

As for the mutual Czechoslovak – Korean relations, we have been following directives of the Czechoslovak Communist Party Central Committee Presidium from April 24, 1962 and January 14, 1964. Despite best efforts to preserve friendly relations, their deterioration continued till the second half of 1964 due to transition of the Korean Workers Party to positions of the Chinese leadership. However, thanks to a number of objective conditions, the DPRK showed an effort to achieve some improvement in relations with European socialist countries, among others also with Czechoslovakia.

According to the CPCZ CC resolution from April of this year about the current situation in the International Communist Movement, it is not necessary to change the fundamental directive for development of the Czechoslovak – Korean relations from 1962 but we have to energize our efforts for improvement of our mutual relations and for broadening of contacts with the DPRK.

Taking into account the recent development in the DPRK, the resolution concludes with a description of ways to develop state level contacts with the DPRK.

I.

Since the Caribbean crisis of 1962 up to October 1964, politics of the KWP was evolving along the lines of utter unity with the position of the Chinese Communist Party. This pro-Chinese direction, as a result of political and economic pressure of the PRC on the DPRK and also of general development and internal situation (divided country, nationalism, personality cult and so forth), manifested itself not only in the KWP ideology but also in the social and economic life of the country as a whole.

Internationally, Korean leaders were attacking the policy of the CPSU and the USSR, and were pushing for the Chinese position. In their international politics of limiting the contacts with the USSR and European socialist countries, they concentrated especially on cooperation with Asian and African countries, along with deepening the contacts with the PRC.

This policy, along with exaggerated country militarization, declared by the KWP CC 5th Plenary Session (December 1962), damaged the DPRK national economy extensively. The American aggression against the DRVN in August 1964 and especially since February 1965 then also revealed serious shortcomings and vulnerabilities of the existing military defense policy of the DPRK. Korean comrades started to realize more and more that without political and economic cooperation with and military aid of the USSR and other European socialist countries, they were not able to solve the complex problems of economic development of socialism in the DPRK nor the problems associated with the defense and unification of the country. There were no substantial changes of the official DPRK policy on the country unification. However, at the DPRK Supreme People's Assembly in May 1965, the phrase "peaceful unification of the country" was not used anymore; heavily stressed was "driving American aggressors out of South Korea and unifying the country without foreign interference". The DPRK government declared on June 23, 1965 that it considers the "treaty" and "agreements" between Japan and South Korea as invalid. It labeled them as part of an imperialist conspiracy designed to thwart the peaceful unification of Korea, to preserve (and made permanent) its division and to pave the road for creation of an aggressive imperialist pact in North-East Asia (NEATO).

Increasing pressure of objective factors, like fear of possible loss of actual independence due to long term exclusive orientation on the PRC, eventually forced Korean leaders to change their approach to developing international contacts with the USSR and some other European socialist countries. Korean leaders, though, associate this change with the departure of c. Khrushchev from leadership of the CPSU and the USSR. The visit of c. A. Kosygin in the DPRK in February 1965 became an important catalyst of their change in attitude towards the USSR. His conversations, whose main significance was undoubtedly a promise of Soviet aid in building modern defense of the DPRK, persuaded Korean comrades to take a more critical look at the Chinese CP policy. Political outcome of this visit also is the fact that Korean comrades did not join the attacks of Chinese leaders against results of the March consultative meeting of fraternal parties in Moscow, even though in principle, they maintained their refusal of the meeting and did not take part in it.

Regardless that we have seen recently number of positive signs in international relations of the DPRK with European socialist countries and namely The USSR, we cannot ignore that in ideological and political issues, Korean leaders adhere to positions very close to the current political line of the PRC leadership.

Occasional publication of anti-Soviet materials and some comments of KWP officials, as well as continuously maintained close ties with and support of all kinds of factions and splinter groups in the ICM, whose representatives are frequent guests of the KWP CC, are some of the persistent negative features of Korean leadership activity. The KWP maintains especially close contacts with the pro-Chinese leaderships of the Indonesian and Japanese Communist Party. Korean comrades do not agree with the CPSU policy towards the Communist Party of Japan, saying that the CPSU is interfering with internal matters of the Japanese Communist Party.

Current development in the DPRK seems to keep confirming that the main factor preventing Korean representatives from closer and more efficient cooperation with the Soviet Union and European socialist countries, and pulling them to the pro-Chinese side, is an extreme nationalism, deeply rooted system of personality cult, KWP leadership distrust, not yet overcome, of the CPSU direction after 20th and 22nd CPSU Congress, and top KWP functionaries being afraid of losing their personal positions.

Despite of these realities, new signs in the policy of the Korean leadership (c. Kosygin's negotiations in the DPRK, substantial reduction of inciting anti-Soviet appearances and efforts to improve relations with the USSR and European socialist countries, marginal broadening of cultural contacts, negotiations of the Korean military delegation in the USSR, promise of Korean representatives to vacation in the USSR, more objective appearances of Korean representatives on an international forum, friendlier approach towards embassies in the DPRK of European socialist countries, participation of Korean representatives in events organized by embassies on state holidays, inquiries about possibilities of providing credit) create certain preconditions for improvement and broadening of contacts with all European socialist countries.

II.

Despite Czechoslovak efforts, in line with the CPCZ CC Politburo directives from 04/24/1962 and 01/14/1964, to preserve friendly relations, Cs. – Korean relations were deteriorating until fall 1964 due to negative approach of the DPRK towards European socialist countries. Korean policy of isolation from European socialist countries manifested itself in our mutual contacts especially in areas suitable for ideological influence (press, school and scientific contacts, cooperation in film production, and so on), so that almost all contacts in these areas were frozen. Admittedly, there were no direct public attacks against the policy of the CPCZ and the CSSR government but under this situation, nothing significant happened either in political relations, save congratulatory telegrams on state holidays and participation of the CWC (Central Workers Council) delegation at the celebrations in 1963 of the 15th anniversary of the DPRK inception. The Czechoslovak side continued to support the DPRK position on the peaceful unification of the country, and was contributing to the increase of the DPRK authority especially with various international organizations and with the UN. Czechoslovak delegation is still active at the Supervisory Commission of Non-Aligned States in Korea. Based on a decision of the CPCZ CC Politburo, rank of the delegation's head was lowered from a General to a Colonel.

Situation was developing somewhat more favorably in the area of economic cooperation. There were some fluctuations in exchange of goods until 1963, especially in 1959 and 1963. In these years, Koreans imported sizeable quantity of machinery, namely lathes, for which they made extra deliveries of agricultural products. The total of goods exchange is trending higher since 1963.

	1956	1959	1962	1963	1964	1965
Cs. Import	13.5	66.0	57.6	46.4	60.8	78.0 ^x
Cs. Export	18.4	63.7	44.4	14.4	21.6	30.0 ^x
Total	31.9	129.7	102.0	60.8	82.4	108.0 ^x

^x) including 1965 broadening of the agreement

Cs. import numbers are higher because since 1962, the Korean side started to make payment on loans that the CSSR granted to them by the Credit Agreement of 1954. This credit for investment equipment is 624.6 million CZK, of which 449.5 million has been drawn. So far, the DPRK paid back 70.4 million CZK. From 1966 till 1975 when the debt should be retired, payments including interest should be 48 million CZK a year.

Goods exchange under yearly agreements (there is no long term agreement) is seriously hindered especially by selection, quality and delivery dates of Korean goods. The Korean side fulfils its commitments late and there are delays in delivery of goods. Nonperformance of the Korean side in their obligations affects the results of goods exchange that every year since 1962 shows Cs. surplus of about 20 million CZK. Based on current situation in the mutual goods exchange, potential of Korean economy, and composition of Korean exports suitable for Cs. national economy, we cannot expect substantial increase of goods exchange between the CSSR and the DPRK in coming years. We can hardly count on concluding a long-term agreement about goods exchange in the nearest future due to the negative attitude of the Korean side towards Cs. proposals. Nevertheless, it will be necessary to consistently strive for achieving such an agreement.

Considering all of the above, securing next payments on the investment loan from 1954 is going to be a serious challenge.

In 1964, the Korean side submitted a request for a price review of some re export deliveries, shipped under credit agreement of 1954, of equipment for a power plant in Pyongyang, and for a reduction of payments by about 19 million CZK. The main supplier, ZVIL Plzen, purchased these shipments for international prices in third countries, and upon completion of the plant equipment, charged the Korean customer higher export prices in line with comparable equipment made in the CSSR. At the time of negotiations about the matter between PZO (Enterprises of Foreign Trade) of the both countries, Minister of International Trade c. Hamouz received from the DPRK Administration of Foreign Economic Contacts a letter accusing the Cs. side of overcharging for the shipments. The Korean request is still being discussed between Enterprises of Foreign Trade of the both countries.

A positive sign in the mutual Cs. Korean economic cooperation is Cs. side granting a purpose loan of 45 million CZK in 1962 for development of copper ore and gold mining in the DPRK. Repayment of this loan will begin in 1969 with yearly deliveries of 1,300 tons of electrolyte copper and 275 kg of gold. Realization of this credit continues normally and without problems.

During an occasional visit in March 1965, Deputy Prime Minister and Minister of International Trade Ri Ju-yeon [Ri Ju Yon] informed the Czech Ambassador that number of capitalist countries proposed to the DPRK shipments of investment equipment with five to seven year credit under these conditions: 5% of the total price of the equipment as a down payment immediately after closing the contracts, 25 – 30% after the delivery of the equipment, and the remainder after the investments begin production and within 5 – 7 years, approximately at 5% interest.

He also said that such a trade is advantageous for the both parties and that it would be suitable to apply it among socialist countries as well. He stressed that such trades are advantageous because when dealing with capitalist countries, it is usually necessary to pay with liquid currency, while when socialist countries are dealing among themselves, payments could be in the form of produced goods or of production of a particular plant. In case the CSSR would consider this form of credit, there would be a lot of equipment that the DPRK could import from the CSSR.

Leadership of the Cs. Ministry of Foreign Trade evaluated the titular's information about this conversation. They concluded that the CSSR grants to socialist countries credit in the form of purpose credit agreements, or rather purpose credit. Payments with liquid currency are not required in this form of credit. Any concrete official requests of the Korean party for credit for investment equipment or other goods would be studied separately. Repayment of possible new Cs. credit with Korean goods would, however, exacerbate difficulties the DPRK has with repayment of credits granted by Czechoslovakia in previous years. Even c. Ri Ju-yeon acknowledged these difficulties in the above-mentioned conversation with the Cs. Ambassador.

Scientific-technological cooperation between the CSSR and the DPRK is currently stagnating. It was limited to 3 resolutions from each side in 1964. In the past, it was basically a one-way Cs. aid aimed at machine industry, power generation, ceramics, health care and light industries. Recently, the DPRK started to concentrate in VTS (Scientific-technological cooperation) on the latest Cs. technological innovations that it wanted to implement in production. The Cs. side is refusing to accommodate these requests because of legitimate concerns about negative effect on trade with the DPRK and about possible competition on third, especially Asian markets.

The political line of the KWP and the DPRK government in the ideological and cultural areas is fully reflected by Cs. – Korean cultural contacts. Cultural contacts thus became limited to formal exchange of materials. During negotiations about increasing publicity of the CSSR, the Korean side made it plain that it would look strictly at reciprocity in this area. In May 1965, a special report about current possibilities of Cs. promotion in the DPRK was submitted to the Promotional Commission, based on which, suggestions were approved for increasing the publicity of Cs. activities in the DPRK.

New trend towards improvement of the DPRK relations with socialist countries on state level is apparent since the beginning of 1965 also in Cs. – Korean contacts. Concrete signs of it are improved relations of Korean representatives with the Cs. Embassy in Pyongyang and with the Cs. delegation at the SCNAS in Korea, along with an increase of social activity of the Korean Embassy in Praha, even though in both cases, these signs are rather formal.

Based on number of concrete signs, we can presume that the KWP and DPRK representatives strive to achieve a degree of independence on policies of the Chinese CP. This development should be further followed and utilized in proactive strengthening of mutual contacts with people's Korea. The most promising area for their development is and will be economic cooperation and gradual renewal and deepening of personal and social contacts with the DPRK top cadres and institutions.

III.

Since the current situation in Cs. – Korean mutual relations and the trend in development of contacts with the DPRK on state level conforms to the CPCZ CC resolution from April 24, 1962 and January 14, 1964, there is no proposal to change these fundamental directives. We will proceed in the mutual Czechoslovak – Korean contacts this way:

1. In politics:

- Keeping line with the CPCZ 12th Congress resolution from April of this year, will continue our patient efforts in relations with the DPRK to preserve friendly contacts and energize them further on state level, despite persistent political-ideological differences. While developing contacts, will signify issues that unify us, stress possibilities and examples of cooperation, and concentrate on contact actions that are presumed to become successful;
- Will consistently follow the DPRK politics and development of the KWP position on the ICM unity, and promptly inform about them. Depending on

circumstances, will propose concrete steps, consulted with the Soviet friends, of the Czechoslovak side;

- a. Will continue to support the efforts of Korean people for peaceful unification of the country, and with appropriate political steps, will contribute to the increase of the DPRK national authority, especially in international organizations and the UN. While providing information and assistance with establishing contacts with other countries and international organizations, will proceed cautiously with regard to the development in the KWP, to the DPRK policy and to the situation in mutual relations;
- a. As much as possible, will exchange visits with the DPRK on various levels, and will especially propose invitations of Korean representatives whenever they travel to Europe. Will use conversations during such visits to explain our positions on issues of International Communist Movement and relations among socialist countries. Will also coach the Czechoslovak Embassy in Pyongyang and the Czechoslovak delegation at the SCNAS in Korea to correctly focus their discussions with Korean officials;
- a. Will energize activities of the Czechoslovak Embassy in Pyongyang to promote social, personal and working contacts with Korean partners. Will facilitate for the Korean Embassy in Praha actions that they ask for, will ensure participation of Czechoslovak representatives in their social events and will request similar approach towards the Czechoslovak Embassy in the DPRK.
- a. Will politically evaluate and if possible, will use every opportunity to deepen cooperation and to expand direct contacts of Czechoslovak Embassy, institutions and authorities with partners in the DPRK. Will develop contacts in close cooperation with the Czechoslovak Embassy in Pyongyang. Will also invite some representatives of the DPRK social organizations to Czechoslovakia, in cooperation with and upon suggestion of the Embassy;
- a. Will continue efforts to widen accreditation of the CTK correspondent in Beijing also for Pyongyang;
- a. Will ensure mutual awareness of Embassy heads in Beijing, Pyongyang and Hanoi about political development in the PRC, DPRK and DRVN, and about the position of these countries on fundamental ideological and international political issues;

2. In economy:

- a. Will work towards further development of economic contacts on principles of equality and mutual benefit. Will create optimum conditions for repayment of credit granted to the DPRK in previous years, while keeping balanced trade account. Will also watch for conceivable DPRK efforts to carry out economic policies without regard to common interests of the SCC;
- a. Will conduct scientific-technological cooperation in such way that its results are advantageous for the both sides. Will concentrate on concrete Czechoslovak aid that supports increasing the possibilities of Czechoslovak imports from the DPRK;
- a. Will work towards concluding a long-term trade agreement or long-term contracts as a prerequisite for lasting expansion of mutual goods exchange. Will watch for possibilities to deliver investment equipment to the DPRK in quantities that will not disrupt repayment of credits by the Korean side;
- a. In case of an official DPRK government's request for additional Czechoslovak credit, will submit the matter, in agreement with appropriate authorities, to the highest offices for a decision;

3. In culture and publicity:

- a. Will reach targets of Czechoslovak publicity in the DPRK as per conclusions of the Promotional Commission from June 4, 1965. Will create conditions for intensification of promotional efforts of the Czechoslovak Embassy in Pyongyang, will take actions that would be promotionally beneficial, and will make sure that our side has the initiative in broadening mutual promotion. Will pay adequate attention in Czechoslovak press, radio and television to Korean issues and to DPRK successes in building socialism, which will result in an increase of Czechoslovak publicity in the DPRK. In Czechoslovak press, radio and film, will take initiative in developing cooperation and direct contacts with partners in the DPRK;
- a. While discussing plans of cultural cooperation and cooperation between Science Academies of the both countries, will strive to broaden cooperation by including in plans all actions in which we are interested in the DPRK, including exchanges of people.

4. In the Supervisory Commission of Non-Aligned States in Korea:

- a. Will continue following closely the approach of Korean comrades towards this Commission and Czechoslovak delegation in this Commission, and will consistently consult with the USSR the activity of Czechoslovak delegation;
- a. Will pay extra attention to the conduct of the Korean delegation at the Military Armistice Commission in Panmunjeom, especially to any signs of orientation towards increasing the tension in the demilitarized zone;
- a. Since the resolution of the CPCZ CC Presidium from June 9, 1964, to lower the rank of Czechoslovak delegations head from General to Colonel or Lieutenant Colonel, achieved its objective, and the Korean side improved substantially its attitude to the Czechoslovak delegation and overall, signals a desire for improvement of mutual relations on state level, we will consider, when replacing in 1966 the leader of Czechoslovak delegation at the SCNAS in Korea, Colonel Borsky, whether it is possible to suggest to the appropriate authorities that Czechoslovak delegation be again headed by a General.