

Table 1. Income and Expenditures of the Department of Transportation, South Korea, April 1946-November 1947 (thousands of won)

<u>Period</u>	<u>Government subsidy</u>	<u>Revenue</u>	<u>Expenditures</u>
<u>1946</u>			
Apr	97,696	31,855	35,946
May	90,248	80,400	85,193
Jun	0	70,599	108,824
Jul	127,990	44,218	164,107
Aug	161,211	57,668	128,173
Sep	0	48,049	87,733
Oct	147,904	69,801	171,673
Nov	0	107,960	177,181
Dec	98,306	143,208	212,431
<u>1947</u>			
Jan	0	204,319	201,004
Feb	0	181,982	147,329
Mar	12,500	345,502	277,718
<u>F/y total</u>	<u>735,855</u>	<u>1,385,561</u>	<u>1,797,312</u>
		(151,870) <u>a/</u>	
		1,233,691 <u>b/</u>	
Apr	0	187,146	42,159 <u>c/</u>
May	0	300,362 <u>c/</u>	144,222 <u>c/</u>
Jun	0	272,221	223,473 <u>c/</u>
Jul	0	290,016	255,434 <u>c/</u>
Aug	0	307,738	347,947
Sep	0	329,583	410,965
Oct	0	391,984	365,766
Nov	0	308,267	322,630

a/ 151,870,000 won were deducted from the fiscal year total to correct the effects of duplicate accounting (normal accounts and inventory accounts). It is not possible to allocate this adjustment to the monthly data.

b/ Corrected fiscal year total.

c/ Adjusted for transactions applicable to previous fiscal year and for cash on hand.

SOURCE: Department of Transportation.

Table 2. Income and Expenditures of Railroads in South Korea
 April 1946-November 1947 ^{a/}
 (thousands of won)

Period	Receipts				Expenditures
	Total	Passenger	Freight	Other	
<u>1946</u>					
Apr	31,566	29,061	1,064	1,442	NA
May	80,253	72,359	6,552	1,342	NA
Jun	70,430	62,939	6,250	1,241	NA
Jul	44,473	39,508	3,923	1,042	NA
Aug	57,644	47,690	8,121	1,832	NA
Sep	48,045	39,907	6,405	1,734	NA
Oct	46,123	38,561	5,285	2,277	NA
Nov	88,458	79,719	6,256	2,483	NA
Dec	117,678	104,900	8,440	4,338	167,392
<u>1947</u>					
Jan	161,719	151,229	7,205	3,285	167,117
Feb	174,441	161,794	8,458	4,189	119,634
Mar	270,911	248,684	15,931	6,295	220,069
F/y total	1,191,741	1,076,351	83,890	31,500	NA
Mo. av.	99,312	89,696	6,991	2,625	NA
Apr	219,448 ^{b/}	203,785 ^{b/}	9,163 ^{b/}	6,500 ^{b/}	278,165
May	299,009	279,548	11,173	8,288	213,738
Jun	270,579	257,329	8,315	4,935	211,734
Jul	288,275	269,347	12,146	6,782	233,809
Aug	305,625	277,042	22,580	6,003	321,197
Sep	324,460	300,612	17,449	6,398	357,340
Oct	385,173	356,644	21,406	7,122	323,823
Nov	298,485	276,524	15,889	6,075	292,791

^{a/} Due to rounding, totals do not represent exact sums of items shown.

^{b/} Includes revenue in thousands of won from previous fiscal year as follows: total, 34,620; passenger, 24,563; freight, 6,811; other, 3,246.

SOURCE: Department of Transportation.

5. The amount of freight moved by the railroad during November was 25,000 metric tons below that of the previous month (table 3). 17 per cent less civilian supply material was carried than during October. This decrease in freight traffic was also evident in the number of freight cars moved and the decreased activities at the three leading terminals (tables 4 and 5).

Equipment

6. Less than 38 per cent of the locomotives in South Korea were operable during November (table 6).

Table 3. Passenger Traffic on Railroads in South Korea
April 1946-November 1947
(thousands of persons)

Period	Fiscal years a/		Railroad employees
	1946/47	1947/48	
Apr	3,477	5,144	
May	5,222	6,453	1,075
Jun	3,345	5,687	948
Jul	2,789	5,556	926
Aug	3,733	6,359	1,060
Sep	3,687	7,106	1,008
Oct	3,996	8,517	1,420
Nov	5,590	6,210	947
Dec	4,828		
Jan	3,560		
Feb	3,735		
Mar	4,957		
F/y 1946/47			
Mo. average	4,076		

a/ Figures include railroad employees, but previous to May 1947 no breakdown was available.

SOURCE: Department of Transportation.

Table 4. Loaded Freight Cars and Tonnage Moved by Railroads, South Korea, April 1946-November 1947

Period	Total freight tonnage (m/t)	Freight cars moved a/				
		Total	U. S. military	Rail-roads	Civilian supply program b/	Korean freight
<u>1946</u>						
Apr	NA	4,981	1,412	NA	65	3,504
May	213,344	11,500	2,100	NA	150	9,230
Jun	213,415	10,907	2,018	NA	87	8,802
Jul	190,929	9,147	2,347	NA	106	6,694
Aug	248,461	14,339	2,071	NA	263	11,405
Sep	152,494	9,131	1,623	NA	152	7,366
Oct	171,258	6,116	1,460	NA	211	4,445
Nov	251,190	10,491	1,538	NA	987	7,956
Dec	291,293	9,288	1,544	NA	1,241	6,303
<u>1947</u>						
Jan	347,304	14,188	1,991	NA	2,710	9,557
Feb	330,625	13,169	2,097	NA	4,692	6,300
Mar	408,830	15,706	2,529	NA	4,476	8,701
F/y total	2,819,143 c/	128,963	22,730	NA	15,140	90,263
Mo. av.	256,286 c/	10,747	1,894	NA	1,262	7,522
Apr	426,510	17,514	3,234	3,078	3,963	7,239
May	450,226	17,571	3,364	3,782	2,257	8,168
Jun	424,180	17,226	3,545	3,364	3,255	7,062
Jul	378,700	15,675	3,155	2,537	2,611	7,372
Aug	343,820	15,174	3,316	2,632	2,339	6,887
Sep	391,151	15,659	3,258	2,822	2,966	6,613
Oct	465,832	18,513	3,344	3,057	4,640	7,472
Nov	445,774	16,678	2,745	2,663	3,841	7,429

a/ The 1946 figures are being revised as they reflect fiscal reporting whereas the 1947 figures are on an operational basis.

b/ Represents movement of freight cars carrying goods for import or export under Civilian Supply Program.

c/ Total and average of available figures.

SOURCE: Department of Transportation.

Table 5. Loaded Freight Cars Moving In and Out of Three Leading Terminals of South Korea, May-November 1947

Period	Location of terminal							
	Seoul		Pusan		Inchon		Total	
	In	Out	In	Out	In	Out	In	Out
May	3,377	1,356	658	4,697	509	2,518	4,544	8,571
June	3,705	1,589	579	4,628	583	2,265	4,867	8,482
July	3,539	1,574	748	4,000	546	2,217	4,833	7,791
August	3,158	1,468	516	3,585	623	2,201	4,297	7,254
September	3,735	1,632	771	4,293	546	2,120	5,052	8,045
October	4,208	1,311	881	5,426	558	2,245	5,647	8,982
November	4,535	1,319	910	5,236	469	1,969	5,914	8,524

SOURCE: Department of Transportation.

Table 6. Number of Locomotives in South Korea 10 November 1946-1 December 1947

Date of census	Total number	Operative	Non-operative	
			Number	Percent
10 November 1946	544	240	304	55.9
10 December 1946	544	217	327	60.1
15 March 1947	544	182	362	66.6
1 April 1947	545	208	337	61.8
15 April 1947	556	214	342	61.5
1 May 1947	571	224	347	60.8
15 May 1947	580	340	340	58.6
18 June 1947	617	271	346	56.1
4 July 1947	617	272	345	55.9
15 July 1947	617	268	349	56.6
1 August 1947	622	257	365	58.7
15 August 1947	625	266	359	57.4
1 September 1947	628	256	372	59.2
15 September 1947	636	268	368	57.9
1 October 1947	637	286	351	55.1
15 October 1947	643	288	355	55.2
1 November 1947	647	282	365	56.4
15 November 1947	650	270	380	58.5
1 December 1947	650	248	402	61.8

SOURCE: Department of Transportation.

Table 7. Railroad Engine Days and Engine Kilometers Operating in South Korea, April 1946-November 1947

Period	Engine days	Engine Kilometers (thousands)				
		Total	Passenger	Mixed	Freight	Switching
<u>1946</u>						
Apr	4,754	841	204	39	402	196
May	5,846	1,067	257	110	463	237
Jun	5,308	958	268	96	350	244
Jul	4,374	768	215	77	280	196
Aug	5,767	1,088	361	115	369	243
Sep	4,444	816	278	78	280	180
Oct	5,936	666	204	83	234	145
Nov	5,005	929	269	109	369	182
Dec	5,302	1,019	287	103	420	209
<u>1947</u>						
Jan	5,328	1,027	250	96	479	202
Feb	5,363	991	239	58	499	195
Mar	6,171	1,126	239	67	598	222
F/y total	63,598	11,296	3,071	1,031	4,743	2,451
Mo. average	5,300	941	256	86	395	204
Apr	6,224	1,143	237	96	583	227
May	7,117	1,275	307	109	626	233
Jun	7,335	1,286	309	100	649	228
Jul	7,208	1,283	314	106	627	236
Aug	7,234	1,284	320	105	614	245
Sep	7,139	1,290	309	98	648	235
Oct	7,719	1,430	328	104	752	246
Nov	6,946	1,235	238	94	658	245

SOURCE: Department of Transportation.

7. The back shops at Seoul and Pusan turned out fewer repaired locomotives, passenger cars and freight cars in November due to the scarcity of parts mentioned in paragraph 6 (table 8).

8. The Bureau received one new Derio locomotive from Japan.

Table 8. Rolling Stock Repaired in Seoul and Pusan Back Shops October-November 1947 and November 1946

Back shop	Locomotives			Passenger cars			Freight cars		
	1947		1946	1947		1946	1947		1946
	Oct	Nov	Nov	Oct	Nov	Nov	Oct	Nov	Nov
Seoul	22	13	10	20	11	9	202	150	111
Pusan	5	10	10	4	5	16	34	29	45
Total	27	23	20	24	16	25	236	179	156

SOURCE: Department of Transportation.

Employment

9. Employment in the Bureau of Rail Transportation declined somewhat for November (table 9). However, the amount of won paid for salaries and wages rose. This did not result from an increase in individual wages but came from a reclassification of expenses. When a contract is let supervisory help is provided by the department and carried under contractual costs until such time as the work is complete. The salaries of these people do not appear as wages until the contract is completed and then it is recorded as a salary cost. That is what happened during November.

Table 9. Employment and Wages in Railroads in South Korea
April 1946-November 1947

<u>Period</u>	<u>Number of employees</u>	<u>Total wages paid (thousands of won)</u>	<u>Average monthly wages per employee (won)</u>
<u>1946</u>			
Apr	34,885	28,338	812
May	37,670	44,238	1,174
Jun	37,430	44,480	1,188
Jul	37,852	54,225	1,433
Aug	37,835	55,392	1,463
Sep	37,340	55,957	1,499
Oct	35,445	73,319	2,069
Nov	34,384	57,978	1,686
Dec	32,951	77,320	2,347
<u>1947</u>			
Jan	32,763	77,017	2,351
Feb	32,994	80,687	2,446
Mar	32,851	82,413	2,508
Mo. av.	35,366	61,114	1,728
Apr	32,575	86,495	2,655
May	32,442	84,738	2,612
Jun	32,724	84,969	2,596
Jul	34,033	92,042	2,704
Aug	33,957	196,659 a/	5,850
Sep	33,635	111,933	3,327
Oct	33,561	115,723	3,448
Nov	33,464	128,582	3,842

a/ Includes retroactive wage payments back to 1 April 1947.

SOURCE: Department of Transportation.

Coal

10. Less coal was burned by the Railroads during November than October (table 10). (see Mining and Mineral Section) This was directly resultant from the decreased rail activities for the month.

11. The first 500 ties were creosoted at the Taejon Creosoting Plant but due to the power shortage and the lack of briquettes production was curtailed.

Table 10. Coal Consumption by Railroads in South Korea
 April 1946-November 1947

<u>Period</u>	<u>Total coal consumed</u>	<u>Passenger</u>	<u>Mixed</u>	<u>Freight</u>	<u>Switching</u>	<u>Engine houses shops</u>
F/y 1946/47						
Apr	44,034	9,394	1,753	21,650	3,867	7,370
May	53,868	13,239	4,510	21,732	6,341	8,046
Jun	41,776	10,696	3,172	15,743	5,684	6,481
Jul	36,460	6,592	2,868	14,017	4,883	8,100
Aug	46,583	13,940	3,071	15,549	6,220	7,803
Sep	39,849	11,622	2,497	12,302	4,973	8,455
Oct	36,252	9,998	3,038	11,631	4,780	6,805
Nov	47,536	12,585	4,047	17,849	6,105	6,950
Dec	52,592	12,586	3,788	22,177	7,218	6,823
Jan	55,072	12,925	4,763	22,638	7,073	7,673
Feb	54,292	12,420	2,988	24,577	6,855	7,452
Mar	59,079	11,863	3,303	28,904	7,355	7,654
F/y 1947/48						
Apr	58,454	11,684	3,720	27,826	7,620	7,604
May	60,657	13,991	4,234	27,962	7,353	7,117
Jun	58,182	13,317	3,665	27,413	7,284	6,503
Jul	56,573	13,302	3,623	26,369	7,248	6,031
Aug	55,139	13,636	3,347	25,071	7,074	6,011
Sep	57,331	13,298	2,993	27,712	6,064	7,264
Oct	62,520	14,185	3,261	30,943	7,682	6,449
Nov	61,120	11,606	3,343	31,653	7,954	6,564

SOURCE: Department of Transportation.

The Pusan Creosoting Plant produced 7,747 ties shipped 3,170 ties and has a balance of 10,119 on hand.

12. Due to the critical shortage of power and the shortage of pitch supplied to the Briquette factories and oxygen plants, there has been a definite decrease in the production of these factories which supply the department with critical items. The factories work nights when there is more power for the operation of their plants. Power in Pusan is being diverted from the less essential plants to those plants supplying castings and oxygen to the Department.

13. A visit was made to the Seoul Pitch Plant at Yongdongpo where briquette are manufactured. Action was taken to immediately step up production and a report was submitted regarding the amount of time lost due to electric power failures. An attempt will be made to obtain sufficient power to allow the manufacture of 12,000 tons of briquettes.

14. An inspection was made of the creosote plant at Agasaki and it was found to be in good condition and turning out two thousand (2,000) creosoted cross ties per day when power is available. Thirteen thousand one hundred seventy (13,170) creosoted cross ties were shipped from Agasaki during December.

MARINE TRANSPORTATION

Income and Expenditures

15. The operations of the Bureau of Marine Transportation continued to expand during November as evidenced by the increased revenue reported for that month (table 11). Part of the 44 per cent increase in marine income, however, is due to the fact that manifests for voyages completed in months previous to November were turned in increasing the revenue for the month.

Table 11. Income and Expenditure of Marine, Highway and Air Transportation in South Korea, April 1947-November 1947

Month	Income			Expenditure		
	Marine	Highway	Air	Marine	Highway	Air
Apr	0	0	0	2,377,527	510,067	47,359
May	5,531	0	0	5,228,327	1,120,507	162,061
Jun	7,626	0	0	10,317,745	1,078,618	342,376
Jul	2,940	0	0	20,657,590	660,424	307,682
Aug	473,430	0	0	25,406,607	977,816	365,403
Sep	189,936	0	0	51,850,703	1,293,243	481,755
Oct	4,851,960	0	0	39,913,242	1,619,994	409,631
Nov	6,968,051	0	0	28,835,024	727,011	277,420

SOURCE: Department of Transportation.

16. Expenditures for November for the Bureau of Marine Transportation showed a decrease (table 11). This was due primarily to the accounting practices of the Bureau. Expenses are paid through outlying accounts i.e. ships are supplied at Pusan and the bills for the supplies are paid there. However, no record of these expenditures appear in the monthly expense statements until the bills are submitted to the Seoul office. They are sent up at one time and then appear as outlays for the month in which the bills arrive. This causes some months' expenditures to be way above others. At the National level, bills are also recorded as expenditures in the month they are paid, not as outlays for the month in which the actual buying or spending occurs. Thus, a lapse of several months may occur before a bill is posted.

Employment

17. Employment in the Bureau increased somewhat (table 12). The greater number of seamen on the payroll accounted for the rise.

18. A meeting was held with the Provincial Food Service at Pusan and arrangements were made to supply ships on the 1st of January 1948, with a total of 45 days food supply. Every thirty days a requisition will be submitted to the Provincial Food Service to replenish the depleted stock. This arrangement should keep ships with sufficient food on hand to make almost any trip in Korean waters and therefore they will not run out of food as they have in the past. However, this arrangement will not prevent the Supply Section at Pusan from calling upon the Provincial Food Service people for additional supplies at any given period or date.

Table 12. Employment in the Bureaus of Marine, Highway and Air Transportation in South Korea, April 1947-November 1947

<u>Period</u>	<u>Marine</u>	<u>Highway</u>	<u>Air</u>
Apr	1,554	252	41
May	963	82	41
Jun	1,296	85	43
Jul	1,745	77	42
Aug	1,937	77	41
Sep	2,056	73	33
Oct	2,241	70	33
Nov	2,849	69	33

SOURCE: Department of Transportation.

HIGHWAY AND AIR TRANSPORTATION

19. Expenditures for both the highway and air sections decreased greatly (table 11). The fluctuations which occur are partly due to the accounting techniques employed by the Bureaus.

SUPPLY SECTION

20. Expedited the loading and unloading of 1,000 tires from Japan to the Korean Automobile Supply Company of Seoul together with two car loads of automotive supplies. These supplies will be used mainly for the rice collection program.

SECTION 2 COMMUNICATIONS

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GENERAL

1. The Department of Communications is primarily a service agency which performs the functions of a post office, provides telephone and telegraph service and handles various banking functions.

REVENUE AND EXPENDITURES

Revenue

2. Receipts for the Department of Communications for November increased 18 per cent over October (table 1). The following variations in receipts from the October figures were noted:

<u>Item</u>	<u>Increase</u>	<u>Decrease</u>
	<u>(millions of won)</u>	
Postage stamps		.8
Postal fees		.4
Radio and telegraph		.3
Telephone	7.3	
Insurance		.3
Miscellaneous	.9	—
Total	8.2	1.8
Net increase	6.4	

3. Postage Stamp and Postal Fees income declined in November due to a lower volume of sales recorded. This is no doubt a reflection of the higher rates in effect since 1 October 1947. However, Postage Stamp sales are still one million won above the September figure (table 1).

4. The 400,000 won decrease in Radio and Telegraph and the 300,000 won decrease in Insurance returns may be regarded as the usual seasonal fluctuations.

5. Telephone income rose 7.3 million won because an accumulation of bills were paid since the increased telephone rates went into effect. From Pusan alone some 9,900,000 won were received.

Table 1. Revenue Collected by the Department of Communications,
South Korea, October 1945–November 1947 ^{a/}
(thousands of won)

Period	Total	Stamps b/	Postal cards	Tele- graph	Tele- phone	Insur- ance c/	Misc.
<u>1945</u>							
Oct	2,276	60	15	274	1,483	440	3
Nov	3,842	90	16	70	724	2,855	85
Dec	3,050	103	24	49	147	2,715	13
<u>1946</u>							
Jan	4,784	140	23	54	135	4,425	7
Feb	10,149	277	27	145	5,254	4,439	8
Mar	11,114	371	50	651	317	9,693	33
Last half							
F/y 1945/46	35,215	1,042	154	1,243	8,060	24,567	149
Mo. average	5,869	174	26	207	1,343	4,094	25
Apr	6,885	485	34	113	627	5,618	8
May	9,704	874	55	65	2,006	6,694	10
Jun	24,100	583	30	101	732	22,485	169
Jul	6,137	532	19	43	846	4,694	3
Aug	6,126	926	32	165	508	4,083	412
Sep	6,596	1,721	142	331	1,188	3,172	42
Oct	9,073	1,048	377	161	2,292	5,187	8
Nov	7,589	2,484	193	413	4,387	63	49
Dec	9,218	2,181	79	428	1,341	5,170	19
<u>1947</u>							
Jan	5,068	2,357	95	494	2,056	54	13
Feb	17,814	2,425	58	370	7,066	6,282	1,613
Mar	19,738	3,812	551	733	4,257	10,033	352
F/y 1946/47	128,048	19,429	1,666	3,417	27,304	73,535	2,697
Mo. average	10,671	1,619	139	284	2,275	6,128	225
Apr	10,315	2,508	66	306	7,418	NA	16
May	19,809	3,148	77	55	10,201	6,231 ^{d/}	97
Jun	19,206	2,856	426	166	10,199	5,468	91
Jul	33,851	2,136	57	258	22,761	5,465	3,174
Aug	31,928	2,104	331	113	22,073	7,218	88
Sep	35,663	2,576	161	134	12,498	7,879	12,416
Oct	35,300	4,180	1,201	974	22,249	6,620	77
Nov ^{e/}	41,741	3,338	828	663	29,604	6,366	942

^{a/} Due to rounding, totals do not represent exact sums of items shown.

^{b/} Previous to April 1947, revenue for stamps included returns from stamps purchased for payment of telephone and telegraph bills.

^{c/} Gross income, reserves not deducted.

^{d/} Includes April 1947 income.

^{e/} Preliminary.

SOURCE: Department of Communications

6. The rise in Miscellaneous income may be accounted for as follows: When telephone bills become overdue delinquent notices are sent out by the local telephone agencies. The costs involved in this action are borne by the subscriber in that his bill is increased by this amount. This is the source of the larger part of the Miscellaneous income for November. Occasionally when certain equipment becomes ready for salvage, or is received in unserviceable condition, a public sale of such items is held and the proceeds from the sale are reported as Miscellaneous income. Several such sales were held during November.

Expenditures

7. Expenditures for the Department of Communications continued to rise in November (table 2). The total increase amounted to 8 million won. The principal outlays were under the heading of Travel and Transport, Supplies and Maintenance, and Interest. These rose 2.5 million, 2 million and 4.5 million won respectively.

Table 2. Budgetary Expenditures, Department of Communications, South Korea
January 1946-November 1947, by Types a/
(thousands of won)

<u>Period</u>	<u>Total</u>	<u>Personal services (salaries & wages)</u>	<u>Travel and transport</u>	<u>Supplies and maintenance</u>	<u>Building and land costs</u>	<u>Interest</u>	<u>Other</u>
Last half							
F/y 1945/46	128,774	101,309	2,672	16,155	1,761	b/	6,876
<u>1946</u>							
Apr	2,595	39	37	1,430	36	b/	1,053
May	36,660	30,250	778	4,747	48	b/	837
Jun	26,895	19,824	696	3,651	472	b/	2,250
Jul	30,567	22,915	1,630	3,748	496	b/	1,778
Aug	47,356	39,820	1,389	4,298	498	b/	1,350
Sep	32,123	20,553	1,298	5,155	40	b/	5,077
Oct	51,268	34,997	2,123	7,757	414	b/	5,977
Nov	44,547	30,499	715	7,698	1,918	b/	3,718
Dec	99,806	24,162	2,271	54,810	4,190	11,619	2,754
<u>1947</u>							
Jan	78,589	23,793	1,728	52,365	242	b/	462
Feb	28,177	23,437	2,090	964	1,339	b/	346
Mar	134,895	57,301	8,982	33,445	8,845	16,478	9,845
Total							
F/y 1946/47 ^{c/}	605,851	327,590	23,738	173,023 ^{c/}	17,958 ^{c/}	28,097	35,447
Apr	44,292	37,697	1,278	5,215	23	b/	79
May	47,283	38,616	951	6,874	842	b/	b/
Jun	50,133	37,733	1,211	9,350	1,681	b/	158
Jul	42,891	36,964	1,542	3,929	222	b/	233
Aug	42,526	37,390	1,388	3,628	121	b/	b/
Sep	74,191	33,583	3,291	33,308	517	3,000	492
Oct	80,369	40,319	12,261	27,129	660	b/	1
Nov ^{d/}	88,674	38,906	14,809	29,451	746	4,500	262

a/ Due to rounding, totals do not represent exact sums of items shown.

b/ No expenditures reported.

c/ 7,627,000 won disallowed and totals adjusted.

d/ Preliminary.

SOURCE: Department of Communications.

The 2.5 million won increase in Travel and Transport expenditures resulted from the handling charges incident to moving and storing large numbers of telephone poles and from the per diem paid to the line crews setting and repairing these telephone poles (see November SKIG ACTIVITIES, Communications). The larger expenditures noted for Supplies and Maintenance were due to the payment of accumulated lots of printing bills by the local post offices. Many of these bills covered obligations from the entire first half of the fiscal year. There was also a slight advance in monies expended for equipment but this was a more or less normal rise at this time of year. The 4.5 million won listed as Interest is paid on postal deposits.

8. Along with the above increases was a one million won decrease in Personal Service (wage and salaries) costs. The significance of this is not yet apparent.

EMPLOYMENT

9. Employment in the Department of Communications increased by 17 persons during November (table 3). The rise occurred in Telephone and Telegraph sections.

Table 3. Number of Employees in Department of Communications by Field of Work, South Korea, January 1946-November 1947

<u>Period</u>	<u>Total</u>	<u>Tele- phone</u>	<u>Tele- graph</u>	<u>Wireless & Radio</u>	<u>Postal</u>	<u>Savings</u>	<u>Insur- ance</u>	<u>Others</u>
<u>1946</u>								
Jan	22,346	3,240	1,675	223	6,703	2,659	4,894	2,952
Feb	21,927	3,179	1,644	219	6,577	2,609	4,801	2,898
Mar	22,499	3,262	1,687	224	6,750	2,677	4,927	2,972
Apr	21,998	3,190	1,649	219	6,599	2,618	4,818	2,905
May	21,554	3,125	1,617	215	6,466	2,565	4,720	2,846
Jun	21,131	3,064	1,585	211	6,339	2,515	4,628	2,789
Jul	21,077	3,056	1,581	210	6,323	2,508	4,616	2,783
Aug	20,725	3,005	1,554	207	5,218	2,466	4,539	2,736
Sep	20,585	2,985	1,544	205	6,176	2,450	4,508	2,717
Oct	20,171	2,925	1,513	201	6,051	2,400	4,417	2,664
Nov	20,040	2,906	1,503	200	6,012	2,385	4,389	2,645
Dec	19,249	2,791	1,444	192	5,775	2,291	4,216	2,540
<u>1947</u>								
Jan	18,867	2,736	1,415	188	5,660	2,245	4,132	2,491
Feb	18,602	2,697	1,395	186	5,581	2,214	4,074	2,455
Mar	18,300	2,654	1,373	183	5,490	2,178	4,000	2,414
Apr	17,922	2,509	1,344	179	5,376	2,132	3,925	2,457
May	17,867	2,501	1,340	178	5,360	2,126	3,912	2,450
Jun	17,742	2,483	1,330	177	5,322	2,111	3,885	2,434
Jul	17,720	2,480	1,329	174	5,321	2,110	3,877	2,429
Aug	14,080	2,480	1,329	174	5,321	2,102	1,051	1,623
Sep	13,715	2,480	1,319	171	5,016	2,067	1,051	1,611
Oct	13,687	2,470	1,319	171	5,016	2,057	1,046	1,608
Nov	13,704	2,480	1,325	171	5,016	2,057	1,046	1,609

SOURCE: Department of Communications.

Table 4. Government Income Turned Over to the Department of Finance
by the Department of Communications, South Korea
October 1945--November 1947 ^{a/}
(thousands of won)

<u>Period</u>	<u>Revenue stamps</u>	<u>Taxes</u>	<u>Total</u>
<u>1945</u>			
Oct	b/	16,576	16,576
Nov	b/	1,661	1,661
Dec	2,894	33,513	36,407
<u>1946</u>			
Jan	c/	31,843	31,843
Feb	c/	34,568	34,568
Mar	2,891	77,914	80,805
Total last half F/y 1945/46	5,786	196,075	201,861
Mo. average		32,679	33,643
Apr	117	86,896	87,012
May	81	112,121	112,201
Jun	49	97,028	97,077
Jul	37	94,669	94,707
Aug	163	134,919	135,082
Sep	769	148,407	149,176
Oct	4,520	138,511	143,031
Nov	11,641	149,029	160,670
Dec	18,318	242,530	260,847
<u>1947</u>			
Jan	13,198	213,053	226,251
Feb	14,854	295,524	310,378
Mar	30,301	350,727	381,028
Total F/y 1946/47	94,047	2,063,414	2,157,461
Mo. average	7,837	171,951	179,788
Apr	16,942	298,512	315,454
May	29,367	292,747	322,114
Jun	23,751	278,659	302,410
Jul	17,838	296,582	314,420
Aug	17,229	369,694	386,823
Sep	22,353	382,945	405,298
Oct	29,741	331,031	360,772
Nov ^{d/}	21,515	308,012	329,527

^{a/} Due to rounding totals do not represent exact sums of items shown.

^{b/} Totaled in December.

^{c/} Totaled in March.

^{d/} Preliminary.

SOURCE: Department of Communications.

SPECIAL FUNCTIONS

10. Total governmental income collected by the Department of Communications for the Department of Finance continued to decline during November (table 4). The November figure was 9 per cent below the October receipts.

POSTAL DEPOSITS AND INSURANCE

11. Total deposits decreased from October to November while the number of depositors rose slightly during the same period in the Postal Deposit system (table 5).

Table 5. Number of Depositors and Amount of won on Deposit in Postal Deposit System of South Korea August 1945-November 1947

<u>Period</u>	<u>Number of depositors</u>	<u>Total deposits (thousands of won)</u>
<u>1945</u>		
Aug	9,757,289	553,049
Sep	9,241,439	871,713
Oct	8,984,458	845,864
Nov	8,672,656	777,144
Dec	8,606,432	737,653
<u>1946</u>		
Jan	7,876,917	717,033
Feb	7,721,737	747,243
Mar	7,694,807	765,360
Apr	7,688,832	763,904
May	7,694,325	769,274
Jun	6,972,265	771,422
Jul	6,973,554	777,767
Aug	6,972,456	780,234
Sep	6,979,591	787,717
Oct	6,969,026	787,328
Nov	6,993,802	799,607
Dec	6,994,597	801,781
<u>1947</u>		
Jan	6,982,763	803,776
Feb	6,984,561	806,246
Mar	6,981,049	810,348
Apr	6,980,404	812,309
May	6,982,843	842,432
Jun	6,986,213	816,088
Jul	6,988,420	843,952
Aug	6,988,804	838,514
Sep	6,990,318	823,592
Oct	6,991,270	834,823
Nov	6,992,884	834,343

SOURCE: Department of Communications.

12. The amount of won on deposit in the Postal Book Transfer system for November was 6 million won above that for the previous month. The above increase in won may be indicative of the general inflationary trend to be seen throughout the economy.

Table 6. Transactions under the Postal Book Transfer System
South Korea
July-November 1947 a/

<u>Period</u>	<u>Depositors</u>	<u>Deposits (won)</u>
Jul	52,452	75,886,449
Aug	52,514	67,923,958
Sep	52,541	73,740,031
Oct	52,559	103,591,940
Nov	53,280	109,146,347

a/ Figures as of the end of the month.

SOURCE: Department of Communications

13. In November the amount of insurance in force in the Postal Insurance system of South Korea was 3 per cent above that for October. Despite this fact, the number of policyholders has been decreasing since April 1947 (table 7).

Table 7. Number of Policies and Monthly Premiums,
National Life Insurance System, South Korea
April-November 1947 a/

<u>Period</u>	<u>Number of policies</u>	<u>Monthly premiums (won)</u>	<u>Amount of insurance (won).</u>
<u>1947</u>			
Apr	5,426,433	8,355,955	1,250,137,434
May	5,406,465	8,503,967	1,273,744,347
Jun	5,381,707	8,847,566	1,293,896,575
Jul	5,378,876	9,740,968	1,445,394,465
Aug	5,357,113	10,051,767	1,504,182,808
Sep	5,336,687	10,162,424	1,517,867,674
Oct	5,331,766	10,386,625	1,556,108,438
Nov	5,325,846	10,462,101	1,609,868,951

a/ Figures given as of the end of the month.

SOURCE: Department of Communications.

TELEPHONE AND TELEGRAPH

14. The total number of telephone messages and revenue in November was slightly below that for October (table 8). However, the revenue figure was still 171 per cent above that for September and reflects the new telephone rate schedule of 1 October.

Table 8. Telephone Messages and Revenue from Telephone Service
South Korea
May-November 1947

<u>Period</u>	<u>Number of messages</u>	<u>Revenue (won)</u>
<u>1947</u>		
May	159,988	3,507,921
Jun	147,643	3,085,031
Jul	136,377	2,675,278
Aug	138,082	3,060,481
Sep	150,177	3,223,679
Oct	153,815	8,824,742
Nov	153,019	8,732,505

SOURCE: Department of Communications.

15. Telegraph revenue remained high although the number of messages sent and received were lower in November than October (table 9).

ACTIVITIES

Communications Bureau

16. An inspection was made of the Seoul Central Telephone Exchange on 2 December to determine the operating condition of the emergency power installation and the length of time this exchange could operate without the city electric power supply. This exchange was originally provided with two sources of emergency power supply: storage batteries and a Diesel Generating Unit. The storage battery installation could maintain this exchange in operation for about twelve hours.

a. The storage batteries appeared to be in fairly good condition although lead lined cell tanks did not permit inspection to determine the amount of sediment at the bottom of the cells.

b. The foundations of the Diesel motor-generator were reported by the power plant attendant to have sunk down, causing the rotors to be badly out of alignment and vibration was reported to be very bad. An attempt was made to start this unit, but it could not be set in operation to determine extent of vibration because of lack of compression in cylinders. This lack of compression is possibly caused by badly worn piston rings. A general overhaul and replacement of parts is required.

17. An inspection was made of the Tong Dai Moon Automatic Branch Telephone Exchange in Seoul on 9 December 1947 to determine operating condition of emergency power installation and length of time this exchange could operate without city

electric power supply. This exchange was originally designed for the installation of two emergency sources of power supply; storage batteries and a gasoline engine driven generating unit. It was reported that the storage battery installation could maintain this exchange in operation for about twenty-four hours. However, it is believed that ten hours is the maximum length of time this exchange could operate on batteries alone. The gasoline engine generating unit is inoperative. This installation was never completed.

18. The Advisor, Department of Communications recommended, that, under competent supervision, the necessary work to complete installation, reconditioning or changes in the emergency generating plant, be accomplished by this exchange's power plant attendants. Also, it was recommended that an emergency electric lighting system be installed, fabricated from material on hand.

19. A conference was held with the Chief, Communications Bureau, in regard to the poor operation of telegraph facilities in Pusan. Mr. Whang advised that the poor operation is a direct result of a high percentage of absenteeism and slothfulness among the operators. Mr. Whang has advised Pusan that the matter must be cleared at once and the present engineer is to be transferred.

20. An "on-th-job" refresher training course for carrier repeater station technicians was conducted at the Seoul Repeater Station 11 to 20 December. Attendance consisted of twenty specially selected technicians from each of the cable and open-wire repeater stations in South Korea. Technicians selected to attend this intensive refresher course were chosen on the basis of previous technical preparation, experience, and probable ability to teach other technicians in the system upon their return to their respective repeater stations. Students selected could, therefore, be considered as key personnel. All students appreciated this opportunity to learn more about their work, especially the practical aspects of carrier station operation, maintenance and trouble shooting.

21. Spot checks of telegraphic transmission shows marked improvement in handling at Central Telegraph Office, but large backlogs exist due to lack of attention at other terminals.

Supply Bureau

22. In compliance with instructions from Chief, Civil Communications Bureau, SCAP, destruction of all Japanese postage stamps has been directed. The total number of stamps (from 1 sen to 5 yen) to be destroyed is approximately 41,000,000 having a value of ¥10,000,000.

23. Ten carbon microphones of Korean manufacture have been received for test.

24. The Supply Section has been requested to replenish the emergency supply of fuel at Osan and Chonan Repeater Stations. Frequent power interruptions have reduced the existing supply to inadequate level.

Table 9. Number of Telegrams by Type and Origin, South Korea
 May-November 1947
 (charge in won)

Period and type	Total	Domestic charge	Service	Total	To Japan charge	Service
May 1947						
Sent	143,679	91,156	52,523	2,505	1,681	824
Received	143,032	95,305	47,727	2,739	1,969	770
Relay	203,693	203,693		9,634	9,634	
Revenue	2,857,638.60			66,102.00		
June 1947						
Sent	137,132	88,370	48,762	2,336	1,739	597
Received	131,299	89,251	42,048	1,868	1,426	442
Relay	183,769	183,769		7,573	7,573	
Revenue	2,737,895.10			60,320.80		
July 1947						
Sent	125,564	78,649	46,915	1,840	1,244	596
Received	120,721	81,801	38,920	2,110	1,624	486
Relay	155,277	155,277		7,415	7,415	
Revenue	2,505,676.15			43,283.50		
August 1947						
Sent	115,261	67,641	47,620	1,579	1,087	492
Received	111,348	71,018	40,330	2,231	1,788	443
Relay	144,210	144,210		6,361	6,361	
Revenue	2,094,750.55			46,860.00		
September 1947						
Sent	114,497	69,534	44,963	2,054	1,370	684
Received	105,136	64,922	40,214	2,611	2,002	609
Relay	154,328	154,328		9,228	9,228	
Revenue	2,328,038.70			53,257.50		
October 1947						
Sent	134,435	81,332	53,103	1,965	1,328	637
Received	127,218	82,343	44,875	2,996	2,399	597
Relay	174,132	174,132		8,882	8,882	
Revenue	4,323,822.00			92,500.00		
November 1947						
Sent	122,715	80,067	42,648	1,775	1,268	507
Received	120,960	83,955	37,005	2,417	1,949	468
Relay	167,890	167,890		8,704	8,704	
Revenue	4,633,551.00			103,438.00		

SOURCE: Department of Communications.

SECTION 3

PUBLIC UTILITIES

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ELECTRICITY

1. The fact that on 25 November 1947, notification was received from North Korea that the amount of electric power utilized from north of 38° parallel must remain within 80,000 KW was mentioned in the November report. Keeping within that limit has been the major problem in respect to electricity during December. At the same time the KWH delivered in South Korea from North Korea dropped sharply in December as did the total delivered (table 1).

Table 1. Electric Power Delivered to South Korea
January 1946 - December 1947
(millions of KWH)

Period	1946			1947		
	Total	Source		Total	Source	
		North of 38°	South of 38°		North of 38°	South of 38°
Jan	57	47	10	66	50	16
Feb	54	44	10	63	54	9
Mar	60	49	11	73	54	19
Apr	51	32	19	62	33	29
May	48	28	20	62	40	22
Jun	52	25	27	62	42	20
Jul	53	25	28	65	32	33
Aug	50	27	23	61	39	22
Sep	54	30	24	64	31	33
Oct	62	45	17	80	55	25
Nov	62	47	15	81	63	18
Dec	63	43	20	68	52	16
Total	666	442	224	807	545	262

SOURCE: Electric Power Division, Department of Commerce.

Emergency Electric Power Board

2. As a consequence of the sudden shortage of electricity an Emergency Electric Power Board was established. The order setting it up was as follows:

a. The Commanding General, United States Army Forces in Korea, recognizing that an emergency shortage of electrical energy presently exists in South Korea and is likely to continue to exist, and further recognizing the necessity of assuring equitable and proper distribution of electrical energy so as to provide for the maintenance of vital needs of the people of South Korea, has directed the establishment of an Emergency Electric Power Board with authority to control the use and

distribution of electrical energy during the emergency period.

b. b. In compliance with the above directive, an Emergency Power Board is hereby established.

- (1) The Emergency Electric Power Board shall consist of seven members, one of whom shall be designated by the Commanding General, United States Army Forces in Korea, and the others being the following six persons:

Kim, Do Yun, member Korean Interim Legislative Assembly;
Chun, Hang Shup, Chamber of Commerce and Industry of Korea;
Chief, Bureau of Industry;
Assistant Advisor, Department of Public Works;
Advisor, Bureau of Utilities, who will serve as executive officer of the Board; and
Adviser on Utilities, National Economic Board, who will serve as Chairman of the Board.

Meetings of the Board will be on the call of the Chairman.

- (2) The Emergency Electric Power Board shall have the power to issue orders, instructions, priorities and restrictions, both general and specific, dealing with the production, distribution and use of electrical power, directed to all persons in South Korea, individual, corporate and governmental. The orders of the Board shall have the effect of law.
- (3) The Board shall have the authority to call upon and receive the services of any department or agency of the South Korean Interim Government for assistance deemed necessary in carrying out the duties of the Board and assistance required for those engaged in the production, transmission or distribution of electrical power.
- (4) The following uses of electrical power are prohibited unless specifically authorized by the Board:
 - (a) As a source of heat in offices, public buildings, homes restaurants or other structures.
 - (b) For cooking purposes.
 - (c) For display and advertising lighting.
- (5) The following general priorities for essential use of electrical power for limited operations are hereby established subject to further action by the Board:
 - Priority I. Use by waterworks, communications, coal mines, briquette factories, hospitals, railways, prisons and jails.
 - Priority II. Use by rice and cereal mills, gas plants and essential military, police, coast guard and constabulary installations.
 - Priority III. Use by essential industries, plants, businesses and

establishments and for essential house and billet lighting.

- (6) Among its powers, the Board shall have the power to:
- (a) Change, alter, add to or eliminate the priorities.
 - (b) Fix the kind, extent and time of use of electrical power by any person, plant, installation or activity given a priority.
 - (c) Define "Limited operations" generally or in specific cases.
 - (d) Define "essential" use, generally or in specific cases.
 - (e) Define, fix and limit "priority" use, as set forth in paragraph 5 above, either generally or in specific cases.
 - (f) Require information and reports, written or oral, on the use of electric power, from any user of electric power.
 - (g) Order the physical disconnecting of electric power lines to any user of electric power.
 - (h) Limit or prohibit the distribution, sale or lease of electrical appliances, devices or instruments.
 - (i) Define violations of this order, and of orders and directives issued by it.
- (7) The Board shall inform the Commanding General, USAFIK, of each directive issued by it and shall request issuance of appropriate directives to the military establishment, when or where applicable.
- (8) The electric power companies are hereby empowered to discontinue service, including the physical disconnection of lines, to any person who violates this order or any order or directive of the Board.
- (9) The Board shall have the power to issue its orders in writing, verbally by telephone, telegraph, radio or by any other form of communication.
- (10) Any person violating the provisions of this order or of any order or directive of the Board shall, upon conviction by duly constituted court, suffer such punishment as the court shall determine. The Board shall issue schedules of suggested punishments for violations of this order or any order or directive issued by it.
- (11) All laws, ordinances, orders, regulations, directives and instructions, or parts thereof, which are inconsistent herewith or in conflict with the provisions hereof, are, to the extent they are inconsistent or in conflict herewith, hereby suspended during the period of emergency.
- (12) All decisions, directives or orders of the Board shall be subjected to review by the Military Governor and to further review by the Commanding General, USAFIK, but shall have full force and

effect until such time as changed, modified or rescinded on such review.

- (13) The provisions of this order, and the powers of the Board thereunder shall continue in effect until such time as a public declaration of the end of the period of emergency is issued.
- (14) This order shall be effective on the date appearing hereon.

3. Steps were soon taken by the Board to conserve electricity, hence the following order:

"1. The present demand on the South Korea electric power system for electrical energy by all users far exceeds the available power supply. In order that those activities which are absolutely necessary for the support of the Korean economy, and the essential needs of the occupational forces can be met on the barest operational basis, a strict rationing of the electric service has been effected. This rationing of the limited available power provides electric service for operation of waterworks, communications, coal mines, hospitals, railroads, rice and cereal mills, essential military and other security installations that require electric service to operate. A regulatory agency has been established by the South Korean Interim Government, with the approval of the Military Governor in Korea, which has complete police powers to apply power rationing and allocation restrictions to all Korean civilians and governmental users of electric power.

"2. A limited amount of the total available power has been allocated to the occupational forces for use in operating essential military installations. Major Commanders are responsible for the strictest conservation of Central Station power by the occupational forces within their areas of responsibility. It is the desire of this headquarters to cooperate and apply the same restrictions for conserving electric power to the occupational forces as is demanded of the Korean civilian population. Major Commanders will effect necessary controls and inspections to see that Central Station power made available is used for the essential needs of the military facilities.

"3. Effective immediately, the use of electric power for the following purposes is specifically prohibited:

- "a. As a source of heat in offices or headquarters, billets, dependent houses, warehouses or other structures.
- "b. For cooking purposes. Electric ranges will be replaced with coal, oil or kerosene ranges before 15 January 1948. There are now sufficient coal-wood cook stoves on hand in Post Engineer Supply to meet requirements for South Korea.
- "c. For display or advertising or other non-essential needs.

"4. Use of electricity for lighting purposes will conform with the established schedule in effect for the civilian population, insofar as operations will permit. Lights shall be used only when necessary and the wattages shall conform to the following:

Office and Shops	1.5 watts per sq ft area
Barracks and Billets	0.3 watts per sq ft area
Recreation and Bathing	0.5 watts per sq ft area
Reading, PX, and Work Space	1.5 watts per sq ft area
Ware houses	0.5 watts per sq ft area

"5. In order that an equitable distribution of the Central Station power that has been made available to the occupational forces for operating facilities may be made, Major Commanders will make a survey by units and locations to determine by service application (water pumping, security lighting and other operation facilities) the HP and KW load by each installation that is needed and make application for such electric service requirements to the local power company's representative. The contact with the local power company will be made by the Post Engineer concerned, who will apply for all essential power needs in a given camp and station area. One copy of the service applications for essential electric service will be forwarded to this headquarters.

"6. Post Commanders through their Post Engineers will avail themselves of information concerning the local power company's power distribution system and rationing of power to civilians in their area of responsibility. Post Engineers will coordinate with the local Central Station representative and work out the power rationing schedules so that the power requirement of the occupational forces will be properly integrated with the local civilian priorities. Post Engineers should obtain copies of the electric distribution circuit maps and sub-station circuit diagrams in order that they can be familiar with the actual electrical distribution operation and rationing of the power, so as to be informed of the periods and given areas which are scheduled to have service.

"7. A limited number of emergency motor generator sets are available and Major Commanders have been instructed to limit this available source strictly to emergency power needs and essential lighting, as outlined in par 4, letter TFENG 412, Headquarters USAFIK, 21 May 1947, subject: "Electrical Services for Southern Korea". These generator sets are not designed or constructed for continuous heavy duty operation and can only be used for emergency service of comparatively short duration during Central Station power interruptions, and then only at 80 percent rated capacity of the generator.

"a. Emergency generators will be installed for operating electric power driven equipment, such as refrigeration units, furnace blowers for central heating, machine tools and for a minimum of essential lighting.

"b. Motor generator sets will not be used for the following purposes:

- (1) As a source of heat for cooking.
- (2) As a source of heat for space heating in offices, homes, billets or any other structures.

"8. Major Commanders are charged with the enforcement of this directive within their areas of responsibilities."

Status of Production

4. The problem of power generation is best told by detailing what a few of the plants of South Korea did during December. The Sumjingang and Unam Power Plants operated at about 20 per cent capacity for the week ending 20 December; averaged about 3,700 KW for week ending 2 January, but the Sumjingang was facing a close down owing to lack of water at that time. The Chung Pyung Hydro Plant, operating on run of river, averaged 14,000 KW during week ending 3 January. During the same week, the Yongwol Steam Plant averaged 7,500 KW.

STREETCARS

5. The number of streetcars in operation in Seoul continued to be from 130 to 134 during the month. The chief needs to maintain streetcar service are mercury for rectifiers and carbon brushes for rotary converters.

BUREAU OF UTILITIES

6. Much work in the Bureau of Utilities during the month went to making adjustments to the limited and fluctuating power.

SECTION 4

PUBLIC WORKS

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GENERAL

1. December marked the low point in most activities of the Department of Public Works; man-days declined one-fourth and expenditures one-third from November. Flood control was largely restricted to plans for the new year and surveys and reviews of the activities completed during 1947. In the field of urban activities, the principal feature of the month was the completion of the initial Han River-Ascom City water works projects, while fire departments throughout the country entered their period of heaviest loss with improved equipment and the assistance of an educational campaign in fire prevention and resistance.

MAN-DAYS AND EXPENDITURES

2. The descending trend of employment and outlay in Public Works continued as bridge and road building activities decreased, and stockpiling and preparation for spring projects reached completion (tables 1 and 2).

Table 1. Number of Man-Days Worked at Public Works, South Korea
July - December 1947

<u>Province</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>
Seoul	8,525	15,945	18,041	15,824	7,323	4,882
Kyonggi-do	7,399	14,875	11,402	23,304	16,216	11,232
Chungchong-pukto	4,824	7,868	4,934	11,670	8,555	5,895
Chungchong-namdo	9,031	14,152	9,784	21,004	14,109	9,710
Cholla-pukto	7,211	11,887	7,978	14,934	10,728	7,420
Cholla-namdo	8,926	10,727	11,732	21,269	13,645	7,754
Kyongsang-pukto	9,317	14,155	11,427	17,172	13,298	9,293
Kyongsang-namdo	8,573	13,729	11,315	17,142	11,280	7,518
Kangwon-do	4,268	6,786	4,876	8,032	6,708	4,739
Cheju-do	769	1,242	588	488	1,109	815
National Office a/	NA	NA	7,740	7,634	3,296	3,375
Total b/	68,843	111,366	92,077	150,839	106,267	72,633

a/ National Office includes the four district offices of the Seoul-Pusan National Highway.

b/ Totals for July and August do not include National Office.

SOURCE: Department of Public Works.

Table 2. Expenditures for Wages, Public Works, South Korea
July - December 1947
(thousands of won)

<u>Province</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>
Seoul	1,208	2,211	3,248	2,849	1,465	977
Kyonggi-do	1,110	2,230	2,052	4,011	3,243	2,247
Chungchong-pukto	739	1,107	888	2,084	1,711	1,179
Chungchong-namdo	1,353	2,032	1,743	3,601	2,822	1,942
Cholla-pukto	1,082	1,632	1,436	2,686	2,146	1,489
Cholla-namdo	1,337	1,609	2,112	3,829	2,729	1,551
Kyongsang-pukto	1,395	2,123	2,039	3,091	2,660	1,859
Kyongsang-namdo	1,286	2,045	2,017	3,067	2,256	1,504
Kangwon-do	640	1,018	876	1,444	1,342	948
Cheju-do	115	186	101	88	221	163
National Office a/	NA	NA	NA	1,365	605	675
Total b/	10,266	16,193	16,512	28,116	21,201	14,534

a/ National Office includes the four district offices of the Seoul-Pusan National Highway.

b/ Totals for July, August and September do not include National Office.

SOURCE: Department of Public Works.

ROADS AND BRIDGES

3. The formal inaugurations of the Andong, Kyongsang-pukto, and Namchang, Kyongsang-namdo, bridge projects were conducted on 10 and 12 December respectively, and preliminary work, feasible at this time of year, was begun. Boring machines were brought to the sites of the above-mentioned projects and that of the Ryopchong Bridge (Kyongsang-namdo), and underground surveys were conducted to establish foundation and sub-soil status of the structures.

4. Over 15 miles of the 26-mile Seoul-Suwon paving project was completed. The roadway of this new and modern strip is from 23 to 27 feet wide with 16 feet of actual paving. A dual unit rock-crushing plant was installed on this road near Anyang to facilitate the provision of roadbed and foundation material.

FLOOD CONTROL AND WATER SUPPLY

5. Inspection and report of flood control projects completed during 1947 was an important part of the month's work in this field. Surveys have been completed for all South Korea, and will be presented in an annual report.

6. The most important work in progress was the Yongsangang levee project which was reported to be proceeding satisfactorily. The date of completion is set for April 1948.

7. Prominent among projects planned and considered during the month were: the Tongin River Flood Control System proposed by the Cholla-namdo provincial government, at an estimated cost of 69,350,000 won; and repair of the flood damaged Ultan Sluices on the Kum River at an estimated cost of 197,000 won.

Table 3. Status of Current Road and Bridge Building Projects in South Korea as of 31 December 1947

Province	Bridges				National highways	Per cent completed
	National	Per cent completed	Provincial	Per cent completed		
Kyonggi-do	Taewhang	10	South Village	29	Yongdungpo-Suwon (Seoul-Pusan Road)	50
Ch'ungchong-pukto	Kodang	10				
	Sangchon	40				
Chungchong-namdo	Chenan	10	Kunke	30		
			Tongtae	93		
			Tai Heung	30		
			Shinkwang	50		
Kyongsang-pukto	Tuksan	90	Tanpuk	10		

SOURCE: Department of Public Works.

URBAN WATER SYSTEMS

8. Work on the first 4 jobs of the Han River-Ascom City Water Supply Project reached completion with the conclusion of leak stoppage on the main supply pipe. Further assignments have been made for a new job to commence on 2 January and end in May 1948. This will cost 5,130,000 won and include relocation of the switchboard, installation of 70 hydraulic valve indicators, and the setting up of large, medium and small pumps with attached motors generating 250, 75 and 5 horse power, respectively.

9. Plans and designs for the enlargement of the Inchon Water Works were progressing satisfactorily according to official reports.

GEODETTIC SURVEY

10. Maps were prepared by the Geodetic Bureau, at a scale of 1:50,000, showing administrative boundaries of guns and myuns for the use of the United Nations Temporary Commission on Korea.

FIRE PREVENTION

11. Major fire losses (248 fires) totaled 244,682,280 won during the month, of which 105,826,480 won was in movable properties and 138,855,800 won was in real-estate and other non-movables. This represented an increase over November of 107,219,430 won (220 fires) but was explained by unusually cold weather and high winds.

12. Campaigns for increased efficiency and service were held to improve fire-fighting organizations. Agencies were also organized in various provinces to provide relief supplies for firemen and fire stations.

13. A fire prevention exhibit, sponsored by the National Board of Fire Commissioners, was held at the Washine Department Store, Seoul, from 1-6 December and displayed prize winning posters, fire statistics and methods of combatting fire hazards.

14. Establishment of two new fire stations, during the month, in Kongju and Chonan, Cholla-namdo, was approved by the National Board of Fire Commissioners.

SECTION 5

HOUSING

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LOW-COST HOUSING

1. The 40-house, low-cost project, begun early in November by the National Housing Administration in cooperation with the City of Seoul, was completed in December (see November SKIG ACTIVITIES). All of the houses were occupied by the end of the month. Because of cold weather and in order to expedite completion of the houses, wooden sheathing was put on the outside walls. This was in place of mud usually used as a covering for the walls of Korean houses. The sheathing will be removed in the spring and replaced by mud and a lime coat finish. The wood sheathing will be used in the future for roofing.

2. Two wells have been dug in the area, with concrete laundry facilities around them. The road between the houses has been built. The area is accessible to markets, and is served by streetcar lines on two sides.

3. Plans are now being made for further construction in the area, which has been judged large enough to accommodate 1,000 houses. All of the houses constructed will be turned over to the City of Seoul for management, since the land is city-owned.

REFUGEE HOUSING

4. Rapid progress was made during December in the construction of refugee houses by Provincial Welfare Bureaus in accordance with the "1947-48 Welfare Housing Plan," under the direction of the Department of Public Health and Welfare (see November SKIG ACTIVITIES). The number of houses completed by the end of December more than doubled the number completed by the end of November (table 1). In addition to those completed, Chungchong-namdo Welfare officials reported another 521 houses under construction in that province during December. In Kyongsang-namdo, an additional 555 houses were reported over 50 per cent completed by the end of December. Of the number completed in this province, 250 houses were in Pusan. Pusan Welfare officials were experiencing difficulty in the transportation of lumber from the forest areas to Pusan, but expected to have the difficulty solved so that the additional 1,100 houses planned there might be completed early in 1948.

Refugee Housing in Seoul

5. The 200 winterized tents constructed by the City of Seoul Welfare Department for the refugee housing program were completed in December (see November SKIG ACTIVITIES). All of the tents were occupied by the end of December.

6. The 4002-house project under construction in Seoul by the Refugee Shelter Construction Society neared completion by the end of December. The City of Seoul Welfare Department submitted a list of 1,490 refugee families living in caves and in the worst housing in the city. From this list, 200 families will be chosen jointly by the Refugee Shelter Construction Society and City and National Welfare Bureaus.

Under the plan, written certificates will be given to each eligible family for presentation to the housing managers. Each unit of 10 families will have a responsible leader appointed by the City Welfare Department. Two small housing units are to be assigned to families of more than 5 persons. By the end of December, families had been placed in most of the first block of 200 houses. The remaining 200 were expected to be completed early in January.

Table 1. Progress Report, by Provinces, on
"1947-48 Welfare Housing Plan" for Refugees, South Korea
November - December 1947

Province	Minimum quota of refugee houses a/	Number planned b/	No. completed c/	
			30 Nov	31 Dec
Kyonggi-do	1,030	1,720	324	469 d/
Chungchong-pukto	650	675	540	608
Chungchong-namdo	1,280	1,324	365	933
Cholla-pukto	1,280	1,830	e/	677
Cholla-namdo	1,280	1,280	e/	999
Kyongsang-pukto	1,400	2,436	345	946
Kyongsang-namdo	4,885	4,885	690	822
Kangwon-do	650	650	e/	282
Cheju-do	130	130	e/	e/
Total	13,385	15,730	1,642	5,736

a/ Quota established by General Relief Bureau on 1 September 1947.

b/ Planned by Provincial Welfare Bureaus.

c/ Completed since 1 September 1947, based on reports from gun (county) and eup (township) Welfare officials to Provincial Welfare Bureaus.

d/ In addition, the City of Seoul has constructed 200 winterized tents.

e/ Under construction.

SOURCE: Department of Public Health and Welfare.

PART IV

F I N A N C E

SECTION 1

GOVERNMENT FINANCE

C O N T E N T S

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1. The data in this section are designed to show the financial policy of the South Korean Interim Government in respect to government financing and the relation of this financial policy to the inflationary or deflationary trends.

N O T E I S S U E O F T H E B A N K O F C H O S U N

Table 1. Note Issue of the Bank of Chosun at End of Selected Months, 1945-1947 a/
(thousands of won)

<u>Period</u>	<u>Amount</u>	<u>Period</u>	<u>Amount</u>
<u>1945</u>			
Aug	7,987,791	Mar	17,198,620
<u>1946</u>		Apr	17,239,536
Aug	10,961,998	May	17,417,709
Sep	11,341,357	Jun	18,035,600
Oct	12,199,704	Jul	18,637,735
Nov	14,880,993	Aug	19,496,514
Dec	17,710,623	Sep	20,444,924
<u>1947</u>		Oct	21,803,700
Jan	18,277,613	Nov	31,012,305
Feb	17,689,196	Dec	33,388,164

a/ Does not represent total amount of currency in circulation prior to September 1945, as bank of Japan notes were legal tender in Korea before that time.

SOURCE: Bank of Chosun, Department of Finance.

2. The note issue of the Bank of Chosun has steadily increased from month to month so that at the end of December, the amount in circulation stood at 33,388 million won (table 1). This was nearly 13 billion won more than was in circulation at the end of September. The main factors which contributed to this increase in the bank note issue were the rice-collection program sponsored by the South Korean Interim Government, and the deficit governmental spending. As of the end of December, the total loans advanced to finance the rice-collection program amounted to 11,772 million won, of which the Bank of Chosun lent 10,672 million won to banks by means of rediscounts.

3. Since 31 October the deficit spending of the South Korean Interim Government--that is, the government's excess withdrawals over the revenue deposits from the Bank of Chosun--amounted to 2,747 million won (table 2).

Table 2. Deposits in, and Withdrawals from the Bank of Chosun, South Korean Interim Government, October 1945-December 1947 (millions of won)

Period	Revenue deposits a/	Withdrawals	Excess withdrawals	Cumulative excess withdrawals
<u>1945</u>				
Oct				21
Nov	31	32	1	22
Dec	27	188	161	183
<u>1946</u>				
Jan	45	452	407	590
Feb	78	207	129	719
Mar	143	449	306	1,025
Apr	107	666	559	1,584
May	222	883	661	2,245
Jun	228	435	207	2,452
Jul	185	1,398	1,213	3,665
Aug	170	716	546	4,211
Sep	141	653	512	4,723
Oct	440	936	496	5,219
Nov	298	1,511	1,213	6,432
Dec	441	1,732	1,291	7,723
<u>1947</u>				
Jan	539	1,282	743	8,466
Feb	429	1,126	697	9,163
Mar	679	1,279	600	9,763
Apr	616	2,242	1,626	11,389
May	724	1,204	480	11,869
Jun	793	4,753	3,960	15,829
Jul	622	2,021	1,399	17,228
Aug	403	633	230	17,458
Sep	842	1,806	964	18,422
Oct	1,358	2,795	1,437	19,859
Nov	917	1,219	302	20,161
Dec	1,012	2,020	1,008	21,169

a/ Revenue from the Department of Transportation is not included.

SOURCE: Bank of Chosun.

4. One of the important factors which had a deterrent effect on the bank note issue was the accumulation of surplus by the Civilian Supply Program. At the end of December the program had an accumulated deposit of 4,463 million won, or an increase of 1,562 million won from September. The December figures on bank deposits and loans which had bearings on the bank note issue are not available at this writing.

5. Table 3 shows the cumulative balances of Overdraft Account and Revenue Deposit Account of the South Korean Interim Government with the Bank of Chosun. The difference between these two balances represents the government's obligation to the Bank of Chosun. a/

Table 3. Overdrafts to Military Government and Revenue Deposited in Bank of Chosun
October 1945-December 1947
(thousands of won)

Period	Total overdrafts to Military Government a/	Total revenue deposited b/
<u>1945</u>		
Oct	25,000	3,436
Nov	56,677	34,757
Dec	244,731	61,682
<u>1946</u>		
Jan	697,290	107,010
Feb	904,094	184,974
Mar	1,353,529	328,095
Apr	2,019,429	435,598
May	2,902,925	657,661
Jun	3,337,916	886,199
Jul	4,735,483	1,070,537
Aug	5,451,583	1,240,216
Sep	6,104,758	1,381,301
Oct	7,041,228	1,821,939
Nov	8,552,448	2,119,508
Dec	10,284,216	2,560,945
<u>1947</u>		
Jan	11,565,851	3,100,269
Feb	12,692,242	3,528,830
Mar	13,971,571	4,207,778
Apr	16,213,642	4,824,107
May	17,417,283	5,547,697
Jun	22,269,814	6,341,152
Jul	24,191,284	6,963,557
Aug	24,824,793	7,366,650
Sep	26,630,379	8,208,610
Oct	29,425,434	9,566,386
Nov	30,644,523	10,483,308
Dec	32,664,499	11,495,586

a/ Represents obligations, not actual expenditures.

b/ From taxes, liquor revenue, Monopoly Bureau, etc. Revenue from the Department of Transportation is not included.

SOURCE: Bank of Chosun, Department of Finance.

a/ The Bank of Chosun is the National Depository of the South Korean Interim Government. The government deposits its revenues with the bank and draws on it for all government expenses. The Overdraft Account and the Revenue Deposit Account are kept separately by the bank and the government pays interest of 3 per cent on excess overdrafts over the revenue deposits.

EXPENDITURE BUDGET OF THE SOUTH KOREAN INTERIM GOVERNMENT

6. During December, 8 applications for supplemental appropriations amounting to 629,318,258 won were approved by the Military Governor. Those departments which obtained appropriations were the Departments of Public Works; Education; Transportation; Labor; Police; Commerce and the Office of Administration. (See footnote, table 4) The revision of the amount of the appropriation to KILA and to National Youth resulted in an increase of 14,924,382 won in the appropriated amount, thus at the end of December the total approved budget stood at 20,089,415,390 won, which was an increase of 644,242,640 won over the previous figure in the November SKIG ACTIVITIES.

7. As of 31 December, in addition to the above approved appropriations, 5 requests for supplemental and original appropriations amounting to more than one billion won were pending. Among these requests the largest ones were: Department of Public Works asked for 189 million won; Education, 200 million won; Transportation 561 million won.

MONTHLY REVENUE RECEIPTS AND PAYMENTS OF EXPENDITURES

8. During November the total revenue collections deposited with the Bank of Chosun amounted to 916.9 million won (see table 2) and the revenue from the Transportation Department amounted to 308.2 million won, resulting in a total revenue of 1,225.1 million won for the month of November (table 5). This is a decrease of 524.6 million won from October. The main reason for this decrease is the drop in revenues from the tax collection and government monopoly business. The revenues from the Communications Department and Customs showed an increase of over 52 million won whereas transportation revenue had fallen 83 million won, thus resulting in a net decrease of 31.5 million won in the Departmental Revenues.

9. The payment of expenditures during November showed a decrease of 1,606 million won from October. The main reason for this decrease was economy in expenditures effected in the Departments of Education amounting to 417 million won; Police, 275 million won; Public Health and Welfare, 170 million won; Monopoly Bureau, 983 million won and the Public Works, 71 million won, totaling 1,916 million won. On the contrary, the expenditures in the Departments of Communications, Finance and the National Food Administration had increased in November over October. The net result was a decrease of 1,606 million won in expenditures.

COMPARISON OF EXPENDITURE BUDGET WITH REVENUE COLLECTIONS

10. The comparison of monthly averages between revenue collected as of November, which amounted to 1,082,855 thousands of won (see table 5), and the approved expenditure budget as of 31 December, which amounted to 1,674,118 thousands of won (see table 4) the revenue collection was 65 per cent of the approved budget. This would mean that, on the basis of the past performance, the government is contemplating spending every won with 0.35 won of borrowed money.

11. As was shown in table 9 of the November SKIG ACTIVITIES, the financial position of the South Korean Interim Government pertaining to revenue collection and expenditure budget had changed to a somewhat unfavorable position at the end of November compared to the end of October. At the end of October the percentage of revenue collection to expenditure budget was 66 per cent.

Table 4. South Korea Budget, Fiscal Year 1947/48
(won)

Department or agency	Original appropriations	Supplemental appropriations 31 December 1947	Total appropriations 31 December 1947
Department of:			
Transportation	3,000,000,000	130,187,733 a/	3,130,187,733
Internal Security	1,000,000,000	697,440,000 b/	1,697,440,000
Communications	750,956,700		750,956,700
Education	1,659,109,000	16,292,980 c/	1,675,401,980
Pub. Health & Welfare	792,000,000	75,000,000 d/	867,000,000
Labor	19,447,000	782,000 e/	20,229,000
Agriculture	1,400,000,000	17,000,000 f/	1,417,000,000
Public Works	596,762,400	19,879,100 g/	616,641,500
Commerce	500,000,000	134,500,000 h/	634,500,000
Police	1,584,562,600	432,867,100 i/	2,017,429,700
Justice	708,986,200	29,255,860 j/	738,242,060
Finance	299,293,000	487,860 k/	299,780,860
Public Information	48,176,200	8,000,000 l/	56,176,200
Monopoly Bureau	3,087,910,200	569,808,700 m/	3,657,718,900
Provincial Affairs	1,399,877,800		1,399,877,800
Office of Civ. Admin.	3,178,300		3,178,300
Office of Administration	65,017,400	21,928,105 n/	86,945,505
Office of Foreign Affairs	8,471,800	17,781,800 o/	26,253,600
Office of Korean Affairs	943,510	59,100	1,002,610
Korean Civil Service	12,931,000	1,855,400	14,786,400
National Economic Board	5,112,900		5,112,900
National Housing Admin.	20,000,000		20,000,000
National Price Admin.	9,004,600		9,004,600
National Food Admin.	140,548,800	180,000,000 p/	320,548,800
National Youth Movement	19,629,700	1,018,710 q/	20,648,410
Relief Committee	2,193,200		2,193,200
Interest on Advances	550,000,000		550,000,000
Reorganization Board	120,000	119,420	239,420
KILA	50,919,212 r/		50,919,212
Total	17,735,151,522	2,354,263,868	20,089,415,390

- a/ Approved 89,500,000 won for flood damage; 40,687,733 won for increase in wages.
- b/ Approved 150 million won for Coast Guard; 547,440,000 won for Constabulary.
- c/ Approved 1,132,500 won for printing; 1,581,400 won for Taegu Normal College; 13,579,080 won for Teachers Training.
- d/ Approved for refugee housing.
- e/ Approved for moving office.
- f/ Approved for grain inspectors.
- g/ Approved 18 million won for bridge construction; 1,879,100 won for reproduction of maps.
- h/ Approved for the development of coal industry.
- i/ Approved for billet guard.
- j/ Approved for Inchon prison.
- k/ Approved for collection of Bank of Chosun notes from refugees.
- l/ Approved for purchase of paper.
- m/ Approved for purchase of tobacco.
- n/ Approved 14,070,460 won for census; 4,215,800 won for Capitol heating; 200,000 won for State affairs; and 3,441,845 won for official gazette.
- o/ Approved for refugees from China and North Korea.
- p/ Approved for summer-grain collection.
- q/ Approved for 39 additional employees.
- r/ Revised.

SOURCE: Budget Bureau, Department of Finance.

Table 5. Expenditures and Revenues by Months, South Korean Interim Government, October 1945-November 1947 (thousands of won)

Period	Expenditures	Revenue			
		Total	Monopoly Bureau	Tax	Departmental a/
Oct 1945					
Mar 1946	1,176,675	328,095	211,174	102,783	14,138
Mo. av.	196,112	54,682	35,195	17,130	2,356
<u>F/y 1946/47</u>					
Apr	626,414	142,392	77,837	28,521	36,034
May	878,485	299,391	140,416	72,337	86,638
Jun	441,141	299,175	176,685	43,790	78,700
Jul	1,444,524	228,558	139,222	35,196	54,140
Aug	551,255	227,344	131,998	32,791	72,555
Sep	421,100	189,133	92,338	34,303	62,492
Oct	851,303	510,439	320,033	93,536	96,870
Nov	1,267,478	405,530	188,930	75,473	141,127
Dec	1,166,418	584,645	315,149	85,959	183,537
Jan	1,150,813	743,643	402,504	82,399	258,740
Feb	813,377	610,540	284,555	86,743	239,242
Mar	1,312,868	1,024,452	448,370	141,798	434,284
Sub total	10,925,176	5,265,242	2,708,037	812,846	1,744,359
less-adjust.		151,870 b/			151,870 b/
Total	10,925,176	5,113,372	2,708,037	812,846	1,592,489
Mo. av.	910,431	426,114	225,669	67,737	132,707
<u>F/y 1947/48</u>					
Apr	1,359,001	803,476	350,698	184,866	267,912
May	1,107,775	1,023,952	422,451	231,865	369,636
Jun c/	4,156,373	1,065,682	507,068	203,719	354,895
Jul	2,025,723	912,415	481,225	95,771	335,419
Aug	1,827,528	710,831	245,558	74,541	390,732
Sep	1,394,129	1,171,542	489,257	285,619	396,666
Oct	2,947,142	1,749,760	938,516	327,226	484,018
Nov	1,341,038	1,225,189	574,498	198,125	452,566

a/ Beginning April 1946, these figures include Dept. of Transportation revenues.

b/ Deduction of this amount is due to correction of duplicate accounting of the Normal and Inventory Accounts of the Department of Transportation. Monthly allocation of this amount was not possible. (See Income and Expenditure Table of Dept. of Transportation, September SKIG ACTIVITIES).

c/ Large increase is due to payment of 3 billion won for summer-grain and rice-collection program in 1946/47 fiscal year.

SOURCE: Accounts Bureau, Department of Finance.

TAXATION

12. As shown in the November SKIG ACTIVITIES, the collection of taxes had not been as good as originally anticipated. The monthly average collection was somewhere between 50 and 65 per cent of the projected monthly average of tax revenue. In order to improve the situation the Treasury Bureau has been surveying the entire problem of tax collection. It was found that the greatest obstacle to adequate tax revenue was the lack of efficient and complete assessment and this was followed closely by lag in collection of the assessed amounts.

13. On 27 December, 30 selected employees, including representatives from each province, completed a course of study planned to emphasize enforcement procedures and more efficient assessment and collection of all taxes.

14. The Department of Finance reports that during December all provincial tax offices were requested by a radio, signed by the Civil Administrator, to expedite by every possible means the collection of both delinquent and current taxes.

CIVILIAN SUPPLY PROGRAM

15. Table 6 shows the financial activities of the Civilian Supply Program. The Civilian Supply goods are largely brought by the Military Government from Japan and the United States. The receipts represent cash collections from various agencies engaged in the distribution of goods and the disbursement represents the payment for the purchase of goods for export, stevedoring charges and administrative expenses. Out of the total accumulated funds, 75 million won was on deposit with various banks in the form of interest bearing "Fixed Deposits." The remainder represented Current Account balance with the Bank of Chosun.

Table 6. Receipts and Disbursements of Office of Civilian Supply
South Korea, May 1946-December 1947
(won)

<u>Period</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Balance, end of month</u>
<u>1946</u>			
1 May-31 Dec	298,375,268	0	298,375,268
<u>1947</u>			
Jan	4,473,670	0	302,848,938
Feb	0	36,458	302,822,480
Mar	196,965,733	0	499,788,213
Apr	141,067,581	105,433,109	535,422,685
May	117,773,559	106,908,419	546,287,825
Jun	835,175,102	67,248,222	1,314,214,705
Jul	694,033,138	292,128,114	1,716,119,729
Aug	594,451,698	109,994,605	2,200,576,822
Sep	773,348,908	72,731,454	2,901,194,276
Oct	1,224,752,160	130,216,169	3,995,730,267
Nov	500,460,562	129,316,725	4,366,874,104
Dec	233,453,906	136,858,536	4,463,469,474

SOURCE: Department of Finance.

SECTION 2

NON-GOVERNMENT FINANCE

CONTENTS

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1. The tables and comments contained in this section are designed to show the financial trend and the activities of financial and semi-financial institutions in South Korea.

FINANCIAL INSTITUTIONS

2. The predominant activities of the financial institutions in South Korea during November were the financing of government sponsored projects, such as the rice-collection program carried out by the Office of Controller of Commodities and the purchase of straw products by the Korean Agricultural Association. As of the end of November these two projects involved nearly 9 billion won. The purchase of tobacco by the Monopoly Bureau, which involved nearly one half billion won, also incremented the activities of the financial institutions.

3. The funds required for the first two projects mentioned above were financed by banks; the purchase of tobacco was from the budgetary appropriation made to the Monopoly Bureau. These government-sponsored projects were the motivating forces for the increases of bank note issue, and increases of bank loans and bank deposits, although the last was at a slower pace than the first two. These forces were undoubtedly reflected in the daily lives of Koreans (see section on Prices).

4. One factor of unknown strength to be mentioned in this connection is the effect of currency conversion which took place in early December in North Korea under the Russian occupation. A report from the Department of Finance, dated "week ending 13 December" reveals that "bank officials do not believe the conversion in North Korea will effect the economy of South Korea". Two reasons were given in support of the above conclusions; (1) that the Bank of Chosun notes that remained in North Korea were being hoarded, and (2) the maximum amount of currency that could be added to the circulation in South Korea is 2 billion won or 6 per cent of the present circulation.

CASH BALANCES IN FINANCIAL INSTITUTIONS

5. The cash balances in financial institutions reflect, to a certain extent, their liquid positions. The fluctuation of cash balances in these institutions seems predominantly influenced by the seasonal demand rather than by the institutions' investment policies or their need for maintaining certain standards of liquidity. Investment markets, such as places for trading securities are as yet

non-existent, nor are the banks required by law to maintain certain reserves of liquid assets against their liabilities.

Table 1. Cash Balances in Financial Institutions,
South Korea, December 1946-November 1947
(thousands of won)

<u>Period</u>	<u>Balance</u>
<u>1946</u>	
Dec	1,633,195
<u>1947</u>	
Jan	1,379,434
Feb	1,228,131
Mar	1,653,831
Apr	1,314,469
May	1,370,275 a/
Jun	1,466,320
Jul	1,438,742
Aug	1,388,876 a/
Sep	1,861,983
Oct	1,686,981 a/
Nov	2,805,355

a/ Revised

SOURCE: Bureau of Financial
Institutions,
Department of Finance.

DEPOSITS IN FINANCIAL INSTITUTIONS

6. At the end of November the deposits had increased 2,569 million won over October. This is one of the largest increments of deposits in a single month since March 1946. In a period of inflationary financing this increase is a heartening situation as it counteracts the increase of bank note issue.

7. The analysis of deposit increase at the end of November indicates that the government deposit increased 816 million won, inter-bank deposit, 451 million won and the deposit from the general public, 1,302 million won (tables 2 - 5). Significant in the development is the large increment of general public's deposit. This undoubtedly is money returned to the bank from the large expenditures distributed throughout South Korea for the purchase of rice, tobacco and straw products by the government and semi-government agencies.

Table 2. Total Deposits and Withdrawals in Financial Institutions
South Korea, March 1946-November 1947
(millions of won)

<u>Period</u>	<u>Deposits</u>	<u>Withdrawals</u>	<u>Balances</u>
<u>1946</u>			
Mar	8,903	8,472	5,696
Apr	9,920	8,891	6,725
May	13,824	11,924	8,626
Jun	11,633	10,896	9,363
Jul	16,491	14,728	11,126
Aug	17,733	17,023	11,836
Sep	16,915	15,961	12,790
Oct	21,424	21,038	13,176
Nov	29,207	27,453	14,930
Dec	33,214	31,030	17,015
<u>1947</u>			
Jan ^{a/}	28,001	27,337	17,734
Feb	29,440	27,181	19,993
Mar	37,929	34,882	23,040
Apr	38,071	35,462	25,649
May	40,564	39,297	26,915
Jun	43,129	42,101	27,943
Jul	45,313	42,773	30,483
Aug	41,929	41,579	30,833
Sep	56,316	52,708	34,441
Oct	61,398	59,116	36,723
Nov	68,367	65,798	39,292

a/ Government deposits were excluded by one bank until January 1947.

SOURCE: Department of Finance.

Table 3. Government Deposits and Withdrawals in Financial Institutions,
South Korea, January-November 1947
(millions of won)

<u>Period</u>	<u>Deposits</u>	<u>Withdrawals</u>	<u>Balances</u>
Jan	5,066	4,335	6,534
Feb	5,518	4,488	7,564
Mar	7,688	5,560	9,691
Apr	8,612	6,872	11,431
May	8,822	8,532	11,722
Jun	8,366	6,879	13,209
Jul	10,987	8,382	15,814
Aug	8,446	7,822	16,438
Sep	14,138	11,789	18,787
Oct	16,238	12,818	22,207
Nov	14,145	13,329	23,023

SOURCE: Department of Finance.

Table 4. Inter-Bank Deposits and Withdrawals,
South Korea, January-November 1947
(millions of won)

<u>Period</u>	<u>Deposits</u>	<u>Withdrawals</u>	<u>Balances</u>
Jan	6,947	6,693	1,963
Feb	8,359	7,468	2,854
Mar	10,744	10,589	3,009
Apr	9,463	9,041	3,432
May	8,854	8,518	3,767
Jun	7,951	8,521	3,196
Jul	8,850	8,935	3,111
Aug	10,455	10,810	2,756
Sep	12,843	12,831	2,768
Oct	13,007	14,095	1,680
Nov	14,686	14,235	2,131

SOURCE: Department of Finance.

Table 5. General Public's Deposits and Withdrawals, Financial Institutions,
South Korea, January-November 1947
(millions of won)

<u>Period</u>	<u>Deposits</u>	<u>Withdrawals</u>	<u>Balances</u>
Jan	15,988	16,309	9,236
Feb	15,564	15,255	9,575
Mar	19,497	18,733	10,339
Apr	20,007	19,549	10,797
May	22,875	22,246	11,426
Jun	26,813	26,701	11,538
Jul	25,475	25,455	11,558
Aug	23,028	22,947	11,639
Sep	29,335	28,088	12,886
Oct	32,153	32,203	12,836
Nov	39,536	38,234	14,138

SOURCE: Department of Finance

Table 6. Deposit Balance of Each Financial Institution
in South Korea, End of November 1947
(millions of won)

<u>Name of bank</u>	<u>Government deposits</u>	<u>Inter-bank deposits</u>	<u>Other</u>	<u>Total</u>
Bank of Chosun	18,198	1,448	1,169	20,815
Chosun Industrial	2,050	313	2,511	4,874
Choheung	879	69	2,666	3,614
Chosun Commercial	702	72	1,764	2,538
Chosun Savings	97	39	1,079	1,215
Chosun Trust	216	17	771	1,004
Mutual Aid	68	12	929	1,009
Financial Associations	813	161	3,249	4,223
Total	23,023	2,131	14,138	39,292

SOURCE: Financial Institutions Bureau, Department of Finance.

LOANS BY THE FINANCIAL INSTITUTIONS

8. At the end of November, the loan balances increased 16.2 billion won over October. This increment consists of 7.2 billion won of government guaranteed loan and 9 billion won of non-government guaranteed loans. The government guaranteed loan is almost entirely for the rice-collection program

9. The loans made by the Bank of Chosun to other banks in the form of a re-discount in order to enable the banks to finance the rice-collection program was included in the non-government guaranteed loans. This amounted to over 7 billion won. Besides, the Bank of Chosun also advanced funds to the Federation of Financial Associations which handled the rice loan. This amounted to nearly 1.5 billion won. Therefore the actual increment of loans to the general public is around one half billion won.

LIFE AND DAMAGE INSURANCE

10. The Total Insurance in Force and the Annual Premium Due in the life insurance companies showed a continuous increase in November. However, the monthly premium collected in November had decreased a little from October. The amount of claims paid in November had almost doubled that of October.

11. In case of damage insurance companies, the Liabilities Assumed increased continuously in November while the premiums written in November were slightly less than October. Claims paid in November increased nearly 4 times over October.

Table 7. Loans Made and Retired by Financial Institutions,
South Korea, October 1946-November 1947
(millions of won)

Period	New loans			Retired loans		
	Government guaranteed	Other	Total	Government guaranteed	Other	Total
<u>1946</u>						
Oct	210	2,213	2,423	307	1,714	2,021
Nov	2,450	2,478	4,928	219	1,997	2,216
Dec	2,030	3,079	5,109	410	2,661	3,071
<u>1947</u>						
Jan ^{a/}	979	2,193	3,172	801	2,033	2,834
Feb	362	1,581	1,943	550	1,718	2,268
Mar	557	2,631	3,188	1,019	2,546	3,565
Apr	650	2,395	3,045	726	2,220	2,946
May	704	4,410	5,114	593	4,070	4,663
Jun	376	4,337	4,713	3,848	3,499	7,347
Jul	566	4,354	4,920	408	3,742	4,150
Aug	568	3,580	4,148	470	2,839	3,309
Sep	787	7,055	7,842	464	6,109	6,573
Oct	1,301 ^{b/}	6,576 ^{b/}	7,877	682	5,462	6,144
Nov	7,621	13,896	21,517	409	4,836	5,245

^{a/} Bills discounted were excluded by one bank before January 1947.

^{b/} Revised

SOURCE: Department of Finance.

Table 8. Loans Outstanding in Financial Institutions, South Korea
October 1946-November 1947
(millions of won)

Period	Government guaranteed loans	Other	Total
<u>1946</u>			
Oct	1,223	7,898	9,121
Nov	3,454	8,379	11,833
Dec	5,073	8,797	13,870
<u>1947</u>			
Jan	5,252	8,966	14,218
Feb	5,064	8,829	13,893
Mar	4,602	8,914	13,516
Apr	4,526	9,089	13,615
May	4,637	9,429	14,066
Jun	1,165	10,267	11,432
Jul	1,323	10,879	12,202
Aug	1,420	11,621	13,041
Sep	1,744	12,566	14,310
Oct	2,363 ^{a/}	13,680 ^{a/}	16,043
Nov	9,575	22,740	32,315

^{a/} Revised

SOURCE: Department of Finance.

Table 9. Loan Balance of Each Financial Institution,
in South Korea, End of November 1947
(millions of won)

<u>Name of bank</u>	<u>Government guaranteed</u>	<u>Other</u>	<u>Total</u>
Bank of Chosun	785	11,175	11,960
Chosun Industrial	3,301	3,799	7,100
Choheung	1,279	2,083	3,362
Chosun Commercial	1,872	1,436	3,308
Chosun Savings	772	862	1,634
Chosun Trust	799	590	1,389
Mutual Aid	767	728	1,495
Financial Associations		2,067	2,067
Total	9,575	22,740	32,315

SOURCE: Financial Institutions Bureau, Department of Finance.

Table 10. Activities of Korean Life Insurance Companies,
South Korea, March 1946-November 1947
(thousands of won)

<u>Period</u>	<u>Number of com- panies</u>	<u>Total policy- holders a/</u>	<u>Total in- surance in force</u>	<u>Annual premium due</u>	<u>Monthly premium collection</u>	<u>Claims paid</u>
1946						
Mar	1	107,628	165,648	6,323	60	-
Apr	1	107,898	168,350	4,170	135	9
May	1	106,863	168,936	6,434	119	13
Jun	1	106,607	170,483	6,488	145	34
Jul	1	103,855	169,648	6,276	198	19
Aug	1	103,482	171,584	6,512	249	30
Sep	2	102,982	174,280	6,644	324	40
Oct	2	102,815	176,301	6,715	257	25
Nov	3	101,993	178,317	6,795	163	24
Dec	3	90,678	158,813	6,086	249	16
1947						
Jan	3	71,777	131,968	5,173	591	14
Feb	3	70,688	151,638	6,074	1,000	10
Mar	3	69,715	189,778	7,864	2,058	16
F/y 1947						
Apr	3	61,612	192,463	7,969	847	15
May	3	46,656	223,983	8,899	1,672	70
Jun	4	47,644	251,438	10,158	1,440	6
Jul	4	49,189	298,692	12,484	2,455	27
Aug	4	49,807	338,583	14,269	1,872	65
Sep	4	53,638	393,277	16,797	2,672	66
Oct	4	53,051	438,768	20,184	3,731	83
Nov	4	56,654	541,782	23,315	3,180	158

a/ Figures cover Korean Life, Taihan Life, Cooperative Life, and Chosun Life Insurance Companies.

SOURCE: Life Insurance Sub-Section, Department of Finance.

Table 11. Activities of Korean Damage Insurance Companies, South Korea, April 1946-November 1947 a/ (thousands of won)

<u>Period</u>	<u>Number of policies</u>	<u>Liabilities assumed</u>	<u>Premiums written</u>	<u>Claims paid</u>
<u>1946</u>				
Apr	4,277	119,802	1,992	92
May	2,880	12,458	2,201	120
Jun	5,193	310,918	6,450	152
Jul	5,767	377,748	6,479	791
Aug	7,443	489,878	7,719	460
Sep	5,153	369,649	6,283	184
Oct	7,100	535,500	7,278	198
Nov	8,067	822,157	10,675	122
Dec	6,798	979,689	13,685	1,106
<u>1947</u>				
Jan	6,335	851,654	9,502	1,649
Feb	8,287	1,013,454	10,845	1,176
Mar	12,256	1,169,430	15,914	1,997
Apr	5,703	830,383	14,529	1,308
May	7,102	948,650	15,863	210
Jun	7,120	999,075	16,702	720
Jul	8,342	1,048,004	15,923	1,069
Aug	7,365	1,230,203	17,727	1,711
Sep	7,260	1,339,870	21,821	31
Oct	9,481	2,344,796	33,908	309
Nov	8,770	2,400,497	33,373	1,231

a/ Figures cover the following insurance companies licensed by the Military Government in 1946: The Chosun Fire and Marine Insurance Company, the New Oriental Damage Insurance Company, the Seoul Fire and Marine Insurance Company, the Daihan Fire and Marine Insurance Company and the Han-Kook Fire and Marine Insurance Company, licensed by South Korean Interim Government on 3 July 1947.

SOURCE: Damage Insurance Sub-Section, Department of Finance.

ACTIVITIES OF FINANCIAL INSTITUTIONS

12. Significant loans approved by the Banking Section of the Department of Finance during December were as follows:

- a. 30 million won to Seoul Electric Company with payment guaranteed by the Property Custodian.
- b. 5,180 thousand won to Provincial Forestry Association with payment guaranteed by the Government.
- c. 78,138 thousand won to Capital Fishery Association for the purpose of financing the collection of agar-agar for export.
- d. Six loans totaling 240 million won to Korean Agricultural Association

for purchasing straw products. Payment of these loans was guaranteed by the government.

13. During the week ending 20 December a directive was issued to all banks by the Department of Finance covering renewal and collection of loans. The directive provides that: (1) Loans may be renewed without specific approval from the Department, if the business proposition for which loan was granted has not been completed at maturity date of loan. In such a case the maturity of renewal note will not exceed six months; (2) All other renewal loans exceeding 500 thousand won must be approved by the Department of Finance as if they were applications for new credit; (3) When loans are not paid at maturity, banks are directed to take positive and aggressive action. The borrower will be permitted to work out plans to pay the loan but he will be denied additional credit. If renewal loan is not approved and if the borrower does not pay in full, or take advantage of the "workout plan," banks are directed to take legal action.

14. During the week ending 20 December, the Department of Finance directed all banks to notify them promptly upon receipt of any large deposit of currency which the banks believe may have come from North Korea in violation of the 1,000 won limitation on importation of currency from North to South Korea.

15. Another directive was issued during the week ending 27 December. It requested all banks to register with the Department of Finance all affiliated and subsidiary companies and required regular financial reports from these companies. Banks are prohibited from granting credit through affiliated companies, without prior approval of the Department of Finance.

16. Beginning 1 December 1947 banks and Financial Associations embarked upon a campaign to increase their deposits by 3 billion won. It was believed that this might drain off part of the currency put into circulation during the rice-collection program. On 20 December deposits, excluding government deposits and inter-bank deposits, were 2.5 billion won over deposits on 30 November 1947.

17. The Department of Finance reports that the Korean Foreign Exchange Bank, Ltd., has forwarded by air mail to its New York correspondents, shipping documents covering a shipment of 544 metric tons of Scheelite Concentrate and 25 metric tons of Wolframite Concentrates. These were shipped by SS SIR JOHN FRANKLIN from Pusan to New York for account of the Bureau of Foreign Commerce, South Korean Interim Government. The total shipment is valued at approximately 750,000 United States dollars. The proceeds from their sale will be deposited with the correspondents of the Foreign Exchange Bank and they are to be used for the purchase of essential imports for Korea.

ACTIVITIES OF LIFE INSURANCE COMPANIES

18. The Life Insurance Section of the Department of Finance reports that several American Companies have cooperated with the Section in furnishing considerable materials; such as, specimen copies of policy record cards, claims blanks, application forms, medical examination blanks, and statistical record forms to be used in demonstrating United States administrative procedures to Korean Life Insurance personnel. These forms have now been translated into the Korean language and are being assembled in folio form for distribution to the various Korean insurance companies as an educational service.

19. A report from the Insurance Section, dated week ending 20 December, reveals that the four Korean Life insurance companies have reinsured 307 policies

for 12,376,729 won during November. Since the inception of the mutual reinsurance agreement made between these companies, 507 policies for a total of 22,849,480 won of Insurance have been written. This represents insurance protection which would otherwise have been denied to the insurance-buying public of Korea.

20. A license has been requested from the Director of the Department of Finance to allow the Dai Han Fire and Marine Insurance companies to issue a new type of household fire insurance. The policies will be limited to a maximum of 100,000 won of liability and may be paid for monthly by the policyholder. The rate on this type of policy will be about fifty per cent higher than the conventional type policy because of the increase in cost of handling. However, a provision is made for a portion of the premium to be returned at the end of the policy year, if no loss has occurred.

PART V

GOVERNMENT AND POLITICS

SECTION 1

ADMINISTRATION

CONTENTS

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THE MILITARY GOVERNOR

1. Practically all the official acts of the executive department have been taken up in other discussions. The month of December opened with stormy relations between the Korean Interim Legislative Assembly and the Deputy Military Governor, Brigadier General Charles G. Helmick, because of General Helmick's veto of the Temporary Constitution and of the so-called Anti-Collaborators' Bill. General Helmick met with KILA, explained his actions and offered to reconsider the Anti-Collaborator Bill. KILA was satisfied with the explanations (see PRESS AND PUBLIC OPINION). The Military Governor, Major General William F. Dean, in a special press release, gave the public the reasons for transferring a terrorism case to American Military courts. (see PRESS AND PUBLIC OPINION). Ordinances issued by the governor during the month are discussed in LEGAL. The first anniversary of KILA, 12 December, was the occasion of a congratulatory message from Deputy Military Governor Helmick. He also notified the governors of Chungchong-namdo and of Kangwon-do of the confirmation of their appointments by KILA. He praised the land reform law under consideration and urged its speedy passage.

KOREA CIVIL SERVICE

General

2. The Office of Korea Civil Service has attempted to set up objective examinations for the purpose of qualifying individuals for specific positions in the government service. This has meant the gradual minimization of two main factors from Korean government service: family position and scholarship. At first it was possible to set up only general standards. However, by December 1947 a good portion of the positions have been surveyed and information obtained so that a more exact analysis may be made of each job and more equitable grades set up.

Training Programs

3. During the early part of December a 60-hour course in the Science of Statistics and Graphic Methods was held. Twenty-six employees, representing many departments and offices of SKIG completed the course.

4. The Chief of Training of the Office of Civil Service gave six 2-hour lectures at the National Police Academy on Civil Service procedures and personnel management.

5. Fifty highly graded clerks and section chiefs in the City of Seoul completed a one-month course in administrative procedures.

Examinations

6. Clerical examinations in Cholla-namdo, Kyongsang-pukto, Kyongsang-namdo and Chungchong-namdo totaled 4,108 in December. In these provinces all clerical positions in all grades must now be filled from eligible lists.

Classification

7. In the district offices in Seoul, 383 positions were abolished and 125 reclassified. Under Ordinance No. 143, 1,886 positions in agricultural statistics were authorized in provincial offices.

NATIONAL ECONOMIC BOARD

Budgetary Action

8. National Economic Board actions for the month of December included the following supplemental budget approvals:

<u>Department or office</u>	<u>Amount approved (won)</u>	<u>Purpose</u>
Administration	3,441,845	Publication of Official Gazette
Administration	2,880,000	Installation of power plant in Capitol
Police	432,867,100	Additional operations
Education	13,579,080	Teacher Training Center
Education	1,581,400	Taegu Normal College
Labor	782,000	Moving of office
Transportation	40,687,733	Wages of temporary employees
Coal Industry Fund	134,500,000	Development of Samchuk, Hwasung, and Eunsung coal mines
Committee on Distribution	120,000,000	Distribution of bonus to government employees

Other Action

9. The Board also authorized the Department of Finance to spend Hong Kong dollar credits for rubber, wook and paper pulp.

10. It was decided to distribute, early in 1948, 5 yards of cotton cloth to each civil servant (including vested company employees) plus additional goods available at the time of distribution. This distribution in kind will help to increase the low salaries of the civil servants and matches a similar bonus distributed a year ago.

Staff Studies

11. The National Economic Board staff makes studies and recommendations for action on varied subjects, part of which are printed and distributed. A "Survey of Salt Production in South Korea" was distributed during December.

12. Long-term studies, such as mining rehabilitation, inflation, land reform, Japanese reparations and claims, food requirements and export development, are underway by staff members. Reports and recommendations may finally be made and published. More often the results of the studies will turn up in specific action taken by the operating agency without a formal report having been issued.

13. Other subjects are taken up in committee meetings, and recommendations made either to the National Economic Board or to the operating agencies. Many of these committees are assisted by NEB staff membership. The Coal Committee, which allocates coal and studies problems of stockpiling and briquetting has continued to be an important part of the economic control machinery. Its chairman is a staff member of the National Economic Board. The Electric Power Board which set up priorities and allocations for the shortage period, was appointed in December to meet an important economic emergency. Its chairman is also an NEB staff member.

14. Preparation of a consolidated import-export requirements program was initiated during December.

SECTION 2

KOREAN INTERIM LEGISLATIVE ASSEMBLY

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GENERAL

1. The Korean Interim Legislative Assembly during December completed passage of the "Law Dealing with Public Theatrical Performances"; resolved the misunderstanding between the executive and legislative branches of the South Korean Interim Government; discussed the rice collection in the provinces and the Land Reform Bill; and settled the controversy in the Korean Interim Legislative Assembly over the South Korean Interim Government Directorate's "Outline of Measures for Meeting the Current Situation in South Korea."

2. The average attendance at the 10 sessions in December was 66 (table 1). The average length of sessions was 2 hours and 20 minutes.

Table 1. Attendance of Representatives in the Korean Interim Legislative Assembly a/ December 1947

<u>Session</u>	<u>Date</u>	<u>Members registered present</u>	<u>Presiding official</u>
178	1	67	Choe, Tong O <u>b/</u>
179	5	70	Kimm, Kiu Sic <u>c/</u>
180	9	69	Kimm, Kiu Sic
181	11	61	Yun, Ki Sop <u>d/</u>
182	15	67	Choe, Tong O
183	16	72	Choe, Tong O
184	18	60	Choe, Tong O
185	19	70	Kimm, Kiu Sic
186	22	61	Choe, Tong O
187	23	64	Choe, Tong O

a/ Authorized representation: 90. To hold session: 45. For consideration of measures: 60.
b/ Vice-Chairman; moderate.
c/ Chairman; moderate.
d/ Vice-Chairman; moderate.

SOURCE: Office of Korean Affairs.

LAW DEALING WITH PUBLIC THEATRICAL PERFORMANCES

3. In the 175th session of the Korean Interim Legislative Assembly on 25 November, the second reading of the "Law Dealing with Public Theatrical Performances" commenced. The following sections were read and approved:

"Section I. The purpose of this law is to develop and promote a higher quality of cultural, theatrical entertainment.

"Section II. The term 'Public Theatrical Performances' is meant to include the following activities: Drama, opera, motion picture, vocal and instrumental music and other theatrical arts.

"Section III. The sponsors or representatives of the theatrical troupes shall manage all performances and shall be held responsible for the carrying out of the provisions of this law.

"Section IV. The Director of the Department of Education may commend theatrical performances which are recognized as especially beneficial to the promotion of national culture.

"Section V. The Director of the Department of Education shall be authorized to issue certificates of merit to the artists whose high quality and superior performance deserves such.

"Section VI. The Director of the Department of Education shall establish an advisory committee or set up a model theatrical institute in order to pursue the objectives of Section IV and V.

"Section VII. The Director of the Department of Education shall be authorized, upon investigation, to cancel, postpone or prohibit, partially or entirely, any public theatrical performance which is inimical to the moral good of the public or of a low standard of artistry, and which tends in any way, to disturb national order, or is contrary to traditions and customs of the people."

4. The second reading was concluded in the 185th session on 19 December. The following articles were read and approved:

"Section VIII. An official permit from the Director of the Department of Education is required in the exporting and importing of moving picture films.

"Section IX. Theatre proprietors, managers, representatives of performing groups, and manufacturers of records (discs), are required to secure permits from the Director of the Department of Education. The Director of the Department of Education is endowed with the power to revoke the permits of the above-mentioned in the event of violation of the provisions of Sections VII, X, XI, or XII."

The words "and manufacturers of records (discs)" were included during the second reading by a vote of 39 to 0, with 19 abstaining.

"Section X. The Director of the Department of Education is endowed with power to order the presentation of certain scenarios, if such are recognized as necessary.

"Section XI. The Director of the Department of Education has power to place restriction on the types, the dates and places of all performances, whenever required."

The words "the dates and places of all performances" were included during the second reading by a vote of 30 to 13, with 16 abstaining.

"Section XII. The Director of the Department of Education may prohibit the attendance of middle school students, grammar school students, and minors, at certain performances, when recognized as necessary.

"Section XIII. The Director of the Department of Education shall dispatch an official to inspect performances in the theatres.

"All inspectors shall be required to carry identification cards, certifying their status.

"Section XIV. Any person who violates the provisions of Section VII, VIII, or IX, shall suffer a fine of not more than 50,000 won.

"Any person who violates the provisions of Sections X and XI, shall suffer a fine of not more than 50,000 won.

"In the event the theatrical management violates the provisions of Section XII, or refuses to permit inspection of performances as provided for in Section XIII, the theatre proprietor, manager, or representatives of performing group, shall suffer a fine of not more than 10,000 won.

"Section XV. The Director of the Department of Education may, when putting into effect this law, delegate a part of his official duties to the mayor of the City of Seoul or provincial governors.

"Section XVI. The Director of the Department of Education shall provide necessary by-laws, applicable to this law.

"Supplementary Rules

"Section XVII. This law shall be effective ten days after the date appearing hereon.

"Section XVIII. Government-General Order No. 197 and all regulations relative to theatrical performances in Korea, are hereby abolished."

5. A motion to omit the statutory two-day interval between the second and third readings, and to omit the third reading entirely, was unanimously agreed upon by the Assembly. This completed passage of the law by the Korean Interim Legislative Assembly.

LEGISLATIVE-EXECUTIVE MISUNDERSTANDING

6. A misunderstanding between the Legislative and Executive branches of the South Korean Interim Government arose in November, over the two letters from Brigadier General C. G. Helmick, Deputy Military Governor, withholding approval on the Temporary Constitution and the Anti-Collaborator's Act (See November SKIG ACTIVITIES). In the 179th session of the Assembly on 5 December, Dr. Kimm, Kiu Sic suggested that a few members of the Assembly go to see General Helmick to dispel the misunderstandings. Kim, To Yon, (rightist elected member) bitterly opposed this, stating that it was very clear what the General wanted. Yun, Ki Sop, (moderate appointed member; Vice-Chairman of the Assembly) alleged that if there was any misunderstanding it was on the part of the Deputy Military Governor, not the Korean Interim Legislative Assembly.

7. General Helmick appeared before the 180th session to answer the questions submitted to him on 28 November. He explained the non-concurrence by the Executive Branch did not in any way reflect upon the character of the Assembly or lessen its authority. He stated that it was his belief that passage of the Temporary Constitution

at this time might seriously hinder the work of the United Nations Commission. In referring to the Anti-Collaborator's Bill, General Helmick stated that since the Korean people were so vitally interested in it, the Bill would be given reconsideration and final study, and returned to the Assembly shortly. General Helmick was received with enthusiasm by the Assembly, though a few of the members criticized his speech as not complete enough.

8. Following General Helmick's departure from the Assembly, the Assembly settled down to a discussion concerning the action it should take to achieve passage of the laws. Kim, Ho, (moderate appointed member) moved that the Executive branch return the bills, and if no defects were found in them, executive approval should be requested. Several members opposed this on the ground that all their questions had been answered by General Helmick's very satisfactory statement. Finally, Kim, Yak Su, (appointed) moved that the whole matter be terminated as it stood. This was accepted by a vote of 41 to 9, with 14 abstaining. Dr. Kimm, Kiu Sic, then declared the issue settled.

APPROVAL OF GOVERNORS

9. In connection with his request to the Assembly on 7 November that re-consideration and approval be given to the appointments to the governorships of Kangwon-do and Chungchong-namdo, General Helmick suggested conformance of Section 62 of "Rules of the Assembly" with Section VI, Ordinance No. 118. Both of these sections refer to the approval of government appointments. (Ordinance No. 118 established the Korean Interim Legislative Assembly, on 24 August 1946.) This suggestion was referred in November to the Legislative and Judicial Committee (Standing No. 1) of the Assembly for study. In the 181st session, the Committee suggested conformance by amending Section 62 as follows:

"Approval of appointments shall be determined by majority vote of the members present and for this purpose two-thirds of the members duly qualified and seated shall constitute a quorum."

This will make approval of appointments in the Assembly considerably easier to obtain, because a majority vote of the quorum, instead of the original two-thirds affirmative vote of the quorum, now constitute the required number to approve appointments. The amendment was accepted by a vote of 44 to 0, with 16 abstaining.

10. As a result of the amendment, the Assembly, by secret ballot, approved the appointments of the governors of Kangwon-do and Chungchong-namdo in the 185th session.

RICE COLLECTION

11. On 24 November, the Korean Interim Legislative Assembly dispatched Chong, Chin Hi, (rightist elected member) to Cholla-pukto and Cholla-namdo, and Lee, Il U, (rightist elected member) to Kyongsang-pukto and Kyongsang-namdo, to investigate the rice collection program. The two members reported the results of their investigations in the 183rd session on 16 December. Mr. Chong reported general public complaint against the government because: high quotas were established without actual investigation of the farming districts; the rice inspectors were not at the collection points at the proper time and were not under the jurisdiction and resultant control of local government officials. The farmers also complained about the loss of an extra one keun (1.232 pounds) of rice required per sack to cover any loss in handling the rice.

12. Mr. Lee reported that the rice quotas for Kyongsang-pukto and Kyongsang-namdo were very high, but that the rice collection was good. Because of the low

government purchase price (640 won), the collecting officials were experiencing some difficulty in enforcing rice collection among the farmers.

13. Dr. Kimm, Kiu Sic, stated that from his observations, it appeared to him that the collection quotas in Kyongsang-pukto and Kangwon-do were too high.

14. Yu, Yong Kung, (elected) made a voluntary investigation of Chungchong-namdo and reported that the quota was too high there, too, considering the poor rice crops caused by insufficient commercial fertilizer.

15. Yang, Che Pak, (rightist elected member) insisted that, in spite of more refugees coming continuously from North Korea, he thought further rice collection should be suspended because of the unfair burden it placed on the farmers. However, the Korean Interim Legislative Assembly took no definite action on the rice collection program during December.

LAND REFORM BILL

16. In the 186th session of the Korean Interim Legislative Assembly, the chief secretary read the forwarding letter from the Industry, Labor and Agriculture Committee (Standing No. 4) on the proposed Land Reform Bill. An, Tong Won, (rightist appointed member) asked why the bill, already denied by KILA several times, was being considered again. Vice-speaker, Choe, Tong O, replied that whereas previous discussions on such a bill referred only to land vested in the New Korea Company the presently proposed bill was an over-all land reform law.

17. The draft of the bill was read by Pak, Kun Ung, (leftist appointed member) chairman of the drafting committee. Mr. Pak explained first that the preparation of the draft had begun in February 1947, discontinued at the beginning of the US-USSR Joint Commission, and completed after the failure of the Commission. Mr. Pak's summary of the draft incorporated the following main points:

(a) The land owned by one family in excess of 3 chungbo (7.35 acres) would be divided and distributed. Compensation for the confiscated land would be made by the Government.

(b) During the resale of confiscated lands, first priority would be given to the original tenants.

(c) The purchase price of the land would be three times the average annual production for the past 10 years.

(d) Installment payments over a 15-year period would be made for the confiscated land.

(e) Free disposal, other than government disposal, will be restricted when the law is effective.

18. The first reading of the draft then proceeded, with no comment or questions from the Assembly members.

OTHER BUSINESS

19. A proposal, signed by 39 Assembly members, to declare each Friday meatless, liquorless and smokeless, for conservation of food and curtailment of expenditure on liquor and tobacco, was brought before the 184th session of the Assembly. After some

discussion, Dr. Kimm, Kiu Sic, moved that the proposal be re-formulated, with further subsequent discussions. This motion was passed by a vote of 38 to 1, with 7 abstaining.

20. In the 187th session, a petition was read to the Assembly from the Blindmen's Association, requesting their right to vote by the braille system in the coming elections, and offering to provide the necessary apparatus at election points. A motion to forward the petition to the Central Election Committee for its decision was carried by a vote of 39 to 0, with 12 abstaining.

Outline of Measures for Meeting the Current Situation in South Korea

21. In November, members affiliated with the moderate and leftist parties and the Korean Democratic Party (this party changed its opinion after hearing Dr. Chough, Pyung Ok's explanation) exhibited extreme excitement on becoming aware of the fact that the "Outline" had been published in the newspapers without legislative confirmation, and they severely blamed the responsible government officials. Explanations were demanded from several department heads concerned. During the exposition, however, the Director of the Department of Police, Dr. Chough, Pyung Ok, on behalf of Civil Administrator Ahn, Chai Hong, bore the brunt of the floor's criticism and shouldered the responsibility. After many hours of heated debate a movement for nominating a 5-man committee to determine the exact purpose behind the "Outline" was carried by the majority. It had been decided that if, after investigation, the committee found that this measure was proposed as an administrative policy for executive branch promulgation, then a resolution of no-confidence in the South Korean Interim Government directors should be made. By secret balloting, a 5-man committee was elected at the 171st session (see November SKIG ACTIVITIES).

22. At the 180th session, the 5-man committee brought in the following resolution:

"It is hereby resolved that we have no confidence in the members of the Directors' Conference [the contents of the "Outline" received unanimous approval at a Korean Directorate meeting in November]; namely, the Civil Administrator and all the directors of the departments and offices of the South Korean Interim Government."

23. Discussion on the "no confidence" resolution continued in the 182nd session. It was apparent that the floor had split into diverse opinions. The members of the Korean Democratic Party, representing the extreme-rightists, unhesitatingly supported the Director of the Department of Police's explanations and made several attempts at tabling the controversial issue, while members of the moderate and leftist parties continued to struggle toward accepting the "no confidence" resolution. It was finally agreed that the measure originated from good motives and was meant to express the good will of the Korean people to the American people. The objectionable phrases had been amended as well. The decision as to whether or not to accept the resolution of "no confidence" was finally to be determined from secret balloting. As rightists are in the majority in the Assembly, they managed to overwhelm the moderates and leftists with rejection of the "no confidence" resolution by a vote of 35 to 27, with 1 abstaining.

24. Even though Dr. Kimm, Kiu Sic, had opposed the "Outline" since its publication, he hesitated about taking drastic measures because he didn't want to cast one of the most outstanding bodies in South Korea, the Korean Interim-Legislative Assembly, into chaos when the United Nations Commission on Korea was expected. His conciliatory efforts and pacific manner were partly responsible for closing this delicate issue.

Public Act No. 8

25. The expected publication of Public Act No. 8, "Act to Prohibit Aiding American Personnel to Violate Military Directives" did not occur in December. This was formerly Ordinance No. 153, but revision by the Korean Interim Legislative Assembly necessitated re-affirmation by the Military Governor and re-publication. The Ordinance was therefore changed to the status of a Public Act, to be signed by Dr. Kimm, Kiu Sic, for KILA and Major General William F. Dean, The Military Governor.

Anniversary

26. The Korean Interim Legislative Assembly celebrated its first anniversary on 12 December 1947. The celebration ceremony was attended by Lt. General John R. Hodge, Major General A. E. Brown, Brigadier General C. G. Helmick, Brigadier General J. Weckerling, Dr. E. A. J. Johnson, Dr. Philip Jaisohn, and directors of the South Korean Interim Government. A report on the year's achievements and activities was read by the Chief Secretary. He announced that KILA had approved seven bills, Rules of the Assembly, Summer Grain Collection Law, Child Labor Law, Election Law, Rice Collection Law #6, Law for Abolishment of Public Prostitution, and the KILA budget. Six bills had been disapproved, 7 were held. There were 58 issues resolved and 30 undecided. His report was received with great interest by the visiting officials.

27. Following the reading of the report on the year's work, General Hodge spoke on the great progress the Assembly had made, definitely establishing its position of tremendous importance in the South Korean Interim Government. He continued: "The great majority of the free nations of the world have recognized the need for pushing Korean Independence forward and the need to establish early a Korean National Government, and withdraw foreign occupying forces from Korea as soon thereafter as practicable. They have recognized and acted on this situation through the presentation by the United States Government of a resolution to the United Nations General Assembly and its adoption by that international body. . . I express my confidence that the Legislative Assembly will do all it can to assist in the needed support and in essential stabilization of governmental functioning during the critical interim period of implementing the United Nation's Resolution on Korea. I express my hope in the not too distant future I may have the privilege of attending a ceremony inaugurating a Korean National Government established by the will of the Korean people for themselves."

28. General Helmick's speech of congratulation reads in part: "During this year which you have been in session, the Assembly members have met day after day, considering many legislative matters aimed at the improvement of Korea. You have developed parliamentary techniques and you have mastered legislative procedures, until now this body stands as an example to the world of what can be done by sincere and able men in such a short period. The accomplishments of the Korean Interim Legislative Assembly in enacting laws to govern the people, in accordance with the will of the people, is a great stabilizing influence; and your performances will serve as a guide in the future development of the democratic processes of your country.

"On behalf of the Military Governor, who asked me to express his deep regrets that he is unable to be with you today, and on behalf of all the Americans associated with this government, I extend to you our very honest and sincere congratulations upon the performance of a difficult task in the face of great obstacles. By the Acts which you have considered and passed, you have rendered a great service to your people and to your country, and you merit their deep appreciation and gratitude."

29. Congratulatory speeches were made by Mr. Ahn, Chai Hong, the Civil Administrator, and by the Chairman of the Korean Interim Legislative Assembly, Dr. Kim, Kiu Sic. Dr. Kimm, in his address revealed the hope that a Korean government would be established and the present assembly would be dissolved.

SECTION 3

POLITICAL DEVELOPMENTS

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GENERAL

1. December was a month of comparative quiet politically. Since it was definitely known that the United Nations Commission would arrive in Korea and a general election had been planned for early in 1948, most parties contented themselves with speculating about the possibility of an election throughout North and South Korea. Two moves, the inauguration of the moderate National Independence Federation, and the widely-publicized Rhee, Syngman, and Kim, Koo, merger, relieved the otherwise monotonous scene.

NATIONAL INDEPENDENCE FEDERATION

2. On 20 December the initial meeting of the National Independence Federation was held in Seoul. At this first meeting, the principles and policies were formed and the organization of the Federation established. Present at the meeting to offer congratulations were: Major General Albert E. Brown, Deputy Commander, XXIV Corps; Major General William F. Dean, The Military Governor; Brigadier General C. G. Helmick, the Deputy Military Governor; Dr. Chough, Pyung Ok, Director of the Department of Police; Chang, Taik Sang, chief of Seoul and Kyonggi-do police; and Dr. Kimm, Kiu Sic, Speaker of the Korean Interim Legislative Assembly and leader of the Federation. His leadership was made official when he was elected chairman of the Federation at this first meeting. Mr. Yun, Ki Sop, vice-speaker of the Korean Interim Legislative Assembly, presided over the meeting.

3. Participating in the National Independence Federation are the following 15 political parties:

- Korean Farmers' Party (moderate);
- Democratic Korean Independence Party (moderate left);
- New Progressive Party (moderate);
- Laboring People's Party (moderate left);
- Chon Do Kyo Young Friends' Party (moderate);
- Chon Do Kyo Kook Dang (moderate right);
- Laboring Masses Party (moderate right);
- Social Democratic Party (moderate);
- Popular Alliance (moderate left);
- Democratic Independence Party (moderate);
- Industrious Mass Party (moderate left);
- Korean National Social Party (moderate right);

Mass Party (moderate right);
 Korean Republic Party (moderate right); and
 Sin Hwa Dang (moderate?).

The Democratic Independence Party, under the leadership of Civil Administrator Ahn, Chai Hong, and Hong, Myung Hi, the Democratic Korean Independence Party and the Popular Alliance are fairly large and powerful parties. Some, like the Laboring People's Party, have been restricted as to membership, because its supposed communistic elements were not desired in the Federation. Others, such as the Mass Party and the Sin Hwa Dang, are small and comparatively unknown.

4. In his speech on this occasion, Dr. Kimm said in part: "We must do our best to establish a government of the people, by the people and for the people from a national point of view, being aloof from factional fights to obtain political power and government posts."

5. The principles and policies of the Federation were announced following the speeches. The Federation's principles are five:

- a. The establishment of a new democratic independent government;
- b. The rights of equality and freedom politically, economically and socially will be practiced within the Federation by acting upon the requests of the various patriotic political parties;
- c. The encouragement of national spirit;
- d. Friendship toward other parties and organizations, to eliminate sectarianism; and
- e. Promotion of good will between Korea and the Allied Powers.

The Federations's six policies are:

- a. Strengthening and recognition of a constitution by democratic parties, social organizations and individuals without leadership of any class or sect;
- b. A meeting of North and South Korean political parties' representatives to expedite the establishment of a unified government;
- c. The building of a more thoughtful and studied national spirit;
- d. Advancement of education and enlightenment;
- e. Modernization of Korea; and
- f. Immediate withdrawal of American and Soviet troops.

6. The Federation, motivated chiefly by the desire for a unified Korea under a general election in North and South Korea and the cultural advancement of Korea, issued a re-statement of its policies on 24 December. This statement is briefly as follows:

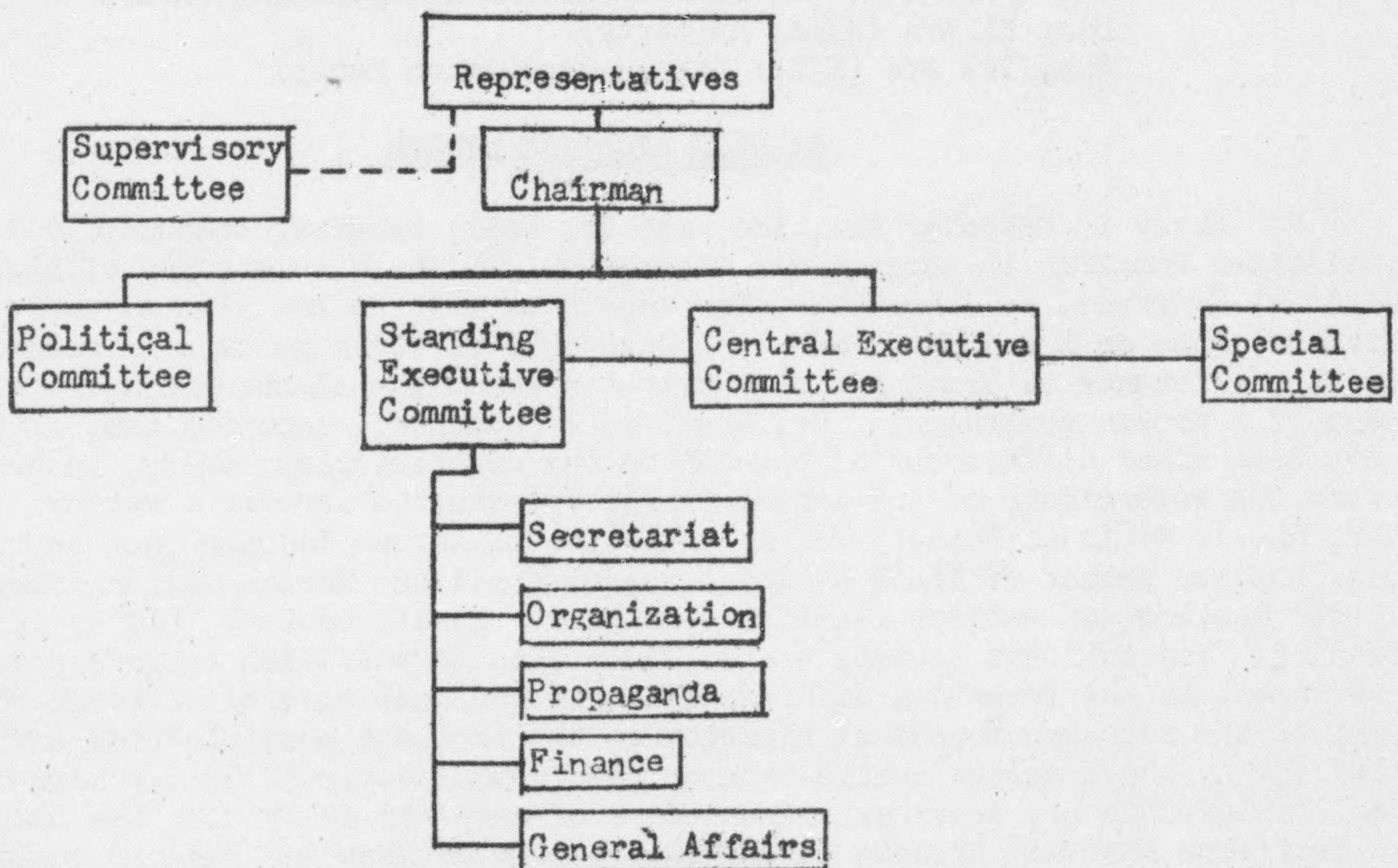
"The route of our federation to be followed from now on is to represent the people honestly. We will try our conscientious best to establish a united state in North and South Korea and restore true liberty to our nation. Our Federation will

also endeavor to show the people, by means of large scale education, which is the most proper democracy for our nation."

The Federation's aim as announced, then, follows cultural lines toward an educated and modernized Korea. However, its 15-party membership indicates clearly that the Federation is not without political ambitions.

7. The Table of Organization of the Federation was set up at the 20 December meeting.

TABLE OF ORGANIZATION



The chairman is Dr. Kimm, Kiu Sic. The Supervisory Committee, which, as the name implies, is an advisory group, consists of 20 members; under the chairmanship of O, Ha Yung, an active member of the Korean Interim Legislative Assembly. The Political Committee consists of the following members:

- Hong, Myung Hi -- Chairman of Democratic Independence Party;
- Yuh, Ki Sop -- vice-speaker, Korean Interim Legislative Assembly;
- Won, Sei Hoon -- originator of Popular Alliance, KILA;
- Son, Do Hwan -- leading political theorist, Laboring People's Party;
- Lee, Kerk' No -- well-known scholar;
- Kimm, Soon Ai -- politically experienced wife of Dr. Kimm, Kiu Sic; and
- Kim, Tawng Kyoo -- comparative unknown, representing Confucian group.

The Standing Executive Committee consists of: Organization, under the direction of Choe, Tong O, vice-speaker of the Korean Interim Legislative Assembly; General Affairs, under the direction of Lyuh, Woon Hong, member of KILA; and Propaganda, under Kim, Boong Choon, also a member of KILA. The Central Executive Committee consists of:

Kim, Boong Joon (KILA; New Progressive Party)
 Choe, Tong O (KILA; no party)
 Lyuh, Woon Hong (KILA; Social Democratic Party)
 Song, Nam Hun (no party)
 Kang, Soon (KILA; Industrious Mass Party)
 Chai, Suk Chang (no party)
 Lee, Choong Keun (Korean Farmers' Party)
 Yoo, Suk Hyun (Democratic Independence Party)
 Sung, Tai Kyung (Laboring People's Party)
 Chang, Kwong (Social Democratic Party)
 Bai, Sung Yong (no party)
 Bak, Eun Sung (Patriotic Women's Association)
 Kwon, Tai Suk (Democratic Korean Independence Party)
 Sin, Ki Ern (KILA; no party)
 Kim, Yak Soo (KILA; Korean Republican Party)

EXTREME RIGHTIST MERGER

8. Early in December Kim, Koo, and Dr. Rhee, Syngman, commenced a well-publicized campaign to merge their strengths. At the 44th meeting of Kim, Koo's National Congress, on 2 December, Kim announced that he had visited and consulted with Dr. Rhee on 1 December, and, although they differed perhaps in method, there was no difference in their goals, namely, an immediate election and the establishment of a Korean government. Dr. Rhee, on 1 December, announced that although there were some minor differences of opinion in the rightist camp, unity, in order to restore the sovereignty of the Korean territory, was the important matter. On 5 December, Rhee's National Society for Acceleration of Korean Independence announced that the proposed merger of Kim's National Congress and the Korean National Representatives' Meeting, an extreme rightist group under Rhee's control, had great historic meaning. The National Society stated, "Our plan to establish an independent Korean government by the formation of a transitional national congress through the enforcement of the autonomous general election at the earliest possible time shall be carried out by the complete unification of the Korean people." On the same day, Kim, Koo, followed up his previous announcement of complete unity with the statement that he felt sure that any trouble in the future between Rhee and himself would be quickly resolved. Kim, Koo's reasons for agreement with Rhee were explained in an editorial appearing in moderate left Seoul Shinmun (Seoul Daily News). The editorial read: "It is true that Kim, Koo's opinion is different from what is insisted upon by Dr. Rhee, a single election in South Korea. But the reason why Kim came to support Rhee's political opinion seems that the general election through North and South Korea by the resolution of the United Nations is recognized to be impossible in fact, if we forecast a Russian boycott."

9. The proposed merger meeting of the National Congress and the Korean National Representatives' Meeting to be held early in December was postponed, probably because of discord in the rightist ranks. The merger proposal, given such wide publicity at its beginning, seemed by the middle of the month to have quietly ended. However, the Seoul newspapers reported that on 27 December, Rhee and Kim had met again, and in a joint statement announced that the principle of the merger was agreed upon. No further action on the merger was taken in December.

UNITED NATIONS COMMISSION

10. Most rightist political parties continued their policy of support of the United Nations Commission to Korea. They continued also to express doubt that the Soviet Union would allow the Commission to enter North Korea. The right-wing Chosun

Democratic Party stated on 17 December that, since 35 per cent of the Koreans in North Korea had migrated into the south, a general election in South Korea would be a national election. The Korean Representative Democratic Council stated that an election in South Korea alone would actually be for all of Korea. The moderates of the National Independence Federation wavered in giving a decision regarding support of a South Korean election. The majority of the leadership, however, appeared to be adamant in its stand for a bi-zonal election.

11. Extreme leftist groups continued to express their opposition to the United Nations Commission. Extreme elements of the Laboring People's Party felt that if the United States and the Soviet Union could not cooperate in solving the Korean problem, they should withdraw and let the Koreans solve their own problems. The South Korea Labor Party stated their objections, on 11 December, to "UN Trusteeship for Korea—a puppet government established by a general election held in South Korea alone. We object to the UN Korea Commission itself. We want to establish a unified government by ourselves after the evacuation of foreign troops."

12. On 12 December, a reception committee was organized to greet the United Nations Commission upon its arrival in Korea early in January. Honorary chairmanships went to Dr. Kimm, Kiu Sic; Dr. Rhee, Syngman; Mr. Kim, Koo; Mr. Oh, Sei Chang, associated with Dr. Rhee in the National Society for Acceleration of Korean Independence; and Mr. Cho, Man Sik, representative of the Chosun Democratic Party. Dr. Chough, Pyung Ok, Director of the Department of Police, was named as chairman. Among the vice-chairmen were: Cho, So Ang, and Cho, Wan Ku, representatives from the Korean Independence Party; Lee, Chawng Chun, leader of the Dai Dong, a youth group; Kim, Seung Soo, representative of the extreme rightist Hankook Democratic Party; Hong, Myung Hi, leader of the moderate Democratic Independence Party; and Lee, Bum Suk, leader of the Korean National Youth, Inc. Committee members were composed of the South Korean Interim Government Directorate, provincial governors, and the mayor of the City of Seoul. A large welcoming meeting was planned to follow the arrival of the UN Commission in Seoul.

COUNCIL OF 12 PARTIES

13. A preparatory meeting was held on 6 December by the Council of 12 Parties (see November SKIG ACTIVITIES), to plan for the ninth meeting of the Council. Neither Korean Independence Party nor Democratic Independence Party representatives attended. The following points were decided upon at the meeting:

- a. Publicity on the Council and its policies at home and abroad;
- b. Registration of the Council of 12 Parties as a political organization;
- c. A meeting between North and South Korean political representatives; and
- d. Support of the United Nations Commission and the general election.

14. After this preparatory meeting, which was not followed by the proposed ninth meeting, the Council seemed to have officially died. It was not without effect, however, since differences of opinion within Kim, Koo's Korean Independence Party resulted in the expulsion of three executive committee members of that party. On 12 December, the Korean Independence Party stated that the party deferred joining the Council until a concrete method for the North-South meeting can be prepared and until the sincerity of the members of the Council is established.

STATEMENTS BY RHEE, SYNGMAN

15. Dr. Rhee, Syngman, continued his attacks on Lieutenant General John R. Hodge and the American forces in Korea. On 5 December, he issued a statement criticizing General Hodge and "the lukewarm American democracy and confused American policy," and stating that "Hodge thinks that if a Legislative Assembly is set up according to the will of the people, which is reflected in the general election, it will be a hindrance to the realization of his own ideas." He allegedly stated that it is believed that unless the Koreans take the American Military Government as their own government, they will receive no further help in money and food from America. He concluded with his usual demand for an immediate general election in South Korea alone.

16. In answer to a press statement by General Hodge on 8 December, Rhee stated on 16 December that General Hodge did not answer his, Rhee's, questions, and continued to berate General Hodge for the delay in a general election. He continued to demand one immediately.

17. On the 18th Dr. Rhee issued a statement approving General Hodge's press statement of 17 December warning the Koreans of the dangers of Communism. "Now all suspicion hanging over the people has been wiped out and everything is clear," Dr. Rhee allegedly stated. "All the suspicion created by the statements and public documents issued by the Military Government is once and forever gone because of this statement by General Hodge."

18. As part of Rhee's anti-American campaign, extreme rightist Hyun Dai Ilbo (Modern Daily News), reported on 5 December that 2,000 citizens of Seoul took part in a demonstration on 2 December. They carried slogans reading "Immediate Enforcement of General Election," "To Postpone General Election is to Thwart our Independence," and "Support the Policy of Dr. Rhee." Another part of Rhee's campaign is indicated by a National Society for Acceleration of Korean Independence statement on 2 December, bitterly crying against what they termed the "confusion, chaos and suffering" in South Korea, with "people who are confined to their rooms in the dark and shivering because of the cold" while "on the streets we see thieves, robbers, swindlers, gamblers, fast women and roughnecks" and "in the government we find greedy officials and profiteers." The statement concludes with a question to General Hodge as to where the responsibility lies. "Again we want to ask the Commanding General why he has delayed the general election which can provide the means of solving these problems by the Koreans themselves."

19. Toward the end of December, Dr. Rhee quieted down, as it became obvious that the UN Commission would arrive early in January and that a general election before that time was impossible. He appeared to be waiting for whatever might result from UN action, while at the same time prophesying that he expected little more than had resulted from the activities of the Joint Commission.

ORGANIZATIONS AND ANNIVERSARIES

20. Both Dr. Rhee, Syngman, and Kim, Koo, spoke at the first anniversary celebration of the extreme rightist Northwest Young Men's Association on 30 December.

21. On 3 December, a women's mass meeting, sponsored by the Women's Nationalist Party and other rightist women's groups, was held in Seoul. The women passed two resolutions. The first thanked the UN for its action on Korea and asked for an immediate general election in South Korea to elect Korean representatives to confer with the UN Commission; the second, a continuation of the first, resolved that in case the Commission could not enter North Korea, the elected group in South Korea should automatically establish a government.

SECTION 4

LEGAL AFFAIRS

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ORDINANCES AND ORDERS

1. The following ordinances, orders, etc. were drafted by the Department of Justice and published in the Official Gazette during December:

a. Ordinance No. 158, published on 30 December 1947 and effective 29 January 1948, transferring certain miscellaneous licensing function from the Department of Police (see November SKIG ACTIVITIES).

b. Ordinance No. 159, effective 9 January 1948, eliminating the requirement that the Office of Korea Civil Service approve the appointment and removal of certain officials (see ADMINISTRATION).

c. Ordinance No. 160, effective 15 December 1947, establishing the Agricultural Improvement Service, for the purpose of research and assistance to agricultural colleges (see AGRICULTURE).

d. Department of Commerce Order No. 2, effective 28 October 1947, requiring the deposit of won proceeds from the sale of imported goods and commodities (see November SKIG ACTIVITIES).

e. Office of Property Custody Order No. 10, effective 6 December 1947, concerning the operation of all types of juridical persons organized in Korea in which the Property Custodian owns a stock or other interest (see VESTED PROPERTY).

f. Appointment-Removal list No. 1, listing all official appointments and removals made, above a certain grade.

g. Executive Order No. 9, effective 15 December 1947, establishing the Emergency Electric Power Board, determining the powers of the Board, and establishing the priorities on use of electricity (see UTILITIES).

LEGAL OPINIONS

2. The following are examples of problems of the various South Korean Interim Government agencies and opinions rendered on the problems by the Opinions Bureau, Department of Justice, during December:

Power of Labor Mediation Board

3. The Department of Labor inquired as to the powers of the Labor Mediation Boards, established under Ordinance No. 34, effective 24 December 1945. Its questions and the Department of Justice's answers are as follows:

- a. Question: Can a Board punish perjury? Answer: No, it cannot. Perjury must be punished by a competent court.
- b. Question: Can a Board punish for contempt? Answer: Yes, it can.
- c. Question: What is contempt? Answer: Contempt of court is an offense the essential ingredients of which are disobedience to the court or despising or opposing its authority or dignity.
- d. Question: Is it necessary to prosecute for contempt in a criminal court or can the Board itself inflict punishment? Answer: The Board itself can inflict punishment for contempt without reference or referring the matter to a criminal court.
- e. Question: Can the Board punish for refusal to appear as witness? Answer: Yes. It constitutes a "contempt."
- f. Question: Can the Board punish for refusal to answer questions? Answer: Yes, it can. Such refusal constitutes a "contempt" . . . However, it must be remembered that some refusals to testify may be justified, and where justifications exist, then such refusal is not "contempt."
- g. Question: How does a Board go about enforcing its rulings? Answer: By enforcing the provisions of Ordinance #19; the refusal of anyone to obey a ruling or order of the Mediation Board can be construed as the "obstructing, attempting to obstruct, or contravening any orders or announced program of the Military Government in Korea, whether by acts, conspiracies, intimidation, etc." Should such a refusal (to obey its decisions) occur, the Board therefore has a method of enforcing its orders and decisions, by reporting the fact of the disobedience to the local District Court, and ask prosecution of the party involved as a criminal violator of Ordinance #19, Section #4. (Ordinance No. 19, effective 30 October 1945, Section 4, deals with protection of the public against acts prejudicial to the people's welfare.)
- h. Question: Can a Board administer an oath? Answer: No, it cannot. Ordinance #34 creating the Board does not grant it power to administer oaths.
- i. Question: Is false testimony perjury in absence of an oath? Answer: No; if there is no oath, there is no perjury. However, through Ordinance No. 19, Section 4, the Mediation Board can request prosecution for false testimony by a competent court.

Appointment of Government Employees by Department Heads

4. Concerning the authority and procedure in the appointment of government employees, and particularly the authority of the head of a department to make appointments to government positions without selecting personnel previously approved and listed by Korea Civil Service, the Opinions Bureau, Department of Justice, rendered the following opinion: "The general rule is . . . that appointments shall be made from lists established by the Korea Civil Service. Any departure from this general rule would have to be with the approval of Korea Civil Service."

Korean National Housing Administration

5. The Opinions Bureau of the Department of Justice is often called upon to check the background of and wording in proposed ordinances of the South Korean Interim Government. An example is the opinion rendered on 15 December on the disestablishment of the Korean National Housing Administration and the proposed ordinance

that would place the National Housing Service under the National Economic Board. The proposed ordinance would make a policy making and planning body of the National Housing Service, while Ordinance No. 123, effective 16 November 1946, gave to the Korean National Housing Administration these features plus authority to actually conduct operations.

6. In making suggestions for the proposed ordinance, the Opinions Bureau referred to the Japanese Ordinance No. 38, effective 12 July 1939, which regulated the housing program of the Japanese Government General of Chosen, and the Japanese Ordinance No. 90, establishing the Korean Residence Management Corporation, in 1941. The Bureau suggested investigation to determine to what extent the Korean Residence Management Corporation is presently operating, and possible incorporation of the name, Korean Residence Management Corporation, and sections of Ordinance No. 90 in the proposed ordinance of the South Korean Interim Government establishing the National Housing Service.

PENAL INSTITUTIONS

7. Since August 1945, there has been a steady increase in the prison population of South Korea (table 1). Before leaving Korea in 1945, the Japanese released almost all of the prisoners in South Korea. This accounts for the low figures in 1945. The steady increase in the number of prisoners since August 1945 can be chiefly accredited to the economic situation in South Korea. The large number of repatriates and refugees, most of whom are poverty-stricken, coming into South Korea, is a chief reason for the crime increase, especially among youthful offenders. Theft, in its various forms, accounts for a majority of all convictions. Although the number of prisoners seems large at the present time, it is well to remember that figures show the number of prisoners in all of Korea to be a little over 30,000 during the last part of the Japanese occupation, and approximately 46 percent of this number were in North Korean prisons. The prisons of South Korea are at present overcrowded, having reached their estimated maximum capacity of 18,500 prisoners in September 1946. The slight downward fluctuations in numbers from month to month are accounted for by releases upon conclusion of sentences and paroles issued on special holidays.

8. An additional group of 103 boy prisoners was transferred from Kumchon Boys' Prison to Inchon Boys' Prison on 17 December (see NOVEMBER SKIG ACTIVITIES). This brought the total number transferred since 1 November to 305, leaving approximately the same number remaining at Kumchon Prison.

9. During the early part of December, several hundred jackets and articles of winter underwear were distributed to Seoul House of Correction and Oijongbu Boys' Prison Farm.

10. During December, one shirt and one overcoat were issued to each guard at 14 South Korean prisons and the Guards Training School. The school graduated a class of 198 student guards in December. They were assigned to various penal institutions on a proportionate basis depending on personnel vacancies. A new class of student guards will not be recruited until present trend of prison population increase is more definitely established.

Table 1. Prison Population in South Korea
August 1945 - December 1947

<u>Period</u>	<u>1945</u>	<u>1946</u>	<u>1947</u>
Jan		6,725	19,998
Feb		8,313	20,379
Mar		10,932	19,848
Apr		12,428	20,282
May		14,170	20,555
Jun		15,805	19,833
Jul		17,324	19,777
Aug	1,618	17,452	19,263
Sep	1,544	18,940	20,652
Oct	2,261	19,720	21,458
Nov	3,357	19,718	21,372
Dec	4,792	20,016	20,718

SOURCE: Penal Bureau, Department of Justice.

KOREAN COURTS

11. On 20 April 1947, Kim, Doo Whan, and 14 other members of a terrorist rightist youth group, the Great Korean Democratic Young Men's Association, captured members of their political opponents, beat one man to death, while another died a few days later from injuries received from the men. The Seoul District Court heard the case, sentencing Kim, Yong Tai to 7 years in prison, another to 5 years, another to 2 years, and the rest, including Kim, Doo Whan who was the leader, were fined. The Military Governor, not satisfied with the lightness of the punishments, in view of the serious nature of the crime, ordered the case appealed to the Seoul Court of Review. This Court stated the evidence was still not sufficient. In November the case was transferred to a military commission. Considerable excitement resulted, with press and political parties opposing the interference of Americans with Korean courts. The three judges who tried the case in the Seoul Court of Review tendered their resignations. Conferences with the judges and a special press release on 1 December 1947 by Major General William F. Dean, Military Governor, helped ease the tension, and the resignations were not accepted and it is believed they will not be pressed. The prisoners were transferred from Seoul Prison to a military prison during the week ending 20 December.

12. During the week ending 13 December, the annual Conference of Division Chief Judges, and Senior Judges and Division Chief Prosecutors and Senior Prosecutors was held in Seoul to discuss the routine business of the courts.

13. Information was furnished to the Military Governor on the trial of the men accused of killing Dr. Chang, Duk Soo, political leader who was assassinated on 2 December 1947. A trial by Military Commission was recommended.

14. A report with recommendations regarding revisions of law which might be made to give greater protection to persons held for trial by Korean courts, without hampering police operations, was submitted to the Military Governor. This report was the result of conferences on the subject between Korean and American representatives of the Departments of Justice and Police. No agreement was reached in these conferences, and the Department of Police will submit a separate report. The recommendations of the report had not been acted upon by the end of December.

SECTION 5

POLICE

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GENERAL

1. As was noted in the November issue of South Korean Interim Government Activities, Japanese law is still in force in South Korea unless expressly repealed and Japanese practices are followed unless prohibitions against them are enforced. There is no bill of rights or writ of habeas corpus in Korea. As was pointed out, it is difficult to define a non-existent right in any court and a Korean has no rights which the police are bound to respect. Korea was a police state and is being changed from that category only by hard, slow, careful, intelligent effort. Experience shows all too clearly that liberty cannot be imposed on a people from without. The police organization must not be too far out of line with other political bodies. The amount of liberty which Koreans really want may be gauged by the censorship laws, the newspaper laws, and land reform laws and other laws pertaining to civil and economic rights which have come up for consideration by the Korean Interim Legislature. The police are considered to be the one strongly cohesive force in Korean political life and in its reform it must not be weakened too rapidly. During the past two years the police have more than once stood firm in trying political circumstances.

IMPROVEMENTS IN POLICE SYSTEM

2. When American forces landed in Korea in September 1945, the Military Government was confronted with the problem of reorganizing the police. In many places Japanese police had ceased to function. In Seoul there were organizations of students who were attempting to keep order, and throughout the southern provinces, Japanese police and those Koreans who had worked with them were displaced by local committees. These committees were not necessarily communist although the communists were quick to claim them and American military authorities were prone to believe their assertions. The Military Police bolstered up the civil police in Seoul but it was nine weeks before U.S. Military Government teams got around to dealing with some locally constituted police. The first plan was to utilize the Japanese police and train Koreans to take their places. This proved impossible because of the passive resistance of the Koreans. The next step was to displace all volunteer police and advertise for trained policemen to join the new force. By October the National Police Force, with 85 per cent of the force inexperienced men, had been reorganized. One cause of bitterness between the people and the National Police lies in the fact that many of those police ousted by the people on 15 August 1945, were put back in authority and were accused of making the most of their chance to retaliate against those who caused them to lose face.

3. Hundreds of criminals tried to join the force counting on the partial destruction of the Japanese fingerprint files and the ignorance of Americans who understood neither the language, customs nor the situation into which they had been thrown. On some occasions almost half the number of police applicants were rejected because of criminal records, mental incompetence, or infectious or contagious diseases. One of the first things which was done was to open schools for the police. As the situation got in hand, training was set up on lower levels and a National Police College was established at headquarters to train police officers. In addition to having an untrained force, nearly all supplies and equipment were lacking. Eventually Americans furnished most of the supplies.

4. Support of civil police by the Military Police was gradually withdrawn and a new organization was adopted early in 1946. The plan of organization provides for a highly centralized force. National Headquarters is composed of the Bureau of Administration, Uniformed Police, Detectives, Communications, and Women Police. In addition, at headquarters are the Crime Laboratory, the fingerprint files and the National Police College. Subordinate to National Headquarters are 10 police divisions, 8 of which have the same boundaries as the provinces. One covers the City of Seoul, (the Metropolitan Division) and one is Transportation Division. In addition, there is the so-called Inspection Command operating in Cheju-do. Policy, organization and personnel matters are centrally administered. Theoretically, the provincial police chiefs are subordinate to the provincial governors but because of the continuance of the police state attitude, in popular opinion the police head outranks the governor.

5. The reasons for keeping the highly centralized organization are:

- (1) During emergencies or disasters, police can be mobilized quickly;
- (2) Jurisdictional disputes are eliminated;
- (3) Political influence is diminished;
- (4) Uniform training and a more impartial enforcement of the law is provided;
- (5) The possibility that the police may join local strong-arm squads is lessened;
- (6) Information on criminal or revolutionary activities is not lost in local files but is available to all police.

6. Reforms necessarily moved slowly because of the tradition of all inclusive police power administered with deliberate and calculated brutality; the disorder contingent upon the overthrow of the Japanese government; the unpreparedness of most Americans for the task of setting up a military Government in Korea; the language barrier; the unprecedented flood of refugees; and the mass movements of people in and out of the country and the economic chaos. The wonder is not that the police achieved so little but that they accomplished as much as they did. Most Americans lack the historical knowledge to judge present conditions in the light of Korea's history of rule by political assassination and administration by graft.

7. The first step toward reformation of conditions in the police department was to begin to cut back police powers to police functions. As an example, one of

the first acts of Military Government was to set up the Bureau of Sanitation and allied agencies as the Department of Public Health and Welfare. The Customs Bureau became a part of the Department of Commerce. The right of summary trial was given to special judicial officers. A recent instance was in November, 1947 when most of the licensing power was transferred from the police to the departments concerned. These changes in jurisdiction have been made gradually and enforced slowly. The second type of reform, coexistent with the first, was the effort to improve police procedure and to lessen brutality, torture and beating. Great numbers of directives were issued on these topics from the very beginning. Inspections disclosed that such ideas were a long time in reaching the lowest level of the ranks and reports were sent in of jail conditions which were shocking to persons ignorant of Oriental standards. Improvements were made both in jail conditions and in the conduct of the police. These efforts will be taken up more in detail in later discussions.

EFFORTS TO CURB TERRORISM

8. The assassination on 3 December of Dr. Chang, Duk Soo, political head of the Korean Democratic Party, by Park, Kwang Ok, a police sergeant in uniform, and Pai, Hi Bum, a former student of Chosun Christian College, was particularly ill-timed in view of the arrival of the UN representatives. The two were arrested on 4 December. Throughout the month efforts continued to ascertain the identity of the backers of the two men accused of the murder.

9. Dr. Chough, Pyong Ok, Director of the National Police Department, on 8 December, ordered police not to be "instigated by any political organization" or "to be used as an instrument by any leading politician." Chang, Paik Sang, Chief of the Metropolitan Police of Seoul, warned police to be strictly neutral and not to take any part in political affairs. In line with the attempt to curb political strife was the prohibition of the big meeting of the rightist National Congress and the Convention of Peoples Representatives, scheduled for 11 December.

10. Appeals were made to youth organizations to keep the peace and to refrain from making a bad impression on the UN Committee. A minor rightist youth demonstration for an immediate election in defiance of the decision to wait for the UN election was suppressed by the police. On 24 December, eleven members of the Dai Dong Young Men's Association were arrested for attacking the office of another rightist group, the Northwest Young Men's Association. The following day Chief Chang issued a strong statement charging staff members of the Dai Dong Young Men's Association with kidnaping, extortion, beatings, and similar activities. He announced that the police would deal impartially with all terrorists. On 29 December, Director Chough, in a radio speech, warned Communists against attacks on the police force.

RICE COLLECTION

11. Despite some resistance to rice collection, the program progressed satisfactorily. From Kyongsang-pukto came the report that 170 persons had been arrested on 23 December for their opposition. It was announced by Chief Chang that there had been evidence obtained of dishonesty in 48 per cent of the rice distribution centers and that the culprits would be punished.

DETECTIVE BUREAU REPORT

12. During the first week in December the fingerprint record requests dropped from an approximate average of 5,000 a week during November to 3,979 for the week ending 8 December. The report for the second week was 3,352, while the third week ending 22 December dropped still further to 1,760. The report for the week preceding 29 December gave the requests as 2,889.

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MAIL EXCHANGES

1. Mail is exchanged between North and South Korea on alternate Saturdays at Tosang, just north of the 38° parallel. Exchanges during December were:

	<u>Letters</u>	<u>Postcards</u>	<u>Registered items</u>
December 13			
From South Korea	7,483	1,814	289
To South Korea	2,499	595	249
December 27			
From South Korea	5,224	1,618	385
To South Korea	2,909	783	353

SOURCE: Department of Communications.

INTERCEPTS

2. Reports from Radio Pyongyang, broadcast in Korean from Pyongyang, the largest city of North Korea, are intercepted and translated by Foreign Broadcast Intelligence Section, in Japan. Radio Pyongyang, voice of the North Korean People's Committee, spreads information and propaganda under the direction of the People's Committee. This propaganda is aimed at South Korea as well as North Korea. The following are intercepts from Radio Pyongyang in December.

Currency Exchange

3. Radio Pyongyang spent considerable time in December lauding the currency conversion in North Korea. On 14 December, the exchange was joyfully announced: "Through this glorious victory the North Korean people have once again demonstrated how fervently they support, how much they love, how much they trust the North Korean People's Committee, which is led by our great national leader, Chairman Kim, Il Sung." Radio Pyongyang reported farmers' markets, in commemoration of the currency exchange, were displaying their grains and many other varieties of farm products and selling their wares at cheap prices to city people. The sweeping popularity of the farm markets among the city people was "another beautiful scene of North Korea, Land of Democracy."

4. In appreciation of the exchange of currency, and "overcome with their joy at the appearance of their own national currency," Radio Pyongyang announced on 16 December that the people throughout North Korea made contributions of either cash or grains to the North Korean economy. On 24 December, celebrations were held "in every nook and corner of North Korea" to commemorate the "triumphant conclusion" of the currency conversion.

Provisional Constitution and UN Decision on Korea

5. A lengthy report on the situation in South Korea, a favorite subject, resulted when a South Korean was found who had arrived in North Korea from Cheju-do via Seoul. Radio Pyongyang reported that the man stated, concerning the drafting of a provisional Korean constitution in North Korea: "The South Korean people are absolutely supporting this as the positive, national measure to win a united, sovereign, independent Korea." Enlarging upon his theme, he reportedly continued: "The South Korean Democratic Party is talking of the silly plan of having the independence of Korea recognized by becoming a member of the United Nations through the establishment of a representative government in South Korea. Suffering from the oppression of the reactionaries, the true democratic patriots of South Korea do not take the reactionary plan seriously." The people have utterly rejected "the so-called South Korean provisional constitution," the report concluded, because it "tramples on the rights of the people."

6. Much enthusiasm in North Korea over the drafting of the provisional constitution in North Korea was reported by Radio Pyongyang. This was coupled with complete rejection of the United Nations decision on Korea. Radio Pyongyang reported a rally on 3 December at a North Korean cotton mill, welcoming the drafting of the provisional constitution, and protesting the UN decision. The broadcast further stated that the "workers passed a resolution, after having decided to smash the aggressive ambitions of the American imperialists, reasoning that the decision has trampled on the welfare of the Korean people."

7. In the field of culture, Radio Pyongyang reported on 5 December that the North Korean Federation of Literature and Arts was making their fall performance an event of protest against the United Nations' decision on Korea. The program for the performance, Radio Pyongyang's report continued, will consist of music by the National Symphony Orchestra and the National Chorus, followed by recitation of original poems and essays.

Death of Ahn, Kil

8. On 13 December, the death of Ahn, Kil, member of the Central Committee of the North Korea Labor Party and Chief of Staff of North Korea Security Officers Training Battalion, was announced by Radio Pyongyang. The funeral ceremonies were attended by all North Korean dignitaries, and included reading of messages of grief, extolling Ahn as a great leader and patriot. Of particular interest to South Korea was the message of condolence sent by the extreme leftist South Korean Democratic People's Front. This message read in part: "The Central Committee of the SKDPF, which is a coalition front, embracing democratic, patriotic political parties and social organizations, is stricken with deep grief in humbly offering this message of condolence at the death of the late Comrade Ahn, Kil. . . In a move to convert the fatherland into a colony once more, American imperialists and their loyal servants, Syngman, Rhee, and Kim, Koo, are plotting to form a reactionary, separate, puppet government in South Korea by means of vicious suppression. . . . Coming as it does, at such a time, the loss of our comrade cannot but be a great national misfortune. However, victory will be with the people who are fighting for justice. The sublime spirit of our comrade for boundless devotion to the people and the fatherland shall live forever with the people in their struggle to smash the reactionaries."

Soviet Doctors' Visit

9. On 3 December, Radio Moscow broadcast to Korea a report in Korean, on the visit to North Korea of a party of Soviet Red Cross doctors at the invitation of the

North Korea Bureau of Health. The doctors commented on the great advancement of Education and Culture in North Korea, and on the fact that Korean women, for the first time in their history, were enjoying equal rights with men. No mention was made to the work of public health or to disease incidences in North Korea.

Coal Production

10. Radio Pyongyang announced the excellent progress being made by the coal mines. Production in all of the mines reported was over 100 per cent of the quota allocated to it by the People's Economic Program. In addition to the regular miners, Radio Pyongyang announced that office workers of the mines had taken it upon themselves to produce .2 tons daily, and thousands of people were organized into cooperation corps to go into the mines to increase production. It is interesting to note that quotas were reported in percentages, and not in tons.

Education and Culture

11. On 5 December, Radio Pyongyang heaped praises on the new senior high school system, established in North Korea in September 1947. "The students are displaying quicker and higher aptitude in learning than during old middle school days." Most of the 80 senior high schools are coeducational, and are giving the North Korean youth basic higher education in the sciences, as well as training them to be "capable national leaders in democracy."

12. A report on the existence of 1,077 clubs opened in 1947 in farm villages and factories was given on 11 December by Radio Pyongyang. The clubs provide reading rooms, facilities for theatrical performances, music, dances, and recreation. "Young rural men and women, who have improved their life through tilling the land, daily gather at the club."

Food

13. Through the patriotic fervor of the North Korean farmers, Radio Pyongyang announced on 4 December, there is and will be plenty of rice for all at low prices in North Korea. "A campaign must be vigorously launched," the report continued, "against profiteers preying on the weakness of the urban population."

Japan

14. Radio Moscow broadcast in Korean an interesting article to Korea on 16 December, concerning the "monstrous" policy of General MacArthur in Japan. According to the article, MacArthur's headquarters is aiding Japanese reactionaries in preserving militarism.

Moscow Decision

15. The three ministers' conference held in Moscow two years ago, with the recent UN decision on Korea, was discussed in a commentary to Korea in Korean from Radio Moscow on 27 December. The proposal submitted by the American delegation at the Moscow conference was a maneuver, "as you all know, . . . to postpone the realization of Korean independence indefinitely." Describing the American proposal, the commentary continued: "Deeply concerned with protecting the national interests of the Korean people, it was only natural that the Soviet delegation could not agree to the American resolution."

16. Continuing in this view, the commentary included the Joint Commission, and reached its full stride with the UN Assembly resolution on Korea. The commentary continued: "During the past two years Soviet delegates decisively have fought for the formation of a united, democratic government by true representatives of the Korean people. However, American delegates stubbornly have opposed this and have sabotaged the implementation of the Moscow Agreement. Convinced that it could no longer hope to have the Soviet Union violate the Moscow Agreement or go back on the interests of the Korean people, the government of the United States of America took the issue to the General Assembly of the United Nations. Taking advantage of the dollar voting machine, the American delegation forced the General Assembly of the United Nations to adopt their resolution for the formation of a United Nations Temporary Commission on Korea. This resolution was motivated in order to smokescreen their unilateral action in Korea to covert Korea into an American colony while hiding behind the United Nations. The Soviet Union and delegations of the new democratic nations refused to take part in such a commission. You will doubtless remember that delegations of the Soviet Union, the Ukraine, Byelo-Russia and the new democratic nations decisively acted to protect the national interests of the Korean people."

17. After stating that the Americans would not agree to withdraw their troops and refused to hear the opinions of the Korean people, Radio Moscow triumphantly concluded, "This proves that the policy of the United States of America is contrary to the interests of the Korean people and to the independence of the Korean people. On the other hand, it has made the Korean people more firmly believe that only through the implementation of the principles of the Moscow Agreement can the restoration of Korea as an independent state be guaranteed."

PART VI

S O C I A L

SECTION 1 PUBLIC HEALTH AND WELFARE

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VITAL STATISTICS

1. The Vital Statistics Instruction Manual for 1948, outlining rules and procedures in vital statistics collection, was completed in December. The manual, to be distributed to each myun and gun in the provinces of South Korea, contains the numbers assigned to governmental statistics offices in South Korea. This numbering system will simplify transfer of reports to punch cards.

PREVENTIVE MEDICINE

2. Seoul Middle School was the first of the middle and primary schools to start the tuberculin testing and mass chest X-ray program, as part of the National School Health Survey which will cover all schools in South Korea. All of the students were examined before the school closed early in December. Preliminary statistics from the tests are being formulated.

3. The National Venereal Disease Center in Seoul was officially opened on 3 December. These ceremonies included an inspection of the center by Brigadier General C. G. Helmick, Deputy Military Governor, and the Director of the Department of Public Health and Welfare. The center is completely outfitted with American equipment, and extends its service free to any Korean. Besides a large out-patient department, there are 65 beds available for in-patients. A total of 191 patients were treated in December, with an average of 4 to 8 new patients a day. Inspection of the four venereal disease clinics in Seoul showed that all were operation satisfactorily.

4. The milk station at the National Health Center in Seoul was reported operating smoothly in December. Whole milk was furnished daily to between 150 to 200 infants.

5. In order to further the plague control program initiated in November (see November SKIG ACTIVITIES), meetings of all Public Health officials were held in Seoul and in the provinces in December. The purpose of these meetings was discussion of ways and means to carry out the program. Special vigilance, to prevent entrance of plague into South Korea, was maintained along the 38th parallel and at all seaports. As another part of the program, a Rat Control School was held in Seoul from 1-3 December and was attended by 40 people from provincial sanitation sections, Port Quarantine Stations and quarantine stations along the 38th parallel. A special Rat Control fund of 1,420,000 won was allocated by the Department of Public Health and Welfare during December to help carry out the program.

6. The communicable disease picture for December was relatively static and indicated low disease incidences. As compared to December 1946, the reports of diseases from the provinces showed a marked decrease. This drop is seen especially in typhus, typhoid and smallpox. In December 1946, the typhus incidence in South Korea was 117 cases; in December 1947, only 4 cases were reported. Typhoid fever cases in December 1946 numbered 239; the number in December 1947 was 24 cases. Smallpox incidences in December 1946 totaled 41; in December 1947 only two cases were reported. The general decrease in communicable diseases may be attributed to: (a) disease control programs; (b) education in disease prevention among the people through posters, radios and newspapers; (c) increased amount of biologicals and therapeutic drugs made available to the Koreans; and (d) establishment of clinics and health centers. The outstanding example of the results of control measures in 1947 is in cholera prevention. In 1946, cholera cases in the epidemic of South Korea totaled 15,748, with 10,191 deaths. There were 14 cases and 10 deaths from cholera in 1947, during the months of October and November.

MEDICAL SERVICES

7. 1948 plans for refresher courses in laboratory training include clinical and chemical laboratory work to be given at the National Chemical Laboratory in Seoul, and bacteriological work at the Vaccine Laboratory in Seoul. Arrangements have been made with the Masan Tuberculosis Sanitarium in Kyongsang-namdo to give short courses to doctors and hospital technicians on the use of X-ray machines and in making laboratory diagnoses.

NURSING AFFAIRS

8. Translation into Korean of the "Manual of Nursing Procedures," for use in nurses' training, was completed by the Department of Public Health and Welfare in December. Illustrative drawings for it are being made. The translation into Korean of "Introduction to Materia Medica for Nurses" was practically completed and ready for review by the end of the month.

VETERINARY AFFAIRS

Swine

9. Statistics on swine plague (pasteurellosis) have been reported from the Veterinary Sections of six provinces in South Korea. These statistics, covering two months, 15 September to 15 November, show the total number of swine lost from this disease was 6,123. Total loss, through death and sickness, was estimated at 123,488,500 won. The average value of swine which died or were killed because of this disease was calculated at 15,000 won per head. Pigs which recovered lost at

least one-third of their potential value. Although this report covers only six of the southern provinces, the figures involve twelve and one-half percent of all swine in South Korea.

Horses

10. The 58 horses received from Japan in November were turned over to the National Police on 5 December (see November SKIG ACTIVITIES). While at the National Veterinary Quarantine Station at Pusan, the animals received clinical examinations, mallein tests for glanders, and blood tests for equine infectious anemia.

Cattle

11. The semi-annual tuberculin test was given to all dairy cattle on the 45 dairy farms in Kyonggi-do during December. Tests revealed no tuberculosis.

PHARMACEUTICAL AFFAIRS

12. Early in December, 24 narcotic inspectors were appointed to the National Narcotic Section and Provincial Narcotic Sub-station of Kangwon-do to inspect the equipment of narcotic handlers.

13. The total number of narcotic licenses issued, as of 29 December, was 2,856. Five were to manufacturers, one to repackagers, 35 to wholesalers, 148 to pharmacists and 2,667 to doctors.

14. In December, 13 narcotic raids were made in Seoul, with 15 persons arrested for handling illegal narcotics. Approximately 780 grams of narcotics and several thousand ampules of opium products, with the equipment, were confiscated.

15. Allocation of 5 X-ray generators during December were made to Severance Hospital in Seoul, the Seoul Capitol Dispensary, Seoul Electric Company Hospital, Taegu Provincial Hospital in Kyongsang-pukto and Seoul Red Cross Hospital.

16. During the week ending 22 December, 30 carloads of medical supplies, including raw materials for drug manufacture, were shipped to the Chosun Veterinary Supply Company, Korean Dental Supply Company and Korea Pharmaceutical Promoting Company.

LABORATORIES

17. Tables 1-4 show the status of biologicals as of the end of December 1947. Due to lack of electric power and cold weather, production of biologicals was curtailed at the National Vaccine Laboratory in Seoul (table 1). The three South Korean laboratories producing biologicals are: (a) National Vaccine Laboratory at Seoul; (b) Institute for Veterinary Research at Anyang, Kyonggi-do; and (c) Institute for Veterinary Research, Pusan, Kyongsang-namdo. They base their production on requisitions established by the Bureaus of Preventive Medicine and Veterinary Affairs. The Vaccine Laboratory at Seoul produced human biologicals (table 1). Production is chiefly determined by season. Thus, as smallpox is most prevalent in fall and winter, the laboratory in December was completing the production of smallpox vaccine required for the current season. The Institute for Veterinary Research at Pusan prepared additional human smallpox vaccine (table 4). Cholera is most prevalent in the spring and summer, therefore no new vaccine was prepared in December (table 1). Typhus and typhoid occur in the winter months, so the preparation and disposition of the vaccine will increase. The diagnostic antigens and antiserums are produced in small quantities only for distribution to the provinces of South Korea for tests on diseases. The significance of the production of biologicals can readily be seen in

the communicable disease reports. The increased biological production in 1947 had a direct bearing on the low and relatively static communicable disease picture as reported for December 1947 (see PREVENTIVE MEDICINE).

18. The production according to season pertains to animal as well as human biologicals. Such diseases as fowlpest and blackleg are not seasonal, and accordingly necessitate constant preparation of vaccine and serum (tables 3 and 4).

Table 1. Status of Biologicals (Korean)
National Institute for the Prevention of Infectious Diseases
Seoul, Korea, 23 November - 26 December 1947

<u>Biologic</u>	<u>Unit</u>	<u>Produced</u>	<u>Dispensed</u>	<u>On hand</u>
Typhoid vaccine	cc	0	99,350	782,230
Smallpox vaccine	vaccination	3,937,000	1,614,200	2,360,700
Typhus vaccine	cc	6,500	3,400	58,820
Cholera vaccine	cc	0	0	1,794,800
Diphtheria toxoid	cc	0	0	0
Rabies, human	treatment	143	152	11
Pertussis vaccine	cc	0	95,700	94,580
Diphtheria antitoxin	cc	2,470	3,450	1,150
Typhoid Diagn. antigen	cc	760	400	360
Paratyphoid A Diagn. antigen	cc	760	360	400
Paratyphoid B Diagn. antigen	cc	760	160	500
Tuberculin Diagn. antigen	cc	1,500	1,680	0
Typhus Diagn. antigen	cc	760	300	460
Typhoid Diagn. antiserum	cc	0	14	62
Paratyphoid A Diagn. antiserum	cc	0	14	72
Paratyphoid B Diagn. antiserum	cc	0	14	72
Cholera Diagn. antiserum, O.	cc	0	0	0
Dysentery Diagn. antiserum, V.	cc	0	0	0
Dysentery Diagn. antiserum, Shiga	cc	0	4	18
Rinderpest vaccine	cc	0	400,000	150,000
Rabies vaccine, canine	cc	4,900	7,350	4,900
Tetanus antiserum	cc	0	60	100
Dysentery, foreign	cc	0	4	18

SOURCE: Department of Public Health and Welfare.

Table 2. Status of Biologicals (American) a/
National Institution for the Prevention of Infectious Diseases
Seoul, Korea, 23 November - 26 December 1947

<u>Biologic</u>	<u>Unit</u>	<u>Imported</u>	<u>Dispensed</u>	<u>On hand</u>
Typhus vaccine	cc	0	0	53,640
Diphtheria toxoid	cc	0	30	100
Tetanus toxoid	cc	0	0	13,990
Tetanus antiserum	vial	0	0	3,249
Plague vaccine	cc	0	1,440	3,100
Diphtheria antitoxin	vial	0	0	0

a/ Imported from the United States.

SOURCE: Department of Public Health and Welfare.

Table 3. Status of Biologicals (Korean)
National Institute for Veterinary Research, Anyang, South Korea
31 October - 27 December 1947

<u>Biologic</u>	<u>Unit</u>	<u>Produced</u>	<u>Dispensed</u>	<u>On hand</u>
Blackleg vaccine	cc	40,000	1,200	62,300
Blackleg serum	cc	14,000	0	35,600
Anthrax vaccine	cc	0	1,200	63,640
Anthrax serum (equine)	cc	500	0	500
Anthrax serum (bovine)	cc	22,000	9,000	52,000
Fowlpest vaccine	cc	0	50,000	13,800
Pullorum antigen	cc	500	400	770
Rabies vaccine (canine)	cc	0	0	500
Rinderpest vaccine	cc	0	0	500
Rinderpest serum	cc	0	14,200	78,620
Hemorrhagic septecimia vaccine	cc	49,000	9,000	37,100
Infectious pneumonia vaccine	cc	47,500	55,000	37,300
Tuberculin (bovine)	cc	0	50	600
Hog paratyphoid vaccine	cc	43,000	16,000	27,000

SOURCE: Department of Public Health and Welfare.

Table 4. Status of Biologicals (Korean)
 National Institute for Veterinary Research, Pusan, South Korea
 26 October - 28 December 1947

<u>Biologic</u>	<u>Unit</u>	<u>Produced</u>	<u>Dispensed</u>	<u>On hand</u>
Blackleg vaccine	cc	10,640	268,000	74,000
Blackleg serum	cc	0	16,500	26,700
Anthrax vaccine	cc	30,800	0	10,790
Anthrax serum (equine)	cc	0	22,800	20,200
Anthrax serum (bovine)	cc	0	15,500	4,000
Fowlpest vaccine	cc	163,000	64,700	0
Pullorum antigen	cc	0	200	4,720
Rinderpest vaccine	cc	13,000	0	9,500
Rinderpest serum	cc	0	0	15,600
Hemorrhagic septicemia vaccine	cc	34,600	113,900	58,700
Infectious pneumonia vaccine	cc	160	110,000	3,200
Tuberculin (bovine)	cc	0	80	280
Mallein	cc	0	610	1,820
Anthrax precipitin	cc	0	350	570
Hemolysin antisheep blood	cc	0	540	770
Smallpox vaccine	vaccination	2,764,000	5,120,000	639,000
Malleus antigen	cc	0	400	36,500
Malleus bact. emulsion	cc	0	0	8,800
Contagious pneumonia of cattle antigen	cc	0	0	3,300
Mixed serum of 3rd virus and swine influenza	cc	0	0	9,600
Positive serum of contagious plural pneumonia of cattle	cc	0	0	0

SOURCE: Department of Public Health and Welfare.

Nutrition Survey

19. A food consumption survey of South Korea was made by the Bureau of Laboratories, Department of Public Health and Welfare, from 30 October to 3 December 1947. Thirty-four selected areas were divided into the following general categories: (a) Capital cities; (b) Agricultural villages; (c) Fishing villages; (d) Forestry or mountainous terrain; and (e) Special areas, i.e., mining, industrial, Cheju-do. Investigators to conduct the survey were trained at the National Chemistry Laboratories at Seoul from 27 October to 1 November. The survey included 4,676 families. Food consumed by each family was weighed for one day. In selecting the families for the survey, the classification used was: one-third with a high standard of living; one-third, a medium standard; and one-third, a low standard of living. Unfortunately it is impossible to know at this time the actual distribution these standards of living cover in South Korean society. Thus the value of the findings are greatly limited.

20. The chief conclusion of value is that the farm families surveyed were consuming more than the number of calories necessary for health (set at 2,400 calories per day), while those families living in cities and industrial areas were consuming less. The survey is accurate only insofar as it represents the caloric consumption of 4,676 families in South Korea at the time of the survey, and cannot be taken as a survey representative of the food consumption of the whole of South Korea.

PUBLIC ASSISTANCE

21. Physical examinations of all the 320 children at the National School for the Blind and Deaf in Seoul were completed by the middle of December. The degree of blindness or deafness was studied, and results are being compiled for further action

22. The survey of Child Welfare Institutions in South Korea continued during December. Examinations and individual medical records were made for all of the 2,000 children in the 17 Seoul Welfare Institutions. Tuberculin and Schick tests were given, and followed by X-rays of children whose tuberculin tests were positive.

23. The "1947-48 Welfare Housing Plan" was proceeding satisfactorily in December. Over one-third of the number of houses planned had been completed by 31 December (see HOUSING).

24. A Christmas program was carried out under the leadership of the XXIV Corps Chaplain's Office and with the cooperation of provincial welfare bureaus. American military units were each assigned an orphanage and provided parties, toys, candy, food and substantial gifts of clothing amounting in many orphanages to \$300. Fifty-six children's institutions were recipients. In addition, 1,700 Junior Red Cross gift boxes were distributed. In all, nearly 4,000 needy children in institutions were benefited, and much good will was promoted. Many military units plan to continue to assist orphanages.

Refugee Camps

25. The Korean Directors of the 9 National Refugee Camps along the 38° parallel were called to Seoul for individual and group conferences 1-2 December. The purpose of the conferences was to improve the general administration of the camps. Among the topics discussed were the following:

- a. Special problems, such as maintenance of adequate stocks of food and water supplies and clearing of tents during snowfall;
- b. Integration of medical services, such as medical care, medical supply costs, and quarantine and inoculation services;
- c. Supplies and distribution of clothing, with more detailed records and general priority order governing distribution; and
- d. Preparation of financial records.

26. By 22 December, the following number of large tents had been winterized at the camps:

<u>Location of camp</u>	<u>No. of tents winterized</u>
Kaesong	17
Oijongbu	16
Chunchon	4
Pochon	4
Tangduchon	4
Tosong	4
Chongdon	4
Chumunjin	3
Hyunggipo	<u>1</u>
Total	57

27. Visits by Welfare officials to the camps at Kaesong and Oijongbu showed the winterization program to be generally satisfactory. Additional clothing supplies were sent to Kaesong Refugee Camp for destitute refugees. The water supply system there had been completed, and minimum laundry and washing facilities were available.

28. A report was received from the camp at Chongdan that a number of refugees from North Korea were brought in with mild to severe cases of frostbite. As a result, booklets on the immediate treatment for frostbite are being prepared for the 9 refugee camps.

Translation of Laws

29. Translation of all old Korean laws pertaining to institutional care is being made by the Welfare Bureau of the Department of Public Health and Welfare. These laws include the Boys' Law, Vagrant Childrens' Law, and laws for the support of institutions. The laws are being translated and reviewed in an effort to make constructive suggestions for future improvement of basic social welfare legislation.

WOMEN'S SECTION

30. "Hygiene and Sanitation" was the subject of a conference on 11, 12 and 13 December for provincial representatives of the Women's Section of the Department of Public Health and Welfare. Members of the Mothers Club of Seoul also attended the conference. Through the cooperation of the Office of Civil Information and the Department of Public Information, a film on child education was shown.

KOREAN RED CROSS

Organization

31. The Korean Red Cross was organized with the advisory assistance of American Red Cross personnel, and became an organized and recognized system by an Act of Incorporation signed by the Military Governor on 16 March 1947. There are ten chapters with the headquarters office in the City of Seoul; a chapter in Incheon, Kyonggi-do; and chapters in each of the other eight provinces, including the island province of Cheju-do.

32. "Developing under the complex political changes that are taking place in this country, the Korean Red Cross has surprisingly seemed to be little affected," is the statement made by the American Adviser of the Korean Red Cross. "It is probably true that the society has become too much identified with the political policies of some of the Central Committee who are members of the present South Korean Interim Government. It is impossible to estimate how important this sentiment may be or how it may affect the coming Fund Campaign this spring. Any opinions held by other groups have not hindered the development of the organization or influenced its policies; nor have members of the Central Committee thus far used the organization to further personal political ambitions. Any tendencies in that direction have not been realized."

33. The Red Cross maintains five clinics, 2 in Seoul, and one each in Pusan, Chinju and Taegu. In addition, the Korean Red Cross Hospital in Seoul, with a 230 bed capacity and large out-patient department, is maintained by the Korean Red Cross. This Seoul hospital conducts a three-year nurses' training school in addition

to regular hospital functions. The activities of the Red Cross center around the hospital and the clinics, as well as voluntary relief work.

Conferences

34. Two conferences, attended by chapter representatives, were held in Seoul in December. From 1-3 December, a conference was held to initiate the representatives into the work of disaster relief. Following the conference 1,000 copies of the Disaster handbook, printed by the Central office in Seoul, were distributed to the chapters in South Korea.

35. The second conference, held from 1-8 December, gave brief training to the Red Cross Chapter representatives in the organization of production units of women volunteers. The major undertaking of these volunteers will center around cutting and making of cloth into garments for distribution to refugees. This cloth is furnished by the Welfare Bureau, Department of Public Health and Welfare. The Seoul Chapter began work on this program in December.

36. The greatest drawback to the work of the Red Cross in South Korea is the lack of trucks for transportation.

SECTION 2

EDUCATION

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BUDGET ESTIMATE 1948-49

1. During the month of December the Korean and the American Staff of the Department of Education completed the proposed 1948-49 education budget (table 1) which totaled 3,128,979,081 won.

Table 1. Budget 1947-48 and Requested Budget 1948-49, Department of Education, Seoul, Korea
(Won)

Bureau and Sections	1947-48 Budget	1948-49 Requested
Bureau of Administration	8,925,400	10,339,000
Bureau of Adult Education	16,328,400	24,462,000
Bureau of Textbooks	5,120,200	7,553,200
Bureau of Common Schools <u>a/</u>	1,537,188,500	2,482,876,990 <u>d/</u>
Bureau of Higher Schools <u>b/</u> Operations	2,698,400	4,999,526
1. Pusan Fisheries College	6,607,400	40,000,000
2. Pusan Liberal Arts & Science	0	5,000,000
3. Taegu Agriculture College	5,698,900	25,952,880
4. Taegu Normal College	4,520,300	12,000,540
5. Seoul National University	162,744,400	275,000,000
6. Teacher Training	68,138,600	145,000,000
Bureau of Culture Operations	7,662,600	9,988,701
1. National Library	3,940,700	5,500,000
2. National Museum	2,679,300	6,000,000
3. Science Museum	2,244,800	3,500,000
4. National Museum of Anthropology	1,375,400	2,499,240
Bureau of Meteorology	20,129,200	31,109,320
American Language Institute	229,400	499,920
Director's Office	258,800	274,400
Archives	2,195,880	1,994,114
Teacher Training Center <u>c/</u>	0	28,920,000
Section of Research & Special Subjects	1,555,900	5,509,250
TOTAL	1,660,242,480	3,128,979,081

(Table 1 continued)

- a/ The budgets for the elementary school section and secondary school section are included in the overall requests for Elementary and Secondary Education.
- b/ In this Bureau are included the 1) Section of Special Education, 2) Nursing Education Section 3) College Section. Nursing Education is a new section.
- c/ This is a special appropriation to implement on the Korean side the \$350,000 appropriated by the United States Congress for the improvement of education in Korea by training selected teachers. It should be considered as an extraordinary request, not as a yearly expenditure.
- d/ This figure is not exact, since it depends on a variable factor.

SOURCE: Department of Education.

2. The primary motive in preparing the budget was to provide universal education for the children of elementary school age, that is, those of the first three grades. Indeed almost eighty (80) percent of the budget request for 1948-49 was for the Common Schools which include elementary education, secondary education and handicapped children. The national subsidies, it is anticipated, will take care of about one-half ($\frac{1}{2}$) of the expenses in these three fields; the local communities the other half. The subjects taught in the first grades of the elementary school include language art social studies, arithmetic, health and music.

SECOND CONFERENCE WITH PROVINCIAL EDUCATION ADVISORS

3. On 16 and 17 December the Staff of the National Department of Education met in a conference with the Provincial Education Advisors. This is the second of such conferences which are planned for every two months. The Advisor to the Director discussed the need for guide posts and objectives in Korean education. Then followed reports by all the conference members on various subjects that vitally concerned our integrated efforts in helping Koreans build democratic education. Among the most important subjects were the need for a tax structure that would place school support on a more localized base and provide for equalization, methods of control of students in political activities, and the education of refugee children who are now under the Department of Welfare.

4. The Advisor to the Director presented the subject "Reorganization of Educational Administration and Fiscal Policy" in Korea, stressing the need for a well-balanced, stable, flexible and adequate system of support to which the local provincial and national governments would contribute according to their ability to pay. The theory postulated that, if the people are given greater share in the local control of their schools, they would provide more adequately for the type and quality of education socially essential.

BUREAU OF ELEMENTARY AND SECONDARY SCHOOLS

5. As part of a program of exchanging various school materials with other countries the Korean Staff of the Elementary Education Section of the Department of Education sent art materials of Korean elementary school children to the United States and other countries in December.

6. A Korean Language Textbook Committee has been set up under the chairmanship of the Chief of Bureau of Textbooks. The purpose of the Committee is to study textbooks and make recommendations for improving their content. The Advisor of the Bureau of Elementary-Secondary Schools is writing a series of articles

on " Democracy in Action" for New Education, a monthly magazine of the Department of Education. These articles will supplement the social studies materials for grades 4,5 and 6.

BUREAU OF HANDICAPPED CHILDREN

Schools for Blind and Deaf

7. The National School for the Blind and Deaf is located on a former palace property at #1 Sin Kyo Dong, Seoul. It was established originally as an orphanage. The school is a part of the social work plan of the government though the original orphanage was set up from funds originally privately provided. The increase in enrollment since liberation made it necessary for the Department of Public Health and Welfare to place the institution on an educational basis. The Advisor to the Director of the Department requested the services of an American expert in the field of the education of the deaf and blind to assist in reorganizing the school, the training of teachers and bringing teaching methods up-to-date. Coincident with the arrival in Korea of the American Advisor, the Public Health and Welfare Department recommended the transfer of the school to the Department of Education where it is now located. The Taegu school, which is privately conducted, is located in the home of a missionary.

8. The total enrollment in the blind and deaf schools of South Korea in December 1947 was 268 boys and 102 girls. (table 2).

Table 2. Enrollment of Blind and Deaf Schools, South Korea December 1947

	<u>Blind</u>		<u>Deaf</u>	
	<u>Boys</u>	<u>Girls</u>	<u>Boys</u>	<u>Girls</u>
National, Seoul	57	12	176	73
Taegu	6	3	29	14
<u>Total</u>	<u>63</u>	<u>15</u>	<u>205</u>	<u>87</u>

SOURCE: Department of Education.

9. Equipment in these schools is lacking. There was no carry-over into communication by speech or lip reading--no amplifying equipment, audiometers and audio-visual materials, and in fact no books have been available except in Braille and these only in limited quantities.

Vocational Training

10. Realizing the complexity of the problem of vocational training for the blind, a committee consisting of teachers of the blind, graduates of the school, physicians, parents of blind children, citizens actively engaged in work for the adult blind and interested business men has been formed. This committee is now studying the problem of possible opportunities for vocations which may be followed at these schools.

TEACHER CERTIFICATION

11. A committee recently set up to develop a set of rules and regulations

governing Teacher Certification has formulated rules and regulations to be made a part of the permanent policy of the Department of Education beginning 1 January 1948. Permanent certificates are to be granted only after satisfactory completion of specified amounts of professional training. This policy will thus become a stimulus to better training. Its establishment is considered one of the major achievements of the year.

12. In order to improve the equipment for educational work, notebooks have been distributed to normal schools of Mokpo, Chenju, Kyonggi and Kaeson and light bulbs to the normal schools of Mokpo, Kyonggi, Chenju and Chengju.

TECHNOLOGICAL TRAINING BOARD

13. Among the Projects approved by the Technological Board in the month of December were:

<u>Training Schools</u>	<u>No. of Trainees</u>	<u>Amount of Won</u>
Factory Technical Supervisors	275	6,700,000
Cigarette Factory Technicians	60	372,600
Mining Machinery Maintenance Men	250	3,871,395

BUREAU OF HIGHER EDUCATION

14. A summary of nursing education in the Department of Education was presented at the meeting of Provincial Education Advisors by the Advisor on Nursing Education. The agreement between the Departments of Education and Public Health and Welfare has been reached by which future activities in nursing and nursing education have been outlined.

15. At the same institution a bulletin board program entitled, "Thoughts for Today," discussing various school and student problems, has been started. The Student Veterinary Medical Association has recently been organized.

16. A model curriculum and professional educational library are being set up in one of the rooms in the Department of Education. Many professional books have been turned over to the Department by the Office of Civil Information and placed in this library which is open to both Koreans and Americans.

AMERICAN LANGUAGE INSTITUTE

17. The American Language Institute has been established to teach English to Koreans. As of the end of December student enrollment for day classes totaled 252 while for evening classes it was 342. Up to date, the number permitted have been necessarily restricted to the limited capacity of the teaching personnel.

18. The occupational fields represented by the student body numbered 37, including civil service employees of Military Government and specialists in the professions of medicine, journalism, social welfare, teaching, etc. The largest single occupational group were English teachers.

19. The Education Bureau of the City of Seoul has agreed to require all private English Schools to fulfill minimum standards set up by the Director of the Institute.

20. The American Director of the Institute has prepared three syllabuses which have been distributed to all of the provincial Education Advisors. They are: "Hints for American Teachers of English in Korea," "Hints for Teachers of English as a Foreign Language," and "Some Techniques for Stimulating Conversation in English Classes."

BUREAU OF RESEARCH

21. The Advisor of the Bureau of Research and Special Subjects conducted two series of lectures at the National Police College during the month of December. The first of the series was on "Methods of Understanding Man", while the second was on "An Experimental Demonstration on Validity and Reliability of Witness Testimony."

22. Under the Director of the Bureau of Research and Special Subjects, a committee has begun an investigation of the extent of the political activities of the Rapid Realization of Korean Independence Party in the Adult Education Program in South Korea. The problem is to find out which schools are being operated by the Party and which by the Department of Education, and whether or not they are being operated jointly in some instances.

School Reports

23. A special committee on School Reports has devised a plan for more adequate reporting of essential data and statistics from the provinces. It was agreed that elementary schools should report only three times a year instead of making monthly reports as are now required. These reports have never come regularly to the National Department of Education. The Committee decided that financial support should be withheld from those provinces which did not report essential statistics and data.

Tests and Measurements

24. This Bureau has been constructing objective test items for the sixth grade of elementary school and the first grade of middle school. The work will soon be completed. Both intelligence and performance tests are in process of construction. The Advisor is hoping to standardize these tests in the spring in order to use them as an aid in pupil guidance in schools and colleges. They can also be used in vocational guidance and selection in government, private agencies and industries.

SECTION 3

CULTURE

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KOREAN LITERATURE

1. Korean literature is practically unknown in the Occident and offers a fertile field for research and for the future enrichment of world literature.
2. With the idea of bringing together the best of the early literature of his country, the youthful King Se-jo in 1487 A.D., appointed a commission to bring together the best of Korea's early literature. This compilation of poems and essays, called Tong-moon-syen (Collection of Eastern Literature), was so highly thought of by the Japanese that they reprinted it in 1914.
3. Korean poetry has for centuries been highly esteemed in the Orient. As the Korean scholars wrote in Chinese ideographs, but spoke in Korean, their style was unmodified by daily speech and, therefore, reflected the style and elegance of the Chinese classics. The following poems are from F. D. David's booklet, "Our Neighbors the Koreans." In the first, "a dancing girl's song entreats her lover to come neither at weary dawn nor at noisy noon":

"But come at night
 When flowers of moonlight in the courtyard bloom
 And moonlight shadows paint the orchid screen,
 One shadow yours--another shadow mine.
 --Anonymous."

The second is written by a "philosopher, statesman, and poet, who wrote on the death of his little daughter":

"My little girl with face like shining snow--
 How empty now the silent courtyards seem
 Where once her gay skirt flashed among the flowers.

 This year, being four, her tiny hand should hold
 Her first small brush. I would have taught her well.
 But she is gone. Only the brush remains.
 --Yi Kyu Bo (1168-1241)."

4. With the introduction of the phonetic alphabet in 1446 by King Se-jong, grandfather of King Se-jo, Koreans were for the first time able to read and write in their own language (see EDUCATION, in November SKIG ACTIVITIES). Then as now, there was a great flurry in the translation of textbooks and classics into Korean,

of writing of novelettes and poetry, to meet the demands of a new reading public. A government printing house had been set up in 1397 (50 years before the invention of movable type in Europe), and therefore, the means of publication was ready for this medieval "mass education."

5. Encyclopedias were among the early publications in Korea and some of the sets have more than 100 volumes. In the Library of Congress, Washington, D.C., is a Korean encyclopedia of 22 volumes which was compiled before the time of Christ.

6. History, which ranked next to the classics in Korea, also included politics and geography. The basis of every Korean history is the famous "History of Three Kingdoms" (Koguryo, Paekje and Silla), which was written by Kim Pu-sik in 1145 A.D.

7. Many of the folk tales of the Koreans show bursts of poetic feelings, and humor, as well. There are folk tales which reflect the early nature worship of the people, as well as those from Confucian and Buddhist lore. There are stirring novels and novelettes of heroes and heroines whose lives are retold today in drama and opera. The most famous Korean novels are said to be in Chinese characters but there are also hundreds in the Korean phonetic alphabet.

8. In 1498, the writing of history brought disaster to the scholars who were all but exterminated when a famous historian dared to write of crimes committed by the great-grandfather of the reigning monarch. "Partial recovery came in 1545," to quote again from "Our Neighbors the Koreans," "when a scholarly monarch ascended the throne . . . In 1776, learned King Chung-jong held a great literary festival in Seoul, and this halted for a brief space the decline of scholarship."

9. In "Korea and the Pacific War," published in 1942, the anonymous Korean writer states, "The Japanese policy has been to prohibit the teaching of anything pertaining to Korean history and language, and to replace them with the might and greatness of the Japanese Empire. In 1937 all the newspapers in Korea published by Koreans were suppressed because they published the picture of the Korean Olympic champion with the Japanese flag erased from his chest. Only a few of the scores of magazines started by Koreans are allowed publication . . ."

"In the field of literature there is a vast store of writing on philosophy, ethics, history and human relationship as well as poetry. The choice of these writings have been classics for centuries and have been an inspiration for modern writers . . . It is regretted that modern history books pertaining to Korea were mostly destroyed by the Japanese on annexation and were prohibited in all schools. The present day Korean is prohibited from writing on political subjects or on anything that borders on what might be called 'dangerous thoughts.' As a consequence, the Korean writings on such subjects, namely, political independence and national life for the Koreans have been the efforts of only a few expatriates. The current literature in Korea is therefore largely fiction and on nature and adventure."

10. Today there is a flurry of publication even in the face of the paper shortage. Textbooks are being written to replace those used under the Japanese; masterpieces of all the world are being translated; "La Traviata," by Verdi, has been translated from the Italian and the opera will be staged in January. Magazines and newspapers of every kind and political complexion are being published. "The Seoul Times," the one newspaper in Seoul that is published in English is a single sheet, printed on both sides. It carries not only world news of interest to Korea, but also items on cultural and sports activities, and from time to time includes translations of poems, a continued story, and proverbs. Examples of the current use of these salty old sayings include:

Why kill the deer to straighten his horns?
 If you leave a robber alone with a sword, that sword may be used anew.
 The fist is near and the law is far.
 To go up like a rocket and come down like a stick.

SOUTH KOREAN LITERARY SOCIETIES

11. Two of the literary societies in South Korea are:

All Korean Writers Association: Established 13 March 1946 with headquarters in Seoul. The president is a well known historian; the vice-president, a well known editor. There are 440 members.

Korean Young Men's Writers Association. Established 4 April 1946 in Seoul. Both the honorary chairman and the chairman are novelists. There are between 40 and 50 members.

NATIONAL LIBRARY

12. The National Library, a large three-story brick structure in the heart of the city, is a busy center with around 800 students and readers every day the library is open. There is a lunch room, a shoe-repair shop, and three book stores. There is a children's library, and a traveling library which will serve all South Korea as soon as the winter breaks.

Table 1. Total Number of Books Used in National Museum, Seoul, Korea During the Year 1947

<u>Type</u>	<u>Number</u>
Philosophy and religion	13,390
Education and sociology	12,347
Law and politics	8,505
Economics and statistics	6,067
Linguistics and literature	36,846
History and geograpny	9,531
Medical science, physics and natural science	33,668
Engineering and military science	9,914
Industry and art	12,996
Collections <u>a/</u>	120,500
Korean books <u>b/</u>	26,027
Occidental books	520
Classics (Korean, Chinese and Japanese)	<u>974</u>
Total	291,285

a/ Series of magazines, newspapers and encyclopedias.
b/ Korean, Chinese and Japanese books on Korea.

SOURCE: The National Library of Korea.

Table 2. Occupations of Persons Using the National Library, Seoul, Korea
During the Year 1947

<u>Occupation</u>	<u>Number</u>
Educators and churchmen	2,714
Writers, and artists	1,288
Government and military personnel	2,158
Merchants	2,271
Farmers and clerks in business	1,614
Bank clerks	3,412
Factory employees	276
Others	6,802
No occupation	13,619
Students	<u>231,121</u>
Total	265,275

SOURCE: The National Library of Korea.

Library School

13. In a small structure beside the main building is the library school with 30 students -- 26 men and 4 women. To be eligible for this intensive one-year training, students must be at least middle school graduates. The director of the National Library heads the school. In addition there are two professors, and lecturers from Seoul National University, Chosun Christian University and Tong Kuk College.

Print Shop, Bindery and Carpenter Shop

14. Back of the library is the print shop where they do their own printing and binding and rebind and repair library books. In the carpenter shop they make and repair their own furniture.

Rare Books

15. Among the rare books at the National Library are 4 of the 53 volumes of Yi Kyu Bo's work which was published in 1252 (see paragraph 3). The library also has a complete set of Yi's work, which was republished in Seoul in 1913.

STUDENTS GO ABROAD FOR STUDY

16. During December, seven Koreans left for study in the United States: two (a professor and a student) will study agriculture; one student will study theology; one, music; one, literature; one goes to a continuation school; and one to a boy's military school.

17. Four students received scholarships to study at the National Central University in Nanking, and left for China during December. A press release states that beginning 20 December, a Korean-Chinese newspaper will be published in Seoul. It is to be printed in Chinese and is meant to foster good relations between the two countries.

ART AND MUSICKorean Symphony Orchestra

18. On 2 December, the Korea Symphony Orchestra gave a farewell concert and party in honor of Ely Haimowitz, advisor to the Musical Section of the Department of Education, who was soon to leave for the States. The Korea Symphony Orchestra gave its final December performance at Kuk-to Theater, Seoul, with Lim, Won Sik, conducting. The program included:

Symphony No. 5 "Fate"	Beethoven
La Traviata	Verdi
Tales from the Vienna Woods	Strauss
Overture from Rienzi	Wagner

The program also included a duet from La Traviata which will be given in Korean in January. It will be the first Western opera ever to be given in Korea.

19. The Christmas programs of the Korea Symphony Orchestra was made up of Beethoven's Holy Night and Symphony No. 5 in C. Minor; a duet from La Traviata; and Suite No. 2, L'Arlesienne, by Bizet. The Symphony Orchestra was also heard over the Korean Broadcasting System during the Christmas season.

Ancient Korean Dances

20. A brief outline of ancient Korean dances was given in two programs by Chung, In-Ban's Oriental Dancing Troupe, on 5 December at the Chosun Hotel, Seoul. One of the dances was "Graceful Dance for the Royal Family."

Art Exhibit

21. Kim, Eun Ho, famous Korean painter had an exhibit of his work from 5-11 December at the art gallery of one of the local department stores. Mr. Kim's work is Oriental portraiture.

KOREAN BROADCASTING SYSTEM

22. During December the total number of hours of broadcasting by the Korean Broadcasting System was 337. This included programs of music, news, education, drama, religion, etc. There were many special Christmas programs including those by the National Symphony Orchestra; a Christmas drama by students of Ewa Women's University; a broadcast of Midnight Mass from the Korean Catholic Cathedral; and a broadcast by a Christian minister.

23. Under the weekly World Famous Dramas, the following plays were presented during December: "Monna Vanna," by Maurice Maeterlinck; "Le Tartuffe," by Moliere; "Salome," by Oscar Wilde; "Faust," by Charles Gounod. These were all given in Korean. The fifth play of the month in this series was H.C. Kim's "Mania for Money," the tragedy of a miser. Visitors at the radio production of "Salome," were very much impressed by the high professional skill shown by director and actors.

24. The music library has been enriched by the addition of an American transcription library containing 1,000 selections.

25. A program series which may prove of great value to Korea and to the cultural world is "The Pride of Every Province," in which a broadcast is made from each province giving the history of the province, the folk music peculiar to it, and other interesting characteristics.

MISCELLANEOUS

Skaters Leave for Switzerland

26. On 7 December three Korean ice skaters left Korea for St. Moritz, Switzerland, to enter the international winter sports contests. Two of the speed skaters were from Korea University (Presbyterian) and one from Tong Kuk College (Buddhist). Their expenses are being met by the Korean Sponsors Association. Their coach, well-known in winter sports in the Orient, accompanied them.

Royal Asiatic Society of Korea

27. The Royal Asiatic Society of Korea which was inactive during the war, reorganized at a meeting on 18 December at the Bankers Club, Seoul. The society was founded in 1900 with a charter from England with the purpose of fostering worthwhile studies on Korea. During the thirty and more years of its active life the Society has more than sixty publications to its credit. These range from history and science to art and music. More than a hundred people were present at the re-organizational meeting.

Delegate Returns from IPR Conference in London

28. W. P. Kim, Associate Executive Secretary of the National Economic Board, South Korean Interim Government, returned to Seoul on 14 December from the London Conference of the Institute of Pacific Relations. The main topic discussed was Post-War Economic Rehabilitation and Exploitation in Asia. The 250 members present represented 13 different nationalities. While abroad, Mr. Kim also spent considerable time in France and the United States.

Korean-American Economic Club

29. The Korean-American Economic Club was formed in May 1947, and has had a meeting once a month since that time. The purpose of the club, which is made up of Koreans and Americans working or interested in the economic field, is to promote free discussion on economic problems of South Korea. Subjects have included export policies of SKIG, land reform, food, trade with China, and the SKIG budget. Attendance ranges from 30 to 60.

SECTION 4 PUBLIC INFORMATION

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GENERAL

1. The Department of Public Information, with allied agencies, disseminates information from and about the Korean and Military Governments, publicizes world events, ascertains public opinion, translates, and assists in the enforcement of publication laws. It reaches the Korean people by lectures, radio, movies, posters and pictures.

BUREAU OF PUBLIC INFORMATION

Press Section

2. During the month of December the Bureau of Public Information issued 74 special and ordinary press releases and prepared 5 foreign news items.

3. Three of the special press releases in December were Christmas and New Year's greetings from the Commanding General and from the Military Governor. The other special press releases took up matters which needed to be cleared up authoritatively for the Korean public. The first of this type appeared 1 December and gave the reasons for transferring a terrorism case from the Korean to an American Military Court. Another, 27 December, on the same topic, announced that pressure to acquit the terrorists was still continuing on Korean courts and judges; and that not only this case, but all other cases of the same type, whenever intimidation was attempted, would be tried in American courts. There were statements from both Lt. General John R. Hodge and Major General William F. Dean, deploring the murder of Dr. Chang, Duk Soo, and promising punishment for the crime. On 5 and 24 of December, publicity was given to the activities of the United Nations Commission. General Hodge warned the Korean people against Communist propaganda--particularly against attacks on the UN Commission.

4. One function of the ordinary press releases was to make announcements or to warn people on various topics. Repeatedly the conservation of electric power was urged and the work of the Emergency Electric Power Board was publicized. There were announcements of civil service examinations and the numbers of successful candidates. The public was warned of swindlers who claimed to be officials of some school and collected tuition or examination fees. Another notice cautioned against lending money to a business enterprise in which the National Property Custodian had an interest, because the Office of Property Custody ruled that loans could be obtained from banks only. Publicity was given to the arming of forest guards in the Seoul forest area (to discourage timber thieves) and to the fact that there were 80 "ghost" families to 1,100 actual families discovered in a check of Ration Store No. 26. Also, in the nature of a warning was the news that 157 violations of the

maximum working hours law had been reported since 7 November 1946. People were advised to familiarize themselves with the provisions of the election law, which, although it might not be followed exactly by the UN Commission, contained the principles basic to any democratic election law. A series of articles gave information on democratic voting.

5. The arrival and activities of the UN Commission were described. Foreign news was particularly concerned with Russian-American relations. It was announced that the American Consul-general would not return to Dairen because of Soviet non-cooperation, and Communist activities in Czechoslovakia were described. A discussion by the Coordinator for Aid to Greece and Turkey, stressing the importance of "time" as a factor in a nation's recovery, implied that "time" would likewise help in Korea. Of interest to any Asiatic country was the news that a study was being made by the Food and Agriculture Organization in Siam, normally one of the rice exporting countries. Of similar interest was the item telling of the arrival in the United States of 20 health experts from various countries, including Korea, for study on fellowships granted by the World Health Organization.

6. The efforts of the government to see to it that a sufficient supply of food was available were noted. The successful progress of rice collection was reported. It was pointed out that the importation of 120,000,000 pounds of sugar would make possible a reduction in price from 90 to 30 won per pound and would remove that commodity from the black market. It was found that the number of persons whose food costs had been paid in part by government subsidies had increased by 2,043,000, since September 1946, while the government cost of producing rice had increased about one-third during one year. These facts were given to explain the increased price to consumers of rationed rice. Publicity was given to the arrival of three more shiploads of salt from the United States and it was stated that 95 per cent of the retail stores in Seoul could supply purchasers with 5-1/3 pounds of salt at the low prices charged by the government. By way of contrast the amounts of food that English people could buy were given. The grain importation requested for Korea during 1948 was announced.

7. Of interest to farmers was the fact that the American Seed Growers Association had sent 78 varieties of vegetables and flower (amounting to about 1,000 pounds) to Korea for experimental purposes and it was planned to maintain free exchange of agricultural research between the two countries. Estimates were given of the increase in rice production which would result from the first eight months of the government's reopening of five of the nine Japanese tidal land reclamation projects. The Korean Agricultural Association assured farmers that a plentiful supply of straw bags and straw rope would be available through the purchases which it had made.

8. There were commendations for the work of 4H Clubs in Kyonggi-do. Much publicity was given to efforts to improve agricultural education and to train veterinarians. Two men were sent to Hawaii to study agriculture, the completion of a large animal hospital in the school of veterinary medicine of Seoul University was announced for 1 January, a series of refresher courses was advertised. Provincial veterinarians were notified that all persons wishing to receive a license to practice veterinary medicine must file an application to take an examination in February.

9. Indicative of the desire to make the Department of Agriculture to work more smoothly, and to develop agricultural research was the notice that the Agricultural Improvement Service had been set up under Ordinance 160.

10 The Department of Public Health and Welfare pointed out its services in a notice that public health personnel from the provinces had met in Seoul on 16 December

to study emergency measures to be taken in event of an outbreak of bubonic plague in South Korea. Publicity was given to the fact that the nutrition survey had been completed and that data was being compiled to determine food requirements for various occupational groups. Toward the last of the month the distribution of 60,000 pounds of dried milk through baby clinics, milk centers, charity hospitals and refugee centers during the following three weeks appeared in the press. It was published that 1,500 Seoul Middle School students have had chest X-ray examinations. These studies were made by the Bureau of Preventive Medicine of the Department of Public Health and Welfare. Not under the supervision of the Department of Public Health and Welfare, but contributing to the same ends, the work of women from the Christian churches of Seoul, in making 18,000 articles of clothing for infants and children since August, was noted. The material for these garments was sent from the United States by Church World Service. Another indication of international good will was the entertainment by Americans of 2,000 Korean orphans in various Korean cities and towns. The Korean Red Cross planned a disaster relief campaign for the next year.

11. A refreshing variant of the usual refugee story appeared in the account of those refugees who, declining to accept charity or to seek government aid, built a village for themselves in the Sam Pan area of Seoul, and worked out a cooperative industry plan for their own support.

12. Notable was the news of the construction of forty new homes by the City of Seoul and the Korean National Housing Administration for those persons evacuated from behind the Capitol grounds.

13. Throughout the month much space was devoted to education. The papers reported the new education exhibit at the Seoul Boys' Middle School was being held over until December. In the field of medical education it was announced that a National Venereal Disease Center had been established in Seoul to give treatment to diseased persons and to serve as a model training center for physicians. Provincial hospitals were notified by the Medical Service Bureau, Department of Public Health and Welfare, of a class in X-ray techniques, film diagnosis, and laboratory work being planned at the National Tuberculosis Sanitarium at Masan, Kyongsang-namdo. The progress in setting college standards was noted in the item that 20 institutions of higher learning had received formal approval. Stories of American sponsored students and other students who went to the United States during the month appeared in the papers. Much publicity was given to the activities of the Technological Training Board program. Notices were given of training schools planned for mechanical engineers, master mechanics and operating personnel of South Korean mines at Serim Refinery Buildings, Oryudong, and for Heavy Equipment Training at Pu Pyong, Ascom City. The Office of Civil Information and the Department of Education announced that they were preparing sufficient reading matter to supply the weekly needs of 10,000 folk schools throughout South Korea.

14. Vested property is one of the key factors in Korean economic and political life and its administration is properly a matter of public interest. Announcements were made of the application of Ordinance 156 calling meetings of stockholders of vested companies in which they have a stock interest, for the purpose of electing directors. A profit statement was issued by the New Korea Company with plans for its use in improvements. A report on the New Korea Company fuel and electric power conservation program was published. Another announcement by the Property Disposal Division of the Office of Property Custodian was the completion of a contract to recover the Japanese military submarine cable located off the coast of South Korea.

15. The Department of Finance reported the registrations of 63,320 persons holding life insurance policies issued by Japanese companies. This report lacks returns from three provinces.

16. With a view to relieving the acute coal shortage within six months, the National Economic Board announced the rehabilitation of coal mines at Samchuk, Hwasun and Eunsung.

17. Of interest to business men and to students was the account of a recently invented Korean-English typewriter.

18. An encouraging notice concerning foreign trade appeared in the amount of dollar credits sale of tungsten concentrate, copper and lead to the United States. A further indication of reviving foreign trade was the fact that 1,000 bales of Zodiac Egyptian cotton had been received in the first barter arrangement with Egypt of tungsten concentrates for cotton.

19. The Office of Civilian Supply, it was pointed out to the Korean public, was relieving the shortage on a number of basic items. Importations of sugar, salt, and milk have been mentioned. Other products were 2,865 bales of Australian wool which Korean mills will turn into 200,000 yards of fine worsted and high quality woolen cloth. Cotton yarns supplied by this agency will enable the spinning mill at Taegu to furnish about 20 per cent of the requirements of South Korea. Transportation equipment brought in by the Office of Civilian Supply included automobile parts and four locomotives.

Publication Section

20. The Farmers' Weekly does not appear every week because of the paper shortage. Three issues, No. 86 on 1 December, No. 87 on 13 December, and No. 88 on 27 December, were published. The featured articles in the first number were: General Hodge explains functions of UN: UN Assembly adjourns; payment for electricity discussed by the Military Governor; sugar price to be reduced; cost of fire damage is great; food imports requested for next year; and animal health-disease control. The next issue continued with two more articles on UN, a discussion of the Big Four Conference in London, the Japanese Emperor System, the new election law, the killing of Chang, Duk Soo, a rightist party leader, the Military Governor's press conference, costs of fire damage, increase in price of rice ration and the progress of rice collection, articles on the new veterinary hospital and other articles on farming. The last issue continued with the progress of UN and the failure of the London Conference, described the functions of the Emergency Electric Power Board, announced a change in postal rates and gave information on farming. The Publication of World News, a current events leaflet heretofore printed by this section, was transferred in December to the complete control of the Office of Civil Information.

BUREAU OF PUBLIC OPINION

21. Reports from the six sections of the Bureau of Public Opinion are as follows: (1) The Political Research Section registered 4 parties; (2) the Publications Section registered 9 publications, granted 25 applications for a change of license, renewed 3 licenses, registered 47 publishers and printers and suspended 3 publications; (3) the Public Opinion Sampling Section made surveys on (a) Educational aid fund for primary schools, (b) activities of dong (ward) offices, (c) expansion of medical service in the Capitol building, (d) primary school expenses, (e) food rationing shops, (f) use of electric current by civilians; (4) the Political Education Section was occupied with 11 lectures to colleges and churches, preparation of 5 radio scripts, writing of 3 magazine articles and conferences with 5 other groups such as the Office of Civilian Information, teachers, Political Leaders Training Institute, etc.; (5) the Translation Section prepared about 25 key articles a week which had appeared in Korean dailies in addition to a daily press summary; and (6) the Visual Education Section reported 6 illustrated lectures reaching 1,350 persons.