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**Report of the Hungarian Embassy in Pyongyang to the foreign minister
15 April 1983**

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Comrade Dr. Vencel Házi
Deputy Foreign Minister

Budapest

Dear Comrade Házi:

Comrade István Bognár sent a message to me through Comrades László Iván and Ferenc Rátkai that I should prepare a survey for the Department of Foreign Affairs of the CC of HSWP on the Korean situation and submit proposals on the development of Hungarian-Korean relations. He asked me to write down my views very openly because they would like to know my opinion.

I attach my survey to this letter, which was not written in the usual report style.

Would you, please, forward it to the Department of foreign Affairs of the CC of HSWP.

If the party needs some additional assistance from me, I will be home and available for consultation when I start my leave of absence at the beginning of June.

I wish you good health and a lot of success for your work.

With fraternal regards,

/Sándor Etre/

The Politburo formulated its position concerning the unification policy of the Democratic People's Republic of Korea on September 19, 1972, and gave guidance on developing our relations with the two states of the Korean peninsula and the practice to be followed by our party and state bodies. We have always endeavored to conduct a policy of cooperation with the Korean Worker's Party and the Democratic People's Republic of Korea on the basis of the principles of proletarian internationalism and Marxism-Leninism. At the same time we have always refused several South Korean initiatives and seemingly beneficial business offers by South Korea that would have constituted bilateral relations. The basic principles of our foreign policy with Korea were formulated with a strong commitment to taking into consideration the expectations of the party and state leadership of the Democratic People's Republic of Korea and the "sensitivity" of the Korean comrades. Maintaining our internationalist position to contribute - as far as we can - to the settlement of the Korean issue in a way that serves the interests of socialisms, in the light of the changes of the past decade it seems practical to take a closer look at our Korean policy again and define our immediate tasks.

I.

At its 6th congress – held after an interval of 10 years – the Korean Worker's Party confirmed its political practice that is against the general principles of the building of socialism in several aspects. The Korean comrades diverged from the basic principles of Marxism-Leninism. The predominance of the so-called "Juche ideas of Kimilsungism" that are meant to provide an answer to every important issue of our times, all the challenges faced by the theory and practice of building socialism and communism, and to shape the main line of our activities causes serious damages in social and political life, keeps back effective economic development and deprives working people of the possibility to improve their standard of living to an extent that would be necessary on the basis of their hard work and natural needs. In party and state life the Korean leadership has established the use of administrative, military-bureaucratic methods, a nationalist and pragmatic policy and an authoritative political practice that does not tolerate any opposition, fully disregarding socialist democracy. It has further strengthened the militarized leadership of the society. By nominating Kim Il Sung's son as the "successor of the great leader" they believe the problem of the succession of generations was resolved and the same policy can be continued in the future.

It is difficult to get a true picture of the real economic situation of DPRK, for it does not publish trustworthy data on its closed economy for the public at large. The refusal to establish fruitful economic relations with the socialist countries, based on the principle of "prosperity as a result of self-reliance", deprives the country of several benefits.

The party and state leadership presents the situation in DPRK as "an earthly paradise" to the workers, while it totally isolates the people from the outer world. This introverted disposition also follows from cultural policy. The falsification of history is not foreign to the so-called unified ideological system of Kim Il Sung. The declaration of false doctrines and the nationalist propagation of the "Juche idea that can give an answer to every problem of our

age” as a model for other nations may have harmful effects and end in disorder and serious problems, if development comes to a sudden standstill. The endeavor to make the “Korean model” of building socialism” an example to be followed all over the world violates the interests of the socialist countries and decreases their reputation among developing nations.

The foreign policy of the party and the state also bears several signs of special, nationalist features. The focus of its orientation has been shifted from the socialist countries to member states of the non-allied countries, the “newly emerging forces.” DPRK invariably fails to consult with the socialist community on its actions that affect the interests of socialist countries and disregards its obligations specified in the agreement of friendship, cooperation and mutual assistance made with the Soviet Union even in the case of important issues like the most recent one when on the pretext of joint American-South Korean military maneuvers DRPK introduced “semi-warfare measures” in the country. At the same time DPRK expects unconditional support from the socialist countries for its foreign political actions and unification endeavors. Although their declarations and practice in foreign policy are essentially anti-imperialist, they involve a lot of contradictions and pragmatism, and DPRK generally fails to support the international activity and the position of the socialist community in the most important issues of our age; moreover, it often takes a different position, even a hostile one, like in the Indochina issue. Our Korean comrades failed to live up to their promise to represent the common interest of the socialist community after having joined the movement of the non-allied nations. Their basic position is to maintain equally good relations with all the member states of the movement, so as “not to lose” the active, but very often only formal support of any one of them for their unification policy, demonstrating, as it were, the broad international relations of SPRK to South Korea. /On December 31, 0983 DPRK had diplomatic relations with 106 countries, while the Republic of Korea with 115 nations. The above countries include 65 states with which both the North and the South have diplomatic relations. Of the latter, seven countries have a diplomatic mission stationed both in Pyongyang and Seoul./

The key issue in the foreign policy of DPRK is its relation with the Soviet Union and China. The last ten years show that DPRK has taken pains not to develop its relations with either neighboring superpower to an extent that would evoke a political, economic or military counter move of the other party. The drift continues between the Soviet Union and China, although the practice of the past few years show that DPRK devotes more attention to the cultivation of Korean-Chinese relations than to strengthening cooperation with the Soviet Union. Korea needs and expects political, military and economic support from both countries, but it hopes to gain more advantage from the Chinese ambitions to build closer relations with leading capitalist countries and therefore it gives less preference to a rapprochement with the Soviet Union that can ensure less opportunity for Korean political maneuvering due to the worsening of American-Soviet relations.

Nonetheless, the People's Republic of China does not wish to jeopardize its otherwise rather bad relations with the USA, and it has its own special interest in maintaining the status quo that has been established in the Korean peninsula. The Soviet leadership conducts a patient and balanced policy with respect to DPRK and encourages the Korean comrades to increase cooperation with the socialist community and take the realities of the situation into

consideration. The development, and even a partial normalization, of the Soviet-Chinese relations may have a very positive impact on the foreign policy of DPRK.

II.

Looking back over to the past decade it can be established that we have made an effort to maintain and strengthen our party and state relations with the Korean Worker's party and the Democratic People's Republic of Korea in an internationalist basis with a view to mutual interests and advantages. Although the Korean partner has generally been pushing only demonstrative visits and working relations that exclusively benefited Korea, we have managed to maintain high-level contacts with the Korean leadership and express our own position and the views of the socialist community, which has not proved ineffective in the long run. They have listened to the arguments of our country and the countries of the socialist community and could not but take them into consideration. This is one reason why Korea has not yet alienated from the countries of the socialist community to such an extent that it should have come fully under the influence of China.

Our inter-party relations are based on one and two-year plans. /Party delegations, exchange of a small number of journalists and holiday-makers./

Our state relations work within the framework of a few agreements. In the sphere of politics, the mutual visits of ministers of foreign affairs have contributed to a better understanding of the position and the situation of the other country.

Our economic cooperation is coordinated by the Consultative Committee of the Hungarian-Korean Economic, Technological and Scientific Cooperation established in 1970. Due to the disinterest of the Korean party in mutually beneficial cooperation, the committee has had only four meetings so far. The sub-committee for technological-scientific cooperation, however, has made decisions on the basis of resolutions that favored the Korean party, giving unilateral assistance to the Korean partner. The main reason for this is that the Korean party hardly ever makes it possible for us to get an insight into their technological and scientific achievements, while they know much more about our scientific life so they can get usefully information more easily.

Within the period under discussion the annual turnover of our exchange of goods with DPRK fluctuated between 4 and 14 million rubles. Our export mainly included telecommunication devices, medical and other instruments, spare parts, pharmaceutical drugs and aluminum. Our import mostly consisted in minerals, non-ferrous metals, chemicals, textile goods, porcelain, glass and metal goods.

Despite the geographical distance this turnover is rather modest, and its enlargement was greatly hindered by the fact that the Korean partner often failed to supply the goods that we needed, or at times did not even want to deliver them and meet their undertaken obligations, especially in delivering the agreed amount of non-ferrous metals each year. Since

1982 the Korean party has not undertaken to ship non-ferrous metals any more, except for zinc plates as part of loan recovery.

The 1983 agreement on the exchange of goods appropriated a significant increase in turnover /21.7 million rubles/. This figure was achieved by included a barter transaction in it with 6-6 million rubles on both sides.

In 1973 we granted a credit of 15 million rubles to Korea. 3 million rubles of this amount was to cover the balance due, 2 million for delivering public necessities and 9 million for medical devices and instruments. This was a good decision at the time when dialog began between North and South Korea /which was joined by several other socialist countries/, but meeting further Korean demands in economic relations would have meant granting further credit. Such a move was not justified either by our internationalist obligations to assist Korea or by the economic capacity of our country, and it is not possible now either.

Despite all this our economic and trading organizations continue their marketing activities in Korea, which is made rather difficult by the unreliability and refusal of the Korean party to cooperate.

They continue to dodge a long-term barter agreement that is based on economic realities.

The relation of our military forces to the Korean partner organizations is also determined by our national interests, our contractual obligations and the available possibilities. In regard to the relations with the Hungarian People's Army leaders of the People's Army of DPRK devote special attention to gaining information about the most up-to-date military technology. In this respect we should not exclude the possibility that these ambitions may be encouraged by Chinese demands. /There are some facts justifying the view that the People's Republic of China seeks contacts for trading military technology through DPRK/ e.g. with Iran.//

Contact between the ministries of foreign affairs is relatively regular. The situation of the foreign embassies of the two countries is very different, to the advantage of the Korean side.

III.

The Korean negotiations that began under the circumstances outlined in the position taken by the Politburo in 1972 came to a deadlock. It has proved true, especially after the international situation had become tense, that a dialog on the basis of the "three unification principles" specified in the "joint communiqué of the North and the South" and confirmed by Kim Il Sung and the then president of South Korea, Pak Chong Hi can not succeed, especially on the unification of these two countries with completely different social systems. The activity of the North-South coordination Committee was short-lived, the "hot line", direct telephone line between the leaders in Pyongyang and Seoul was cut off. At the same time, not

only did the US administration fail to keep their promise (withdrawal of troops from the South), but they even increased their military presence – with passive Chinese assistance – in South Korea.

In the past ten years the two Korean parties have put forward several but contradictory proposals on the method of “unification”, without questioning the “three basic principles. One realistic element in the proposals of DPRK is the demand that the American troops should be withdrawn from South Korea. However, once the troops are withdrawn, they would establish the Confederated Republic of Koryo, which would include both countries with two different social systems with a joint parliament and government. This “unified state” would then be recognized by the international community /including the socialist countries too/ and admitted to UN. Until it transpires, the Korean comrades insist, the socialist countries should not enter into diplomatic relations with the South Korean regime.

The essence of the South Korean proposals is this: with the American troops stationed in the country, in the spirit of the future unification of the two countries the two states should start negotiations on confidence-building measures and the establishment of relations /German formula/. The current leadership of DPRK does not accept this proposal, mainly because of considerations relating to domestic politics. The leadership of South Korea takes a wait-and-see position and hopes that with Chinese, Japanese and American assistance and the “succession of generations in North Korea” time will work for them.

The Republic of Korea has declared that it is ready to enter into diplomatic or any other relations with the socialist countries at any time. It urges the accession of the two Korean states to UN. Conditions are not yet ripe for a so-called cross-recognition /the Soviet Union and China would enter into diplomatic relations with South Korea, while the USA and Japan with North Korea/, although in the not too distant future – as in 1972 – there is some chance for a North Korean-American agreement, which would take the socialist community by surprise, even at the cost of leaving the American troops stationed in South Korea under the aegis of UN.

The rival military forces on the peninsula - including the US troops stationed in South Korea - are more or less balanced. However, in the field of military technology, its effectiveness and up-to-datedness the South Korean forces have a great advantage. This advantage could be further increased by US air and marine forces stationed in the Far Eastern region in the case of an unexpected first strike.

The economic situation in South Korea is well-balanced, and despite internal tensions right-wing politicians and bourgeois-democratic fronts lead by Chon Du Hvan rather than the communists, who have become extremely weak and been forced underground, continue to form the basis of any government.

The governments of South Korea continue to view the United States of America as their main ally and make efforts to establish even closer links with Japan, countries of NATO and the movement of the non-allied states. In the spirit of “the policy of small steps” they do their best to build contact with the socialist countries, knowing that the time of their diplomatic recognition has not yet come.

The South Korean communication agencies have recently cut back on their formerly rather extremist anti-communist campaign against the socialist countries, which is now almost exclusively aimed at DPRK.

With the support of the developed capitalist countries South Korea has also achieved diplomatic successes. /In 1981 the National Olympic Board awarded the right to organize the 1988 Olympic Games to Seoul. South Korea will also have the chance to hold the 1986 Asian sports games and, maybe as early as this year, the next general assembly of IPU too./

It is in the interest of the Soviet Union, the socialist community and our country too to find the ways to establish links with the Republic of Korea even if it is strongly opposed by DPRK, North Korea itself does not rule out encounters with South Korea either, e.g. at international programs and sporting competitions.

The present position of the Soviet Union is that it does not recognize the anti-democratic South Korean regime and does not establish official relations with it but in justified cases it makes it possible for Soviet and South Korean citizens to travel in and out of the Soviet Union so they can attend international event, especially if such visits involve the staff of international organizations. /According to reliable sources, the Soviet Union will not prevent Koreans living in the Soviet Far East from visiting their relatives - via Japan - and maintaining contact with them, if justified. According to some sources that can not be verified in Pyongyang, representatives of several socialist countries have already been to Seoul on a bilateral basis. Most of the socialist countries, like our country, trade with South Korea through a third party. /In 1982 the People's Republic of China achieved a turnover of some 1 billion USD in its trade transactions with Seoul, mediated by Hong Kong./

Even today the leadership of DPRK is strongly against establishing any relations between the socialist countries and South Korea, saying that any kind of relation would lead to the recognition of "two Koreas." However, this sort of consistent attitude is only shown towards us and DPRK is much more lenient in this respect with non-socialist countries that have diplomatic relations with the South.

IV.

The Politburo agrees that our party, state and social organizations should

- continue to support the endeavors of DPRK and other progressive Korean forces to pave the way and create the necessary conditions for peaceful and democratic unification in Korea;
- make efforts to establish meaningful working relations with DPRK and maintain and develop those that already exist, but do everything they can to avoid meetings urged by the Korean party that merely serve demonstrative goals and Korean interest, if such meetings are not in our interest;

- receive Comrade Kim Il Sung if he visits the Soviet Union and other socialist countries and keep on the agenda the invitation of Comrade János Kádár to visit North Korea but try to evade the occasional attempts by the Korean party to materialize this visit;
- bear in mind that the establishment of diplomatic and other kinds of official relations with the republic of Korea is not yet timely, but our representatives can attend multilateral events held in South Korea and, if needed, bilateral unofficial meetings may also take place but before such events the minister of foreign affairs should be consulted first.

SUPPLEMENT!

Notes

Our relations with DPRK

- We have to give credit to the Korean workers for their outstanding achievements in building socialism. Naturally, these achievements have been accomplished – in addition to their hard and self-sacrificing work – with the financial and moral support of the socialist community. It is by no means their fault that the current Korean leadership attributes these successes exclusively to Kim Il Sung and these days to his son too, completely ignoring the historic role of the support provided by the socialist countries.
- The standard of living of the people of DPRK has shown an increase in the past ten years but there is a large gap between the average people and the cadres, the members of the assault brigades organized by Kim Il Sung and the brigades of the “three revolutions.” The living standards of the chosen that are loyal to the “great leader” and the “leader of the nation” are – by Asian standards – especially good, and the relatives of Comrade Kim Il Sung and his son live in luxury. My knowledge of the Korean language makes it possible for me to “overhear” the “chance remarks” of simple Koreans occasionally. These words suggest that despite drastic administrative measures the people of the country cannot fully identify themselves with the policy based on the Juche idea, as Korean propaganda likes to say. Under intimidation and terrorization people do not dare speak openly, as they are afraid of retaliation. /It is written in the newspapers and confirmed by Korean leaders too that nobody else but Kim Il Sung can work his will in this country. Recently the “wisdom” of his son has played an important role too, further reducing the role of collective leadership that has been rather weak anyhow./
- It follows from our internationalist policy that our party and government should continue to show solidarity towards the endeavors of Korean communists that are aimed at removing the American troops from South Korea and resolving the tension in the Korean peninsula. This is the cornerstone of our long-term Korean policy. At the same time only those Korean actions should be supported which are realistic and do not go against the interests of the socialist countries.
- Our communication agencies should continue to refrain from supporting the unrealistic proposals of North Korea to establish the “Koryo state.”
- At bilateral meetings with our Korean comrades we should make it clear to them that our solidarity and support for them are consistent but we also expect them to support the international endeavors of our country and the socialist community. Solidarity should be mutual. For example, it is rather difficult to have our people understand that while our nation expresses solidarity with the cause of the Korean people, DPRK supports Pol Pot’s forces in Cambodia.

- We have to make our Korean partners understand that we are not satisfied with the present state of bilateral relations. The current level of cooperation falls far behind what could be achieved in the area of the exchange of goods and economic relations. They should not blame the Hungarian side for this. Perhaps we could exert some influence on our Korean partners by saying to them at an appropriate occasion that if they fail to show some progress in this respect, Hungary will consider some advantageous South Korean offers and may even accept some of them.
- As long as there is no fundamental change in the domestic and foreign policy of CWP and there is no international development that would necessitate it, we should not raise party and state relations to a higher level, except for economic cooperation, if there is an opportunity to develop these relations.

South Korea

- The sovereignty of the Republic of Korea meets the criteria that are set by international law. Yet the time has not yet come to grant diplomatic recognition to it. We have to reckon with the “de facto” existence of this state, so we have to make it possible that in addition to mutual participation at international events bilateral meeting should also take place /economic, cultural, sporting and trade encounters/ at the right time and only in justified cases. The above considerations indicate that if one or several countries can “invade” South Korea it would make it easier to assess the situation there and lay the foundations for establishing long-term positions in the country. Of course all this should be accomplished with utmost care without any publicity and press releases.
- It appears practical to investigate and utilize advantageous South Korean business offers with the collaboration of international agencies, but direct, bilateral business transactions should also be carried out for the benefit of our national economy.
- It would be desirable to make it possible for our sportsmen and sports diplomats to participate in all sporting events in South Korea that they are invited to attend with a view to the upcoming Olympics in Seoul.
- Our communication agencies should continue to report on South Korea in an objective tone and denounce the oppressive measures of the South Korean regime. If some of our journalists were allowed to visit Seoul, we could get a more realistic picture of the conditions in South Korea well before the Olympic Games.

In sum: I propose that we should make some corrections in the relations of our party to DPRK, complying with the basic principles of our Korean policy that was confirmed in 1972. Namely: we should make it clear to the Korean party much more openly and straightforwardly than before that we can only develop our cooperation on the basis of mutual benefits. We are ready to do that. We should let them know, with utmost care but also with resolve, how we see their practice in foreign policy, especially when they “demand our

unconditional support” for their often rather unfounded proposals. /We might register it as a success if the right to organize the next general assembly of IPU this year is taken away from Seoul under some pressure by the socialist countries, but it is sure that the Reagan administration will then trip us and the Soviet Union up for it at a later time on another occasion. This is not desirable in the present, rather difficult situation./

We should not fully open up the fronts with South Korea. The time is not yet ripe for such a move. But we could be a bit more courageous in building contacts. Naturally we will have to reckon with the objection and denunciation of our Korean comrades, if we, Hungarians were to be the first to do that. Our cooperating socialist partners – in my opinion – are ready to open their doors wide to South Korea but presently they are watching one another, trying to figure out who will be the first.

In my view we have see to it that a direct contact established between Hungary and South Korea should not lead to a serious conflict DPRK that would retard our party and state relations. This is why it would be necessary to set proper limits to justified non-official links with South Korea and make them subject to preliminary approval of the party or the government. With ample experience /what sort of advantages and disadvantages would be involved in such actions/ we could finalize our position and practice in this field.

/Sándor Etre/
Ambassador