

PART I
SOUTH KOREASecretFrom: 211200/I May 48
To : 281200/I May 48Headquarters, USAFIK
Seoul, Korea
28 May 1948No. 141
Maps: KOREA, 1/250,000
East ASIA, 1/1,000,000A. ARMED FORCES1. Strength (Secret)Police: 34,900
Constabulary: 41,265 (including 10,109 recruits)
Coast Guard: 2,911 (including 132 cadets)2. Operational Activity (Confidential)a. Border Incidents

Ten border incidents were reported this week; three were delayed reports. Three incidents this week and two covered by delayed reports occurred in KWANGHAE DO and probably stem from attacks and counter attacks near the irrigation dam near OE-DONG (837-1698). Control of this dam, which has been a bone of contention since 27 April, has caused at least two previous gun battles between South Korean police and the North Korean constabulary. It is believed that the soldiery on both sides of the parallel in this area have clashed so often that they are trigger-happy.

On 16 May North Koreans attempted to blow up the dam mentioned above. This resulted in a fire fight with South Korean police who investigated. No casualties were reported. Also on this date 5 North Korean constabularymen and 13 North Korean Self Guardsmen kidnapped a South Korean from SUTAE-RI (847-1698).

On 19 May South Korean police patrolling near the irrigation dam (837-1698) were fired upon by North Korean Constabularymen. One policeman was wounded.

On 22 May the NKC violated the parallel at two points. The police box near (917-1694) was attacked, captured and burned. One policeman was wounded, and clothing and ammunition was stolen. In the other incident on this day the village of YULMON-NI (1089-1696) was raided and five villagers wounded.

On 23 May the police box in NUL MOK (971-1695) was attacked by NKC. No casualties were reported.

On 26 May, near the irrigation dam (837-1698), a party of three American civilians and three policemen were fired upon by NKC. One American was wounded. Also on this date NKC attacked the CHUNG KOK (918-1696) police station. The results of this attack are not yet available.

On 27 May the police box near (942-1695) was raided by the NKC. Two NKC and two civilians were killed, and one civilian was wounded.

On 28 May the police box at CHANG NI (1158-1697) was attacked by NKC. One policeman was wounded and one is missing.

COMMENT: The number of incidents involving North Korean Constabulary occurring this week (seven), is the greatest for several months. Beginning with the week ending 23 April, when there was one, the number of incidents per week has been 30 April, four; 07 May, three; 14 May, five; 21 May, six.

b. Constabulary Action on CHEJU DO

The Constabulary on CHEJU DO are isolating small areas in the hills of the island, apprehending and detaining suspicious persons for screening by U.S. and Korean intelligence teams. On 23 May 432 persons were being held for questioning, but screening is being completed rapidly. One person questioned is reported to be a member of the NORTH KOREA LABOR PARTY.

Forty-one members of the 9th Regiment, which was recruited on the island, deserted 21 May. Twenty were recaptured on 22 May.

COMMENT: This regiment is considered by some observers to be unreliable in that many of its members seem to be in sympathy with the raiders in the hills. Though from a short-range view its removal may seem desirable, a long-range view is that whatever Communists there are in the regiment will probably identify themselves by deserting, and the personnel remaining can be considered dependable in the future.

B. CURRENT INTELLIGENCE

1. Political Activity

a. The National Assembly

The following data were contained in the National Election Committee report to the Military Governor on the 10 May elections:

<u>ELECTED CANDIDATES'</u> <u>DECLARED PARTY AFFILIATIONS</u>		<u>NATIONAL ELECTION COMMITTEE</u> <u>ESTIMATES OF VOTING STRENGTH</u>	
HANKOOK DEMOCRATIC PARTY	28	HANKOOK DEMOCRATIC PARTY	76
NSAKI	55	NSAKI	61
KOREAN INDEPENDENCE PARTY	1	KOREAN INDEPENDENCE PARTY	17
UNITED YOUNG MEN'S PARTY	12	UNITED YOUNG MEN'S PARTY	16
KOREAN NATIONAL YOUTH CORPS	6	KOREAN NATIONAL YOUTH CORPS	10
CHOSUN DEMOCRATIC PARTY	1	CHOSUN DEMOCRATIC PARTY	0
MINOR PARTIES	10	MODERATES	10 1/
NON-PARTISAN	85	MISCELLANEOUS	10
	198 2/	NON-PARTISAN	0
			200 3/

- 1/ Includes three former Communists.
- 2/ Two candidates will be elected in a supplemental election on 23 June in the two northern districts of CHEJU-DO.
- 3/ Estimated before the CHEJU-DO elections were voided.

ALPHABETIZED LIST OF ELECTED CANDIDATES

(asterisk denotes former members of KILA)

Abbreviations used to denote party affiliations:

- NSAKI - National Society for Acceleration of
- Korean Independence
- HDP - Hankook Democratic Party
- CDP - Chosun Democratic Party
- KNYC - Korean National Youth Corps
- KIP - Korean Independence Party
- UYMP - United Young Men's Party

<u>Name</u>	<u>Declared Party Affiliation</u>	<u>Age</u>	<u>Province</u>
AN Choon Sang	KNYC	50	KYONGSANG NAMDO
BAI, Choon Hyawk	UYMP	28	KYONGSANG PUKTO
BAI, Hoon	None	53	CHOLLA PUKTO
BAIK, Hyawng Nam	UYMP	34	CHOLLA PUKTO
BAIK Nam Chae *	HDP	63	KYONGSANG PUKTO
BAIK Kwan Soo *	HDP	60	CHOLLA PUKTO
BAK Chan Hyawn	None	32	KYONGSANG NAMDO
BAK Chawng Hwan	NSAKI	40	KYONGSANG PUKTO
BAK Chawng Nam	None	33	CHOLLA NAMDO
BAK Choon	None	44	KYONGSANG PUKTO
BAK Chawng	None	33	KYONGSANG PUKTO
BAK Kook Hai	None	65	KYONGSANG NAMDO
BAK Wawng Ki	None	37	CHUNGCHONG PUKTO
BAK Oo Kyawng	None	54	CHUNGCHONG PUKTO
BAK Yoong Sang	HDP	31	KYONGSANG PUKTO
BAK Sawk Soon	None	45	KYONGSANG PUKTO
BAK Won Yoon	None	40	KYONGSANG NAMDO
CHANG Byawng Man	NSAKI	49	KYONGSANG PUKTO
CHANG Hong Dan	HDP	39	CHOLLA NAMDO

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<u>Name</u>	<u>Declared Party Affiliation</u>	<u>Age</u>	<u>Province</u>
KIM Kyoo Hyawn	None	60	CHUNGCHONG PUKTO
KIM Moon Pyong	NSAKI	43	CHOLLA NAMDO
KIM Myawng Dong	None	46	CHUNGCHONG NAMDO
KIM Myawng In	None	33	KANGWON DO
KIM O Saw	NSAKI	43	CHUNGCHONG NAMDO
KIM Ok Choo	None	33	CHOLLA NAMDO
KIM Sang Don	None	48	SEOUL
KIM Sang Duk *	Min Tong	56	KYONGSANG PUKTO
KIM Sang Ho	HDP	47	CHOLLA NAMDO
KIM Sang Soon	NSAKI	48	CHOLLA NAMDO
KIM Soo Sawa	None	38	KYONGSANG NAMDO
KIM Tai Soo	NSAKI	44	KYONGSANG NAMDO
KIM Wawng Kwon	None	51	KYONGGI DO
KIM Woo Sik	Chun Do Dai	59	KYONGSANG PUKTO
KIM Yak Soo*	Korea Republic	59	KYONGSANG NAMDO
KIM Yong Hyawn	HDP	35	CHOLLA NAMDO
KIM Yong Jai	NSAKI	37	CHUNGCHONG NAMDO
KIM Young Dong	None	42	CHOLLA PUKTO
KIM Young Ki	NSAKI	44	KYONGGI DO
KWAK Sang Hoon	None	53	KYONGGI DO
KWAN Byawng Lo	NSAKI	46	KYONGSANG PUKTO
KWAN Tae Hi	None	42	KYONGSANG PUKTO
KWAN Tai Yoo	None	29	KYONGSANG NAMDO
KYOO Chawng Hai	None	51	KYONGSANG NAMDO
LI Yong Kyun	HDP	50	CHOLLA PUKTO
LEE Bun Kyoo	NSAKI	61	KYONGSANG PUKTO
LEE Byawn Kwan	None	41	KYONGSANG PUKTO
LEE Byawng Kook	NSAKI	67	CHUNGCHONG NAMDO
LEE Chai Hak	None	45	KANGWON DO
LEE Chai Young	None	35	KYONGGI DO
LEE Chawng Ki	KNYC	34	CHOLLA PUKTO
LEE Chawng Kun	NSAKI	41	CHUNGCHONG NAMDO
LEE Chang Lae	HDP	50	CHOLLA NAMDO
LEE Chawng Lin	None	66	CHUNGCHONG NAMDO
LEE Chawng Soon	NSAKI	58	KANGWON DO
LEE Chin Soo	None	49	KYONGGI DO
LEE Chung Chun	UYMP	61	SEOUL
LEE Choo Hyawng	NSAKI	43	KYONGSANG NAMDO
LEE Erng Sang	NSAKI	58	CHUNGCHONG PUKTO
LEE Hang Bal	None	58	CHOLLA NAMDO
LEE Ho Sawk	None	34	KYONGSANG PUKTO
LEE Hoon Koo	None	33	CHUNGCHONG NAMDO
LO De Hawn	HDP	35	CHOLLA PUKTO
LEE Kang Woon	None	59	KYONGSANG NAMDO
LEE Kyoo Soo	None	36	KYONGSANG NAMDO
LEE Man Kwan	None	56	CHUNGCHONG PUKTO
LEE Moon Wun	None	42	CHOLLA PUKTO
LEE Nam Kyoo*	NSAKI	40	CHOLLA NAMDO
LEE Suk Choo	Dai Han Independence Agricultura	45	CHOLLA PUKTO
LEE Sawk	NSAKI	42	KYONGSANG PUKTO
LEE Sawng Dok	None	49	KYONGGI DO
LEE Sawng Hak	UYMP	43	CHOLLA NAMDO
LEE Sawng Yoo	None	52	CHOLLA NAMDO
LEE Won Hong	NSAKI	46	KYONGSANG NAMDO
LEE Yoo Han	NSAKI	51	CHOLLA PUKTO
LEE Yoo Sawn	NSAKI	46	KYONGGI DO
LEE Young Choon	HDP	53	SEOUL
LEE Yun Young	CDP	59	SEOUL
LIM Suk Kyoo	UYMP	42	CHUNGCHONG NAMDO
MIN Kyawng Sik	NSAKI	29	KYONGGI DO
MOON Si Hwan	KNYC	50	KYONGSANG NAMDO
HAN Gun Hyawn	NSAKI	37	CHUNGCHONG NAMDO

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Declared

Name	Party Affiliation	Age	Province
RHEE Syng Man	NSAKI	74	SEOUL
O Ki Yul	None	60	CHOLLA PUKTO
O Sawng Choo	NSAKI	61	CHOLLA NAMDO
O Taik Yawl	NSAKI	45	KYONGSANG PUKTO
O Taik Kwan	HDP	60	KYONGGI DO
O Young Kook *	None	44	CHEJU DO
PYO Hyawn Dai	NSAKI	45	KYONGSANG NAMDO
SAW Chawng Hi	HDP	72	KYONGGI DO
SAW Ik Hwan	None	54	KYONGSANG PUKTO
SAW Oo Sawk *	HDP	60	CHOLLA NAMDO
SAW Sang Il *	HDP	63	KYONGSANG PUKTO
SAW Sawng Dal	NSAKI	57	KYONGGI DO
SAW Soon Young	None	49	KYONGSANG NAMDO
SAW Yong Kil	None	37	CHUNGCHONG NAMDO
SAMM Nak Saw	NSAKI	44	CHUNGCHONG NAMDO
SIN Bang Hyawn	None	57	CHUNGCHONG NAMDO
SIN Hyawn Don	NSAKI	46	CHOLLA PUKTO
SIN Hyawn Mo	HDP	55	KYONGGI DO
SIN Ik Hi *	NSAKI	57	KYONGGI DO
SIN Kwang Keun	NSAKI	52	KYONGGI DO
SIN Sang Hak	None	35	KYONGSANG NAMDO
SIN Sawng Kyun	None	42	CHOLLA PUKTO
SON Chai Hak	NSAKI	48	CHUNGCHONG NAMDO
SON Pil Man	HDP	58	CHUNGCHONG PUKTO
SONG Chin Baik	NSAKI	44	CHUNGCHONG NAMDO
SONG Bong Hai	NSAKI	61	CHOLLA NAMDO
SONG Chang Sik	NSAKI	49	KYONGGI DO
TOHA Kyawng Mo	None	59	CHOLLA NAMDO
TCH'EI Bong Sawl	None	44	KYONGSANG NAMDO
TCH'EI Bong Sik	None	56	KYONGSANG NAMDO
TCH'EI Hyawn Kil	NSAKI	48	KANGWON DO
TCH'EI Kook Hyawn	None	50	KYONGGI DO
TCH'EI Kyoo Ok	NSAKI	48	KANGWON DO
TCH'EI Sawk Hong	UYMP	40	KYONGSANG PUKTO
TCH'EI Suk Ha	None	37	KYONGGI DO
TCH'EI Tai Kyoo	None	29	KANGWON DO
TCH'EI Moon Kyo	None	49	CHUNGCHONG NAMDO
TCH'EI Yoon Dong	HDP	52	KYONGSANG PUKTO
MMW Young Kern	NSAKI	57	KANGWON DO
MOH Chang Kil	UYMP	37	KANGWON DO
MOH Yong Whan	UYMP	71	KYONGGI DO
YOO Chin Hong	NSAKI	59	CHUNGCHONG NAMDO
YOO Choon Sang	NSAKI	39	CHOLLA PUKTO
YOO Hong Yul	None	42	CHUNGCHONG PUKTO
YOO La Wan *	None	60	KYONGGI DO
YOO Sawng Kap	Tan Min Party	39	CHOLLA NAMDO
YOON Byawng Ho	None	54	CHUNGCHONG PUKTO
YOON Byawng Koo	None	38	CHUNGCHONG NAMDO
YOON Chae Uk	UYMP	39	SEOUL
YOON Chai Kun	None	39	KYONGGI DO
YOON Chi Yong	HDP	51	SEOUL
YOON Hong Kern (Byo)	NSAKI	49	KYONGSANG PUKTO
YOON Suk Koo *	None	57	CHOLLA PUKTO

COMMENT: The breakdown according to declared party affiliations does not reflect party strengths. The differences between the declared affiliations and the NEC estimates are attributable mainly to the fact that many of the "non-partisans" considered their chances in the election improved by registering as "independents."

Based on the NEC's more realistic breakdown, it is noted that the RHEE-vs-HDP lines will be closely drawn if RHEE is able to gain control over the 16 UYMP members, who may be influenced by LEE Chong Chun, head of the UYMP, a NSAKI chairman, and poller of the largest number of votes in the election -- 41,532.

With alignments as drawn, neither RHEE nor the HDP can muster a majority in the National Assembly without the assistance of the remaining smaller groups, which, according to the NEC, have a strength of 47 votes. If adroitly maneuvered these members could pave the way for the entrance of figures other than RHEE or prominent HANKOOKS into key government posts.

For some time it has been speculated that the oldest candidate elected would preside over the meetings of the National Assembly until a presiding official is elected by that body. In a proclamation on 25 May, Lt. General HODGE announced that the "oldest member... shall preside over the meeting until such time as the National Assembly has elected a chairman and determined its own organization." Thus in two developments -- neither demanding personal merit -- RHEE (1) ran without opposition and won a seat in the National Assembly and (2) gained the top post in the Assembly -- temporarily, at least -- by virtue of his age. (RHEE now gives his age as 74 but an American-Korean source in USAFIK Headquarters states that RHEE and his followers in WASHINGTON, D.C. celebrated his 74th birthday in the U.S. Capital six years ago.)

With characteristic alacrity RHEE has made the best of his present advantages. He has set the wheels of his National Society to work in an effort to consolidate the strength of his own followers with that of other prominent South Korean leaders. Meetings of NSAKI chiefs in SEOUL from 22 to 24 May resulted in the reorganization of the NSAKI Central Standing Committee. This Committee, conspicuous by its latitudinous representation, is composed of 65 members, mainly loyal RHEE standbys.

The Committee also includes persons who are not known to belong to the RHEE inner-circle but who apparently are willing to lend a measure of support to Dr. RHEE in return for whatever advantages may be gained from membership in the NSAKI.

Among the more important members of this newly-expanded Committee are:

SHIN Ik Hi,	former KILA Chairman and prominent social leader;
LEE Yoon Yong,	Acting Chairman, GDP;
LEE Chong Chun,	UYMP;
LEE Bum Suk,	KIN;
SUH Sang Chun,	Korean Independence Youth Corps;
CHANG, Myon,	Catholic leader, formerly of KILA;
KIM Bum Min,	Buddhist leader, formerly of KILA;
PAIK Man Hoon,	Vice-chairman, HDP;
SUH, Min Ho,	HDP, former governor of CHOLLA NAMDO;
PAK Soon Chun,	female, newspaper publisher; and
PAK Sung Ho,	female, formerly of KILA, head of the Patriotic Women's Society.

b. Community Protective Corps Ordered Dissolved

On 22 May, SKIG Civil Administrator AHN Chai Hong, with the approval of Major General William F. DEAN, Military Governor, ordered the Community Protective Corps (HYANG BOH DAN) dissolved "without delay."

COMMENT: The organization of the HYANG BOH DAN was authorized by SKIG on 20 April for the purpose of soliciting the aid of "deputized" persons in each community to supplement the peace preservation forces of South KOREA during the election period only.

Except for a few reports of over-aggressiveness in their vigilance, the conduct of the HYANG BOH DAN was commendable. Following the election, however, pressure for the dissolution of this temporary organization emanated from all directions -- from the Communists, from the

extreme rightist UYMP, and from the nominally "non-political" - but known to be rightist-inclined and communist-infiltrated - KOREAN NATIONAL YOUTH CORPS.

c. Communists Organize Against New Government

Following their failure to disrupt the 10 May general election, South KOREA's communists have been reorganizing in an effort to unseat the elected government by terrorism of government officials and political exploitation of anti-separate-government factions headed by Rightist KIM Koo and Coalitionist KIM Kyu Sik.

The source (C-3) states that the communists are careful to specify that though they will use the names of KIM Koo and KIM Kyu Sik, they will permit the dissidents no control over communist operations. Little exploitation of either KIM Koo or KIM Kyu Sik has yet been accomplished by the pro-Soviet underground in South KOREA since the two KIMS returned from the PYONGYANG conference. Both KIMS have been quiet since they publically announced - just a few hours before power from North KOREA was turned off - that they received assurances from North Korean officials that the power would not be turned off.

Since mid-May a known 11 attacks, one fatal, have been made upon citizens who acted as officials in the election and an additional three attacks have been made upon both successful and unsuccessful candidates.

COMMENT: It looked very doubtful this week that either KIM would publically lend his name to the communist cause. The communists will probably omit any public castigation or support of the two KIMS and adopt a course of watchful waiting until the two leaders definitely announce another tack on their political courses.

2. Civil Unrest

a. A Week's Violence in South KOREA

A Summary of acts of violence involving communists for the week as reported up to 281200 May is as follows:

	SEOUL	KYONGGI DO	KANGWON DO	DO	CHUNG-CHUNG DO	CHUNG-CHUN DO	PUKTO	CHOLLA NADO	CHOLLA PUKTO	KYONG-PUKTO	SANG-PUKTO	CHUN DO	TOTAL
Attacks on towns												2	2
Attacks on police		3					1						7
Police killed		2					2						4
Communists killed										1		30	31
Rightists killed		1							1	2		7	11
Demonstrations, disorders, arson, & attacks on rightists	2				1						6		9
Attacks on government buildings												1	1
Sabotage (communications)		1	3									2	6
Sabotage (RR lines)													
Sabotage (roads)													
Sabotage (bridges)													
Strikes (labor)													
Strikes (schools)								1					1

b. Delayed Reports Covering Last Week

Delayed reports of incidents that occurred during the week ending 21 May which were not carried in last week's summary (see Part I, B. 5. a., W/S #140) are :

	SEOUL	GYONGGI DO	KANGWON DO	CHUNGCHONG G. PUKTO	CHUNGCHONGN. HAN DO	CHOLLA NAM DO	CHOLLA PUKTO	GYONGSANG HAN DO	GYONGSANG PUKTO	CHUN DO	TOTAL
Attacks on towns										1	1
Attacks on police						2				2	4
Police killed						1					1
Communist killed						3					3
Rightists killed						7			2	4	13
Demonstrations, disorders, arson & attacks on rightists		10			2	6					18
Attacks on government buildings											
Sabotage (communications)						3	2		1		6
Sabotage (RR lines)											
Sabotage (roads)										1	1
Sabotage (bridges)											
Strikes (labor)											
Strikes (schools)											

c. 1948 Communist Activities In South KOREA

	JAN	FEB	MAR	APR	1st 28 Days in MAY*	TOTAL
Attacks on towns	0	0	0	5	72	77
Attacks on police	0	130	118	50	33	331
Police killed	0	53	20	15	32	100
Rioters killed	1	74	75	70	141	361
Non-rioters killed	1	14	14	81	134	244
Disorders, demonstrations, arson & attacks on rightist offices & homes	6	118	69	126	170	489
Attacks on government buildings	0	9	14	2	8	33
Sabotage (communications)	14	53	58	32	56	213
Sabotage (RR lines)	1	12	6	6	8	27
Sabotage (RR locomotives)	0	50	0	0	24	74
Sabotage (roads)	0	13	5	2	4	24
Sabotage (bridges)	0	6	9	5	4	24
Strikes (labor)	0	14	6	3	14	37
Strikes (schools)	0	7	5	4	9	25
Attacks on registration & election booths	0	0	0	58	68	126

* Incomplete

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C. WAR POTENTIAL1. South Korean Economya. Economic Review

Electric Power: Since the suspension of electrical power delivery from North KOREA on 14 May, power generation in South KOREA has been stepped up to an average of about 65,000 KW, with power output approaching 75,000 KW during peak periods. While this supply of power is adequate to meet South KOREA's most urgent requirements, it does not meet industrial needs. Many factories have been forced to halt or sharply curtail production.

Power available for residential lighting is very limited; consequently, kerosene and candles are in great demand.

Standard Daylight-Saving Time will be in effect in South KOREA from 2400 hours 31 May to 2400 hours 22 September. The one-hour advance in time is part of a power conservation campaign now being conducted.

Wages of SKIG employees are to be increased by fifty per cent, on the average, on 01 June. This action is expected to lessen the disparity between government wage and the controlled price of rice, which, at present, is approximately 80 times the 1937 price. Actual increases will range from 130 per cent for high salaried administrators to 25 per cent for lowest paid employees.

National Land Administration: During the first two months following the establishment of the NLA, on 22 March, 318,000 of the total 588,000 vested farms were sold to tenant operators. It is estimated that over 90 percent of all vested farms will be sold by 01 July. The sales program has encountered and overcome various minor difficulties, including unsuccessful communist attempts to promote buyer strikes, communist intimidation of NLA employees, and attempts of a few rightists politicians to have farms sold to their friends rather than to eligible tenant farmers. Despite such obstructionism, however, the sales program is progressing successfully.

Finance: The final report on the withdrawal of Japanese-feature Bank of Chosun 100-won notes indicates that 6,681, 508,000 won were exchanged for new notes, leaving a balance of approximately 534,000,000 won unredeemed. It is assumed that a large percentage of the latter amount remains in North KOREA and CHINA. At a later date this sum will be deducted from the SKIG overdraft and removed from the Bank of Chosun note circulation figure. The unadjusted circulation figure on 17 May was 28,663,265,054 won, representing an increase of almost 400,000 million won since 01 May 1948 and indicating that the seasonal decline which began in January may have run its course.

Public Utility Rates: In pursuance of SKIG policy to increase charges for public services in order to cover cost of operations, telephone, telegraph and water rates were increased. Telephone rates were increased from 53 to 81 times 1937 charges and telegram rates were increased 105 times over 1937 charges. Resulting increases in revenue are expected to permit better maintenance of communications facilities, and at the same time enable the Department of Communications to balance its budget for the current fiscal year.

Water rates for the City of SEOUL were increased from 35 to 80 times 1937 rates. Permanent Water Boards have been established in other cities to study water system and rates, and are authorized to increase rates up to a maximum of 80 times 1937 rates if justified by production and maintenance costs. With the adoption of these increases, rate structures of almost all major utilities will be brought into approximate line with present controlled price levels, averaging from 80 to 100 times above the level of 1937.

b. Cost-of-Living

Cost-of-living items* in SEOUL, showed a slight overall increase during the period 17-22 May. The price of rice increased approximately 120 won per small mal during the week of 22-28 May.

* Cost-of-Living Items Checked (17-22 May)

± Polished rice	Matches	± Flannelette
± Barley	Beef	± Kwang-nok (cloth)
Wheat	Pork	± Silkmnyungju (cloth)
± Soybeans	Eggs	± Silk seoksoo (cloth)
± Red beans	± Korean cabbage	Cotton socks
± Dried nyungtai (fish)	- Radish	Anthracite
Soy sauce	± Rubber shoes	Firewood
± Sugar	Laundry soap	Charcoal
- Salt		

± Increased

- Decreased

Rice Price Summary (Monthly Averages)

Unit: Won per small mal (16.67 lbs)

	<u>JAN</u>	<u>FEB</u>	<u>MAR</u>	<u>APR</u>	<u>28 MAY</u>
SEOUL	743	746	707	655	850
KANGWON DO	791	860	772	750	
CHUNGCHONG PUKTO	586	657	654	600	
CHUNGCHONG NAMDO	630	662	613	576	
KYONGSANG PUKTO	541	550	502	550	
KYONGSANG NAMDO	650	707	650	640	
CHOLLA PUKTO	608	608	550	566	
CHOLLA NAMDO	558	575	508	541	
CHEJU DO	733	680	617	740	
AVERAGE	648	676	619	659	

Source -- National Price Administration, SKIG

2. Populationa. Surrendered and Disarmed -- No change: 179,376b. Progress of Repatriation -- This Period To Date

Japanese Civilians Arriving from
N of 38° N'KOREA, CHINA and MANCHURIA 0 288,529

Japanese Evacuated to JAPAN 0 883,995

Total Koreans Returning 3,210* 2,109,139

Total Repatriates Moved Since 15 Aug 45 2,993,792

c. Koreans Apprehended While Attempting Illegal
Entry to JAPAN 23,717

*Incomplete report

D. PSYCHOLOGICALThe Press

Formation of the National Assembly was heralded by the moderate SEOUL SHIN MUN (Seoul Daily News) as "the first step to Korean independence" and "one of the greatest events in the history of the world." The remainder of this editorial dwelled upon the strength of "a certain party" (meaning the HANKOOKS) which is endeavoring to "dominate the new assembly." The editor warned that a "super party" would result in national disintegration. The results of the election, it was stated, showed that the people do not want the autocratic rule of a "certain party."

HAN SUNG ILBO --- owned by SKIG's middle-of-the-road Civil Administrator, AHN Chai Hong, asserted that despite the fact that the HDP "best supported the UN decision on KOREA," that party failed in achieving an "overwhelming victory" in the election. "HDP (HANKOOK) candidates ran for election in every district," said HAN SUNG, "but many of their candidates received few votes in spite of the backing of millions of won.... This proves that the people are highly disciplined politically and are unwilling to be subjugated by power and money." The paper predicted that "team-work" on the part of the independent assemblymen would defeat the ambitions of the HANKOOK DEMOCRATIC PARTY.

Communist-line newspapers continued their attacks upon the South Korean administration and U.S. aims in KOREA. Still adhering to selective "reporting" rather than pure editorializing, SYN MIN ILBO (New People's Daily) carried an article entitled "America is Trying To Make KOREA A Colony." Reportedly, the views expressed in the article were those of the PEOPLE'S REPUBLIC PARTY (a communist party headed by KIM Won Bong).

According to this party, reported the SYN MIN ILBO, the SOVIET UNION has consistently shown a "faithful and friendly attitude in seeking a democratic, unified KOREA.... This freedom and unification could be achieved quickly if the U.S. would consent to the withdrawal request contained in the document drawn up recently by the conferees in PYONGYANG.... Continued occupation of KOREA profanes and slanders a written petition which expresses the will of all the Korean people.... South Korean puppets maintain that even if the Soviet troops are withdrawn, U.S. forces will remain and will cooperate in the preparations for an expedition to the North.... Thus foreign imperialism is trampling the will and denying the rights of the Korean people ... while establishing a puppet government to accomplish its policy of colonization and enslavement."

Both the OORI SHIN MUN (Our Press) and the SYN MIN ILBO devoted considerable space to the "forced, reactionary" election in South KOREA. The latter paper, however, has concentrated more on rubbing in the brine of "colonization and imperialism." On 26 May the SYN MIN ILBO attacked the "brutal policy" of the UNITED STATES which ignores the "proper request of joint withdrawal" and persists in assuring the UNITED STATES a firm grip over half of KOREA. Under the pretext of protecting the future government, the U.S. has already made plans to "interfere with the political and economic affairs of KOREA," stated this paper.

E. SABOTAGE & ESPIONAGE

One major item of sabotage occurred at 280230 May when a group of thugs set fire to a telephone exchange near YONG DONG PO (991-1638). The building and equipment were destroyed.

Telephone wires were again cut near WIMI (964-1123) on CHEJU DO on 20 May.

Two agents were apprehended during the period. One was a member of the NORTH KOREA LABOR PARTY who was spreading propaganda in KUNSAN (972-1452). The other agent was reportedly sent to South KOREA by a Soviet officer. His mission was to gather military information and sample public opinion.

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