September 29, 1954
Report from the Romanian Embassy in Pyongyang to the Ministry of Foreign Affairs on the Activity of the Embassy, September 29, 1954, written by comrade Victor Florescu, Second Secretary of the Romanian Embassy in Pyongyang

Citation:

Summary:
A report from the Romanian Embassy in North Korea to the Romanian Ministry of Foreign Affairs details the current states of affairs in North Korea in autumn 1954, mostly discussing the question of Korean unification, as well as prisoner exchange, North Korean economic conditions, inter-Korean relations, and North Korea’s relations with China and Japan.

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- English Translation
On September 28-29, 1954 [we] held a meeting to analyze the activity of comrade Florescu Victor.

The following people took part in the meeting: I. Moruzi [and] Alice Silvestru on behalf of the Cadres Division; O. Balanescu on behalf of the Press Division, as well as comrades Pili Gheorghe, Prigoreanu Gheorghe, Tujon, Zlatev, comrade Silard, Ion Nicolae, as well as comrades Comnacu.

The first person to have the floor was comrade Florescu V. who presented his own report:

I. Introduction – the political state of affairs [in the DPRK].

The main foreign policy objectives of the North Korean government and party, which, to my mind, are the following:

1. The peaceful reunification of Korea;
2. Strengthening the people’s democracy and the party;
3. Establishing normal diplomatic relations with other countries;
4. Rebuilding the national economy and formulating the 5-year plan;

The Political State of Affairs

1. Defining the current state of affairs

The current phase [in the construction of socialism] was at the core of heated debates. Now we can speak of solving this issue. Some comrades within the party believe that North Korea was already in the phase of building socialism. This viewpoint was criticized. At the April Plenum, comrade Kim Il Sung clarified the situation. The Democratic People's Republic of Korea is currently in the phase of completing the bourgeois-democratic revolution. The main task of the revolution is the unification of the entire country. At the same time, [the task is] to form a unified state on the entire territory of the country. The construction of socialism will be completed gradually, starting in 1957, to continuously strengthen the DPRK.

The class struggle within Korea is characteristic of the first phase of the revolution. There are: capitalists, kulaks, former landowners. After the armistice was signed, there were capitalists who donated large sums of money for the reconstruction of Korea. Now their power is dwindling as they are competing with the state. There are kulaks who selling cereal on the black market or who are lending equipment and cattle. Of course, during the war, many capitalists and kulaks ran to the South. Many of those became members of the fascist organization ‘Chian-dae’ (an organization for ‘Social Tranquillity’). Many said that because of this there were no capitalists and kulaks in North Korea, all of them having fled to the south. This [view] is mistaken, since there are still many capitalist elements in North Korea, it can be noticed in wealthier regions how some of them are reinforcing the ranks of exploiters by trading on the black market. The Democratic People's Republic of Korea is paying special attention to the issue of saboteurs and spies who are sent in large numbers by Syngman Rhee’s clique to North Korea. The class struggle is aimed against spies, speculators, to legally curtail capitalist, to preserve and respect the law.

Measures for the Unification of the Motherland

Some said that the peaceful unification of the country is not possible and that the best strategy is to achieve unification through the use of force. Comrade Kim Il Sung took a stance against this view, showing that it is possible and it must be achieved by peaceful means. The fact that the government adopted a series of measures which would allow the South Koreans to make a first step towards reunification is proof that [Kim Il Sung’s] line is triumphant. [The North Koreans] launched an appeal to the South Koreans to take part in a conference together with the North Koreans to discuss the issue of the unification of the motherland. This appeal was made through all available means (radio, mail, etc.). The appeal was re-printed by the patriotic [forces] in South Korea and distributed in thousands of copies.
A special commission was formed to check the people who want to cross the border to enter North Korea from South Korea, all [possible] measures were taken to guarantee the free circulation of people, but under American pressure, no answer was given to this appeal. The people of South Korea support this appeal. Five hundred people were arrested in just one county. Of course, the peaceful reunification of the country is not in the Americans' interests, who actually want to keep their military forces in South Korea as a military base against China. In his August 15th speech comrade Kim Il Sung outlined his vision of peaceful reunification: the creation of a unified state, with a centralized unified government, based on free economic exchanges between North and South, [and] active cultural links between North and South.

The efforts of the North Korean governments to establish diplomatic relations with other states

For a while, the [North Koreans] adopted a very rigid [policy]; for instance, the North Korean ambassador to Beijing, when greeted by a capitalist diplomat, would turn his back and refuse to reply. Lately, this [approach] has changed, as North Korea started taking part in various international conferences and meetings (the conference in Delhi, the World Peace Congress in Helsinki, etc.).

In the diplomatic arena, the main focus is on establishing economic and cultural relations with Japan. Hatoyama replied favourably to the proposals made by North Korea in this respect, saying that in case South Korea refuses [to establish relations with Japan], then Japan would establish relations only with North Korea. This response terribly infuriated Syngman Rhee, who started threatening Japan.

The US is exerting great pressures on Japan, preventing them from normalizing relations with North Korea. The Japanese are very interested in signing a fishing agreement with North Korea, but to this day, nothing was achieved in this respect.

People often ask: why did North Korea not take part in the Bandung Conference? North Korea was not invited to the Bandung Conference on purpose, because North Korea's participation meant that South Korea ought to have been invited, which would have digressed from the initial purpose of the conference and become a platform for discussing the differences between North and South.

With respect to the armistice, the US adopted a series of measures which restrict the activity of the Czech and Polish representatives in the Armistice Commission. The representatives of Czechoslovakia and Poland were brutally precluded from doing their jobs by having the buildings in which they worked surrounded by soldiers. But these representatives managed to continue their work thanks to the help of the South Korean patriots.

Van Fleet said that the intention of the Americans was to keep up the tension between North and South. The Americans started deploying nuclear weapons, jet planes, etc. in South Korea. After the Geneva Conference the US was forced to put pressure on the South Koreans to stop their provocations against the Armistice Commission, but in reality the attitude of the Syngman Rhee clique has not changed at all.

The Economic State of Affairs

Lately, the economic situation in North Korea has significantly improved, despite the fact that Pyongyang had been completely destroyed. The three-year plan, which is a plan to rebuild the economy and agriculture, is successfully carried out. The three-year plan for 1954 was exceeded. One can still notice certain shortcomings and clumsiness in the work of the Korean comrades. Due to their lack of experience, they are superficial in their work, they build frail constructions, etc. However, the reconstruction plan is rapidly completed, they built a wide paved boulevard, buildings for ministries, houses, etc. Some cities are rebuilt from scratch by certain people's democracies. This year, the aid received from people's democracies increased even more [than last year]. It is significant that compared to other countries, the German Democratic Republic is providing the
biggest amount of aid. The aid provided by Romania amounts to 60 million roubles.

Because of the lack of experience of the Korean comrades, it can be noticed that a lot of equipment and specialists are not used at full capacity.

The Current Situation in Industry and its Prospects

At the April Plenum, comrade Pak Chang-ok said that in 1954 the 1949 level of production was exceeded by 3%. This can be accounted for by [the use of] the high-quality equipment received from fraternal countries. We witnessed that there are still many things that need to be done in the development of industry.

The production of consumer goods is lagging behind, at high prices.

The machine-building industry has already produced the first lathe, perforating machinery, car spare parts, etc.

The Situation of Agriculture:

The characteristics of North Korean agriculture are: intensive agriculture (because of land scarcity), rudimentary tools, [and] an inability to meet demand.

Presently, efforts to expand the surface of arable land, to build a more extensive irrigation system, to expand agricultural cooperatives are undertaken. The number of cooperatives exceeded 10,000. The large number of cooperatives is the result of the acute needs of the population, which, given the general scarcity of tools, is trying to find a solution by bringing several producers to work together. The accelerated growth of the number of cooperatives, since it is detrimental to achieving good results, was banned by the government until existing cooperatives are consolidated.

The Soviet comrades are giving a helpful hand with the cooperatives.

This year’s poor harvest posed grave problems to food supplies. These [problems] have made the government to lift the ban on the trade of rice. This [measure] lead to the emergence of a rather popular goods barter system.

Domestic and Foreign Trade

Consumer and collection cooperatives gather, to a great extent, the surplus which peasants give to the state. The network of shops [in North Korea] is growing. Private commerce was strangled [for a while], but it was liberalized afterwards, and as of late, it has picked up. Speculators who have money buy lots of goods which they then sell at a higher price. Currently, commercial relations with other countries are just bourgeoning: for the time being [the Democratic People’s Republic of Korea] has commercial relations only with the USSR, GDR and Hungary. The North Korean comrades are trading their graphite [and] various minerals [such as] mica. Because of the hardships [they are faced with], the North Koreans often do not manage to deliver on their commercial commitments (for example, they did not deliver the goods they promised to the Hungarians). Only in 1-2 years will they have the capabilities for organized trade.

Cultural Life

In parallel with the development of the economy, cultural life is also picking up. But its material base is still rather small. There are few theaters, cinemas, [and] clubs. Cultural activities in the rural areas are very limited. Art and literature have a great tradition [in North Korea]; they are actively supported by the state. Not long ago they inaugurated the first concert orchestra. Printing houses are publishing a lot more than in the past, but it is still little compared to the needs [of the population]. The USSR is providing a helping hand to the Korean comrades with translating literary works in Moscow. Education is flourishing. This year, [the North Korean comrades] voted into law
mandatory primary education. This year, [the North Korean comrades] carried out a vast campaign to eliminate illiteracy, especially in the country-side. Cultural relations with other countries are increasingly developing.

**The Situation in South Korea**

In South Korea, the economy is under the total control of the Americans. Every year, an American commission comes and sets a new exchange rate for the South Korean currency, which is detrimental to the South Koreans.

The Japanese were ousted from South Korea, but after the arrival of the Americans, the latter took over the economy and currently there are many American landowners and entrepreneurs who are carrying out a real pillage of the South Korean economy. The South Korean agriculture is in a dismal state. In [South] Korea, there are several million peasants wandering around without a job.

The American repression apparatus is very powerful. The South Korean press is paying a lot of attention to strikes. There is a strong reaction against Syngman Rhee in the South Korean Parliament. He banned several newspapers. In these conditions, the resistance movement is getting increasingly stronger. We don’t know much about the partisan movement outside of what is written in the Korean press. We do not know how the resistance movement is operating. Culture is oppressed. Universities are closing down. Students are forcefully enrolled in the armed forces.

[...]

Comrade Floresco's answers

Regarding the designation of North Korea, in April 1954 an article about North Korea titled “For lasting peace” mentioned “the Democratic-People's Republic of Korea.” Actually this is the ad litteram translation from Russian. Our Embassy sent [the Ministry of Foreign Affairs] a note in this respect.

The situation in North Korea: the capitalist sector of the North Korean industry amounts to 10%. The number of employees in these small capitalists companies varies, so we can't give you any precise number.

Romania's assistance to North Korea: the assistance we are providing is very important but compared with the assistance provided by other socialist countries, ours is very small. I think this situation can be explained by our internal state of affairs when we started providing North Korea with aid.

Political parties: in North Korea, there is a democratic coalition, similar to the Bloc of Democratic Parties in our country, at the fore of which is the Workers’ Party of Korea. One of the important parties in this coalition is the Religious Party, which is an anti-imperialist religious association. The governmental coalition also comprises mass organizations. In South Korea, there are very many parties. Syngman Rhee occasionally boasted about how he dismantled several parties. Presently, the dominant parties [in South Korea] are the Liberal Party and the Democratic Party (they are probably trying to imitate the two-party political system in the US).

The contribution of Chinese volunteers: many of the most important construction [projects] were done or re-done by Chinese volunteers. Their assistance is extremely important. They are contributing to the rebuilding of roads, they work shoulder-to-shoulder with North Korean peasants – when there are not enough workers, etc.

Regarding the free circulation from the South to the North: indeed, there is the danger of spies and provocateurs entering [North Korea], but this issue is too politically important not to undertake all possible measures to bring the North and the South closer together.
In agricultural cooperatives: payments are made according to the number of days [a person] worked. There are a few semi-socialist cooperatives which pay workers according to the number of days they worked and on the number of tools they brought [to the cooperative]. The tendency is to move towards socialist remuneration. In one of the cooperatives I visited next to Pyongyang, a worker receives 6 kilograms of cereal for one day of work.

[The North Korean] Press: the North Korean comrades undertook to send our articles to newspapers so that they effectively help the work of fraternal embassies.

For a long time, we could not improve our poor quality articles, since no one knows Russian, but lately we had the most important matters which we wanted to publish in the [North Korean] press translated. We still did not manage to establish a direct link with news agencies, although these agencies send each other envelopes with photographs.

With the Hell machine being sent to us from the [Ministry of Foreign Affairs], we’ve had difficulties using it at the beginning, but [now] we can listen to some useful broadcasts, which helped us write some useful materials for the North Korean press.

[…]

About the economies of South and North Korea: there are feudal and capitalist relations in the South. The [South Korean] industry is much weaker than the North Korean industry. Feudalism in North Korea was abolished thanks to the agricultural reform. Villages are primarily inhabited by the elderly and children.

The main [differences] between rural and urban life: are the consumer and sale cooperatives, whose tasks are to buy the surplus of rice and corn. Consumer cooperatives have all the goods [the population] needs.

The armistice commission: the Americans forcefully detained over 21,000 prisoners [of war]. Syngman Rhee made several declarations that the Indian government “switched to the side of the communists.” The purpose of the armistice commission was to [help with] the exchange of prisoners – a task which it successfully completed; presently, its task is to monitor the disarmament of South and North Korea. In North Korea, the commission has control over all weapons and over all problems related to the responsibilities of the Armistice Commission. In South [Korea] the Americans are creating obstacles for the commission in fulfilling its work, and continues to arm the Syngman Rhee clique contrary to the Armistice.

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