

Pyongyang, 1 February 1973

Note

On a Conversation with USSR Embassy Counselor Comrade Denisov on 22 January 1973 in the USSR Embassy

Based on a written text, Comrade Denisov provided an assessment of relations between DPRK and PRC in 1972. He stated as follows:

In 1972 relations were further strengthened from both sides in ideological, political, military and economic regards; also as far as party relations are concerned. The Korean side took into account neither the international changes, nor the interests of the USSR in these respects. The reason for such is ideological closeness between the Chinese and the Koreans. In its policy, the PRC mostly reviews DPRK positions on certain international questions, as well as DPRK relations with the Soviet Union. The Chinese are eager to exploit the nationalist tendencies in the DPRK and integrate them into PRC foreign policy.

This became especially evident in the context of celebrations for the 60th Birthday of Kim Il Sung. The Chinese want to demonstrate the solidness of Chinese-Korean relations by several means. They publish many articles about the DPRK, e.g. the speeches by Kim Il Sung, in their press. Now the Chinese also publish articles of their own in support of DPRK positions on foreign and domestic policy. They state that the KWP applies Marxism-Leninism in a creative fashion.

After we noticed in the past how the Chinese were reluctant to applaud KWP policy, it is now evident that over the course of 1972 they supported and praised the magnificent *juche* ideas and the personality cult in the DPRK. Now the Chinese assert that the DPRK has turned into a powerful socialist state and strong vanguard bridgehead, with a major contribution to the liberation of the peoples. From their side, the DPRK supports the Chinese foreign policy line. In speeches, articles and telegrams, the DPRK supported the conclusions of the CCP's 9th Party Congress and the 2nd Plenary, the "Cultural Revolution," and the "splendid successes" China had achieved.

Delegation traffic between both countries has increased significantly. The Chinese delegations, even tourist groups, are received by Kim Il Sung or Pak Seong-cheol [Pak Song Chol]. During their stay anti-Soviet literature is disseminated. For instance, during the visit of a Chinese delegation (party members on vacation) in September 1972 an anti-Soviet piece from "Hongqi" [red flag], Issue 6/72, was published in the DPRK in full.

Today the PRC plays an important role in DPRK foreign policy. A lot of delegations from countries in Asia and Africa visiting Beijing proceed to Pyongyang afterwards. This was also evident during Pak Seong-cheol's official visit to Beijing at the eve of the Nixon visit, the unofficial stay by Zhou Enlai in Pyongyang after the Nixon visit to Beijing, the unofficial stay by Heo Dam [Ho Tam] in Beijing at the eve of [Japanese Prime Minister] Tanaka's visit to the PRC, and during the unofficial visit of Kim Il Sung to Beijing on 31 October and 1 November 1972. All this is testimony to the close relations between the leaders of both countries. DPRK interests lie primarily in obtaining more support in economic and military respects, as well as in its unification policy. Most intensive Korean activities in the "Third World" are noticeable where the Chinese are strongly present as well, like in Sudan, Zambia and Tanzania.

Korean propaganda is strongly hailing the PRC as a "mighty socialist power." (In this context Comrade Denisov referred to speeches by the Korean side, like those at the 45th Anniversary of the foundation of the Chinese People's Liberation Army, on October 1st or during the visit of [Chinese Foreign Minister] Ji Pengfei.)

From their side the Chinese actively support positions of the Koreans, like on the question of the three principles from the "Joint Declaration North-South," or during the United Nations conference on trade. Following requests by Pyongyang, the Chinese did not criticize South Korea during the 27th General Assembly of the United Nations.

In economic matters relations between DPRK and PRC are also going well. Already in December 1972 the trade protocol for 1973 was signed. The trade volume between both countries amounts to roughly 180 million rubles. Many treaties and agreements were concluded between the two countries in 1972, like in the fields of economic-technological cooperation, fishing, energy supply, agriculture, and between the Academies [of Sciences]. There is also close and active cooperation in military areas. Many PRC military specialists are based in the DPRK.

Cultural relations are also developing very strongly, as well as sports relations. There are exchanges between youth and women delegations.

A clear sign for increasingly closer relations is the coverage in the press. In 1972 "Rodong Sinmun" published more than 600 different pieces about China, i.e. about two articles daily.

During the stay of Ji Pengfei they apparently agreed on measures for future joint actions in foreign policy.

For 1973 we have to expect that relations between DPRK and PRC will further improve and expand. The Chinese will take additional steps to include the DPRK in their activities.

I thanked Comrade Denisov for this information and added some thoughts of my own to the development of DPRK-PRC relations. Afterwards we exchanged some opinions on those questions.

Comrade Denisov then gave the following information:

- In 1970 the DPRK transported 13 tons of gold to France to the Bank France for Nordic Countries. In 1971 there had been still 15 tons of gold, during the first ten months of 1972 there were just 6.5 tons. Yet the volume transported straight to Paris is going to decrease since the DPRK now exports gold via Hong Kong. [Denisov] now expects about 25 tons shipped to France and Japan via Guangzhou and Hong Kong. This is the reason, Comrade Denisov asserted, that Western countries are so eager to sign economic agreements with the DPRK. Costs for the oil refinery, to be built in the DPRK by France, Austria and West Germany, amount to 65 million US dollars.

France is building three sites in the DPRK, there will be 180 French specialists in Wonsan. Contracts between France and DPRK feature interest rates between 5 and 6 percent, as far as Denisov knows.

- The DPRK has granted Chile a credit over the amount of 5 million US dollars (the source for this information is apparently the Chilean charge d'affaires in the DPRK).
- For late January a 56-people trade delegation is expected from Japan. 13 different Japanese banks and companies are allegedly represented. The delegation is said to arrive with authorization from the Japanese government to sign a trade and terms of payment agreement, as well as contracts to build production sites and how to finance them. They are also said to discuss shipbuilding.

The development of economic relations between the DPRK and Japan is also one of the reasons behind the fact that the DPRK press is no longer publishing criticisms of Japan. In 1972 the trade volume between Japan and DPRK was 120 million US dollars, for 1973 it is said to grow to 180 million US dollars.

Here Comrade Denisov remarked that today trade between Japan and the DPRK is already larger than the one between the DPRK and the socialist countries, except for the USSR and China. Such is a dangerous tendency we must increasingly take into account, as DPRK export capacities are very limited.

Merten

Embassy Counselor

CC

1x Comrade Markowski (Central Committee)

1x Comrade Liebermann (Foreign Ministry)

1x Comrade Bernatek

1x Embassy