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THE PRESIDENT

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A REPORT
 TO THE
 PRESIDENT
 BY THE
 NATIONAL SECURITY COUNCIL

ON
 THE POSITION OF THE UNITED STATES WITH RESPECT TO KOREA

April 2, 1962

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 BY C. Dodson
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NOTE BY THE EXECUTIVE SECRETARY

on

THE POSITION OF THE UNITED STATES WITH RESPECT TO KOREA

Reference: SANACC 176/39

At its 9th meeting the National Security Council considered the reference report by the State Army-Navy-Air Force Coordinating Committee and adopted it subject to amendment of paragraph 3-b-(1). The amended report is enclosed herewith.

The National Security Council recommends that the President approve the conclusions contained herein, and direct that they be implemented by all appropriate Executive Departments and Agencies of the U. S. Government under the coordination of the Secretary of State.

SIDNEY W. SOUERS
Executive Secretary

Distribution:

The President
The Secretary of State
The Secretary of Defense
The Secretary of the Army
The Secretary of the Navy
The Secretary of the Air Force
The Chairman, National Security Resources Board

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REPORT BY THE NATIONAL SECURITY COUNCIL

on

THE POSITION OF THE UNITED STATES WITH RESPECT TO KOREA

THE PROBLEM

1. To assess and appraise the position of the U. S. with respect to Korea, taking into consideration (a) the political and economic position of the U.S. with respect to the Far East as a whole, (b) the relevant international commitments of the U.S., both within and without the framework of the UN, and (c) the security interests of the U.S., with particular reference to strategic requirements in the Far East.

ANALYSIS

2. a. The broad objectives of U S. policy in Korea may be defined as follows:

(1) To establish a united, self-governing, and sovereign Korea as soon as possible, independent of foreign control and eligible for membership in the UN.

(2) To ensure that the national government so established shall be fully representative of the freely expressed will of the Korean people.

(3) To assist the Korean people in establishing a sound economy and educational system as essential bases of an independent and democratic state.

To these may be added the derivative objective of terminating the military commitment of the U S. in Korea as soon as practicable consistent with the foregoing objectives.

b. The following is a review of the principal international commitments of the U.S. with respect to Korea and of the steps by which the U.S. has endeavored to honor those commitments:

(1) At Cairo in 1943 the U.S. joined with Great Britain and China in declaring that one of the goals to be won from the conflict in the Pacific was a free and independent Korea. This multilateral pledge was re-affirmed in the Potsdam Declaration of July 1945 and received the adherence of the Soviet Union upon the latter's declaration of war against Japan in the following month.

(2) In September 1945 the Occupation of Korea by U.S. and Soviet forces for the purpose of accepting the surrender of Japanese troops in that area was completed, Soviet forces occupying that part of the country lying north of, and U.S. forces that part of the country lying south of, a previously agreed line drawn along the 38° parallel.

(3) At Moscow in December 1945 agreement was reached among the U.S., Great Britain, and the Soviet Union, and later adhered to by China, that there should be established in Korea, through the mechanism of a joint U.S.-USSR Commission, a provisional Korean democratic government. This Commission held repeated meetings during 1946 and again in 1947, but failed to reach agreement on a basis for the

establishment of a Korean government
and the withdrawal of occupation forces.

(4) Consequent to this impasse, and to the Soviet rejection of a subsequent proposal by the U.S. that the Four Powers signatory to the Moscow Agreement of December 1945 meet to consider ways and means of giving effect to that Agreement, the U.S. proposed in September 1947 that the problem of the independence of Korea be placed on the agenda of the UN General Assembly. The latter, on November 14, 1947, adopted two Resolutions, without Soviet concurrence, establishing a nine-nation UN Temporary Commission on Korea to observe elections of Korean representatives to a National Assembly which might in turn form a national government; Resolution II also provided for the transfer of the functions of government from the occupying authorities and the withdrawal of occupation forces as soon as practicable after the establishment of a national government and if possible within ninety days. The Commission proceeded to south Korea early in January but was denied access to Soviet-occupied north Korea, as a consequence of which it decided to consult the Interim Committee of the General Assembly with respect to its further course of action. On the basis of the Interim Committee's view that, the Soviet attitude notwithstanding, the Commission should carry out

its mandate in as much of Korea as might be accessible to it, the Commission and the U.S. Command in Korea have scheduled for May 9, 1948 the holding of elections under UN observation in pursuance of the above-mentioned decisions of the General Assembly and its Interim Committee.

(5) To the formal commitment which the U.S. has incurred under the terms of the General Assembly Resolutions of November 14, 1947, must be added an implied commitment to the other members of the UN to withdraw its occupation forces from Korea only under circumstances which will bequeath at least a reasonable chance of survival to the government to be established in accordance with those Resolutions.

g. Brief estimate of the current situation based upon the latest intelligence:

(1) U.S. occupation forces in south Korea number approximately 20,000 troops at the present time. In addition, there are in the U.S. zone of occupation native Korean security forces numbering in the vicinity of 57,000 men, composed of a south Korean coast guard of about 3,000, a south Korean civil police force numbering nearly 30,000, and a U.S.-trained and equipped constabulary of approximately 24,000, which is in process of expansion to a strength of 50,000.

In north Korea there are believed to be approximately 45,000 Soviet occupation troops, together with a "Korean People's Army" with an estimated strength of 125,000 men trained and equipped by the Soviets.

(2) The people of south Korea are at the present time afforded a considerable degree of participation in the administration of that zone through the "South Korean Interim Government", whose executive, legislative, and judicial branches function as a part of U.S. Military Government.

In Soviet-occupied north Korea there has been set up under the aegis of the occupying power a provisional puppet regime which, according to information emanating from that zone, it is intended to transform into a satellite "Democratic People's Republic of Korea" following the early adoption of a constitution. The proposed draft of that constitution indicates that the "Democratic People's Republic" will claim jurisdiction over all of Korea and will designate the city of Seoul as its future and permanent capital.

(3) The efforts of the U.S. to foster the establishment of a democratic and sovereign government in Korea are handicapped by the political immaturity of the Korean people. The

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tendency of Korean political elements to polarize into extremes of right and left and to pursue their ends through the use of violence acts as a serious deterrent to the achievement of political stability on a democratic basis in Korea.

(4) The limited economy of south Korea, cut off as it is from its normal sources of supply in the northern part of the country, is more than ever dependent upon the importation of raw materials--particularly coal and food --which under present circumstances can be obtained only from sources in or under the control of the U.S. Such is the extent of this dependence that it is estimated that economic collapse would ensue in south Korea within a matter of weeks after the termination of U.S. aid to that area. The economic situation of south Korea is rendered even more precarious by the fact that that area is dependent upon north Korean sources for most of its electric power; although efforts are underway to make south Korea more nearly self-sufficient in this respect, the ever-present possibility of a complete cut-off of electric power from north Korea will remain an important source of weakness in the south Korean economy.

If all appropriations which have been requested are granted, U.S. funds available for use in south Korea during the fiscal year ending

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June 30, 1949 will total approximately

\$185,000,000.

d Possible developments and courses of action open to the U.S.:

(1) The persistent refusal of the Soviet Union to cooperate in good faith with the U.S. in formulating a just and mutually acceptable solution to the Korean problem and its further refusal to collaborate with the UN in its efforts to bring about the creation of a united, independent, and sovereign Korea, have made inescapable the conclusion that the predominant aim of Soviet policy in Korea is to achieve eventual Soviet domination of the entire country. Clearly indicative of this aim is the action of the Soviet occupation authorities, as noted above, in fostering the establishment in north Korea of a satellite regime claiming authority over the entire country and backed by the arms of a Soviet-trained and equipped army.

(2) The extension of Soviet control over all of Korea would enhance the political and strategic position of the Soviet Union with respect to both China and Japan, and adversely affect the position of the U.S. in those areas and throughout the Far East. Unless the U.S., upon withdrawal, left sufficient indigenous military strength to enable south Korea to defend itself against any

[REDACTED]

but an overt act of aggression, U.S. withdrawal could be interpreted as a betrayal by the U.S. of its friends and allies in the Far East and might well lead to a fundamental re-alignment of forces in favor of the Soviet Union throughout that part of the world.

The overthrow by Soviet-dominated forces of a regime established in South Korea under the aegis of the UN would, moreover, constitute a severe blow to the prestige and influence of the UN; in this respect the interests of the U.S. are parallel to, if not identical with, those of the UN.

(3) From a military point of view, it is the opinion of the Joint Chiefs of Staff (see SANACC 176/38) that "the U.S. has little strategic interest in maintaining its present troops and bases in Korea." Moreover, in the event of hostilities in the Far East, these troops would constitute a military liability. U.S. troops could not be maintained there without substantial reinforcement prior to the initiation of hostilities, but this would be militarily inadvisable since any land operations would, in all probability, bypass the Korean Peninsula.

(4) In these circumstances the following are the principal courses of action open to the U.S.:

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(a) To abandon the government established in south Korea under UN or U.S. auspices.

This course of action would create the unfavorable situation envisaged in 2-d-(2) above and is patently unacceptable from the point of view of U.S. prestige. It would violate the spirit of every international commitment undertaken by the U.S. during and since the war with respect to Korea, and would clearly indicate to the UN that the U.S. had utilized that body merely as a convenient vehicle for withdrawing from Korea.

(b) To establish within practicable and feasible limits conditions of support of a government established in south Korea as a means of facilitating the liquidation of the U.S. commitment of men and money in Korea with the minimum of bad effects.

Such a program would require that the U.S. make provision for the training and equipping, prior to withdrawal, of native armed forces capable of protecting the security of south Korea against any but an overt act of aggression by north Korean or other forces, and would require also that the U.S. extend economic aid to south Korea in order to forestall the economic breakdown which can be expected to ensue should no provision be made for the continuation of at least a minimum of

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relief and rehabilitation assistance following the withdrawal of U.S. occupation forces. Every effort should be made, as an essential part of such a program, to encourage the Korean government to follow policies which would enhance political and economic stability and retard the growth of Communist influence through political subversion or other non-violent means. This course of action would reduce the drain on U.S. resources and avoid underwriting a new Korean government to the extent that involvement in Korea might become so deep as to preclude disengagement. It would not, however, rule out the possibility of continuing post-withdrawal military and economic assistance to south Korea should such further assistance be deemed desirable in the light of developments.

(c) To guarantee the political independence and territorial integrity of south Korea, by force of arms if necessary, against external aggression or internal subversion. This course of action might or might not involve the continued military occupation of south Korea but would, in any event, commit the U.S. to continued direct political, economic, and military responsibility, even to the extent of risking involvement in a major war, in an area in which virtually all of

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the natural advantages accrue to the Soviets. It would, however, constitute the only certain means of ensuring that south Korea would not be brought under Soviet domination by any means short of war.

CONCLUSIONS

3. In light of the foregoing, it is concluded that:

a. It should be the effort of the U.S. Government through all proper means to effect a settlement of the Korean problem which would enable the U.S. to withdraw from Korea as soon as possible with the minimum of bad effects.

b. As a means to this end, the U.S. should pursue the course of action outlined in 2-d-(4)-(b) above, embracing specifically the following steps:

(1) Expeditious completion of existing plans for expanding, training, and equipping the south Korean constabulary as a means of providing, so far as practicable, effective protection for the security of south Korea against any but an overt act of aggression by north Korean or other forces.

(2) Completion of the presently planned Government and Relief in Occupied Areas and rehabilitation programs for fiscal year 1949 to aid in forestalling the economic collapse of south Korea. This action requires legislative authority from Congress (now being sought)

for the expenditures in south Korea, after the withdrawal of U.S. occupation forces, of unexpended funds appropriated to the Department of the Army.

g. The U.S. should be prepared to proceed with the implementation of withdrawal, following the formation of a government in south Korea, such withdrawal to be phased in consonance with the accomplishment of the objectives outlined herein and with the relevant commitments of the U.S. vis-a-vis the UN. Every effort should be made to create conditions for the withdrawal of occupation forces by 31 December 1948.

d. There should be established, following the withdrawal of occupation forces, a U.S. diplomatic mission to represent U.S. interests in Korea and to make recommendations in the light of future developments as to the continuation of economic and military aid. If UN action or other developments warrant, such a mission should include a military advisory group of appropriate size. This mission should use its influence to persuade the new government in south Korea to follow policies which would contribute to its own stability and to the advancement of U.S. interests in that area.

e. The U.S. should encourage continued UN interest and participation in the Korean problem and should continue to cooperate with the UN in the solution of that problem.

f. The U.S. should not become so irrevocably involved

in the Korean situation that any action taken by any faction in Korea or by any other power in Korea could be considered a casus belli for the U.S.

g. The U S. should not exclude the possibility of further negotiations with the Soviet government on the subject of the unification and independence of Korea. . . should further developments indicate that such negotiations might serve a useful purpose.