as foreign sales are consummated. Since 11 February 1948 banks have been authorized to make loans to foreign traders who are collecting goods for export, provided such loans do not exceed 50 percent of the value of the goods. Government to government exports from South KOREA are estimated to total about 3.9 million US dollars for the first three months of 1948, compared to a total of about 5.5 million US dollars for all of 1947. In addition, about 20 thousand US dollars in foreign exchange was secured during the first quarter of 1948 through sale of Korean products in post exchanges.

### Food

Plans for the 1948 summer grain collection program, scheduled to begin in June, are in an advanced state of preparation. Plans for 1948 are generally similar to those used in the successful 1947 summer grain collection program, except for increased safeguards to protect small farmers from unfair quota allocations. The current plans call for collection of the equivalent of about 110 thousand metric tons of polished barley, wheat and rye, approximately 20 percent of the anticipated production. A complete inventory of all government-held foodstuffs in South KOREA, including those in the ration pipeline, as of 1 April 1948, revealed that foodstuffs totalled 527 thousand metric tons, including 454 thousand tons of indigenous rice and 73 thousand tons of imported foodstuffs, which includes 17 thousand tons of sugar. With consumption through rationing channels averaging about 100 thousand metric tons per month, about 900 thousand metric tons will be required to maintain the rationing system during the last nine months of 1948. Under current planning, the 527 thousand metric tons of current stocks will be supplemented by about 110 thousand metric tons of summer grains and by about 300 thousand metric tons of imported cereals and sugar used as cereals substitutes. The determined drive of the government to eliminate the "ghost" have been eliminated during the past six weeks from South KOREA's ration rolls, which total about 9.4 million. About half of those eliminated were voluntarily removed by the individuals concerned, apparently through fear of heavy penalties for fraud under Ordinance 168, and the remaining cases were discovered by two thousand investigators working on the problem.

## 2. Cost of Living

- a. SEOUL rice prices dropped 20 won during the past seven days.

b. Of the 25 cost-of-living items checked this period 7, previously reported as declining, continued to drop and were joined by 3 additional household necessities. Four seasonal foods continued to advance slightly, and 11 other articles remained unchanged.

Rice Price Summary

<u>AREA</u>	<u>PRICE (won)</u>				
	<u>Dec.</u>	<u>Jan.</u>	<u>Feb.</u>	<u>March</u>	<u>23 Apr</u>
<u>SEOUL</u>	750	743	746	707	660
<u>KANGWON DO</u>	632	791	860	772	
<u>CHUNGCHONG PUKTO</u>	600	586	657	654	
<u>CHUNGCHONG NAMDO</u>	650	630	662	613	
<u>KYONGSANG PUKTO</u>	534	541	550	502	
<u>KYONGSANG NAMDO</u>	575	650	707	650	
<u>CHOLLA PUKTO</u>	634	608	608	550	
<u>CHOLLA NAMDO</u>	575	558	575	508	
<u>CHEJU DO</u>	729	733	680	617	
<u>AVERAGE</u>	631	648	676	619	

Official Price -- 140 won  
Source -- National Price Administration, SKIG.

3. Surrendered and Disarmed - No change: 179,376

4. Progress of Repatriation - This Period To Date

<u>Japanese Civilians Arriving from</u> <u>N of 38° N KOREA, CHINA and MANCHURIA</u>	0	288,525
<u>Japanese Evacuated to JAPAN</u>	88	883,891
<u>Total Koreans Returning</u>	3,312*	2,095,560
<u>Total Repatriates Moved Since 15 August 1945</u>		2,976,135

5. Koreans Apprehended While Attempting Illegal  
Entry to JAPAN 252 22,728

\* Incomplete report

D. PSYCHOLOGICALThe Pressa. South Korean Press Attends PYONGYANG Conference

Representatives of three SEOUL daily papers and two news services were selected to attend the PYONGYANG conference from the fifteen that applied. Original plans called for the two news services, Korean Pacific Press and Korean Press along with the SEOUL Times (BILINGUAL publication) to represent the South Korean press. Just before departure, however, KIM Koo announced the addition of the leftist DOK LIB SINBO and of the HAN SUNG ILBO, a rightist paper which has actively supported the conference.

b. Press Analysis

North-South Conference: While most rightist papers in South KOREA were taking a look-see attitude on the PYONGYANG conference, two of the group moved to opposite poles. KYEONG HYANG SHIN MUN, a Catholic-controlled paper, continued to pound the errors and potential bear-traps of the meetings. The editorial staff has not been able to reconcile any of the ideologies of communism with christianity and can see no good from a conference made up in part in believers in the hammer and sickle.

AN Chai Hong, and his rightist HAN SUNG ILBO, supported his old friends KIM Koo and KIM Kyu Sik in their plans, bear-trap or not, to confer with the northern KIMS. AN not only actively supported the conference in his paper but gave the matter some of his personal attention, as his and other papers reported. The four leftist papers published in SEOUL were as subtle as a meat-ax in their active support of the PYONGYANG parley. The editors talked of the desperate cry of the patriotic Korean people for the conference.

Candidate Danny CHOI: Extreme rightist papers found a good whipping boy in Danny CHOI who was "presumptuous" enough to file as a candidate in the same district with heretofore unopposed Dr. RHEE. Charges and counter-charges were made by the extreme left and right papers. The leftists reported that forty of Dr. RHEE's strong arm boys stopped CHOI's secretary and stole CHOI's recommendations, which were necessary for filing as a candidate.

Ranking rightists denied the allegations and intimated that the young men only wanted to advise CHOI, as is often done in Korean politics. "The young advise the old." The "lost" recommendations, it was reported late in the period, have been replaced, and CHOI made the grade as Dr. RHEE's opposition in the East Gate District.

Country Guard League: To form or not to form the Country Guard League received both right and left wing attention. The league was officially considered as having three aims; to inspire home spirit, to train the spirit of public obligation and to solidify the powers of home defense.

Rightist papers could see the worthwhileness of the movement and were sure the corps would not be used in police duty. Leftist papers, however, took a dim view of its formation and could see a potential public reinforcement of the National Police that would be compulsory and under the control of the police department.

Election Expenditures: Editorials called attention to the fact that expenditures by a large number of candidates would bring about increased inflation. This was one of the many points advanced against what was termed "excessive candidacy" by the extreme right-wing press.

COMMENT: A B-3 source lists the expenditures of one candidate at 493 thousand won to date, with 100 thousand yet to be expended before the end of the campaign.

New Labor Party Paper: The underground leftist paper, "THE FRONT LINE," made its first appearance during the past week and appears to replace the old house organ of the SOUTH KOREA LABOR PARTY. The only new thing about the paper appears to be its name, in that it publishes the usual communist propaganda calling for attacks on rightist leaders, American forces and police.

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E. SABOTAGE AND ESPIONAGE

Two acts of sabotage other than that committed in conjunction with civil disturbances (PART I, B,2) were reported during the period. On 19 April the Signal Corps cables between INCHON and ASCOM City (970-1640) were severed two and a half ( $2\frac{1}{2}$ ) miles southwest of ASCOM City. In addition two poles were sawed in half. On 16 April an Army telephone line was cut in the KAESONG (957-1693) area.

There were no reports received concerning espionage.