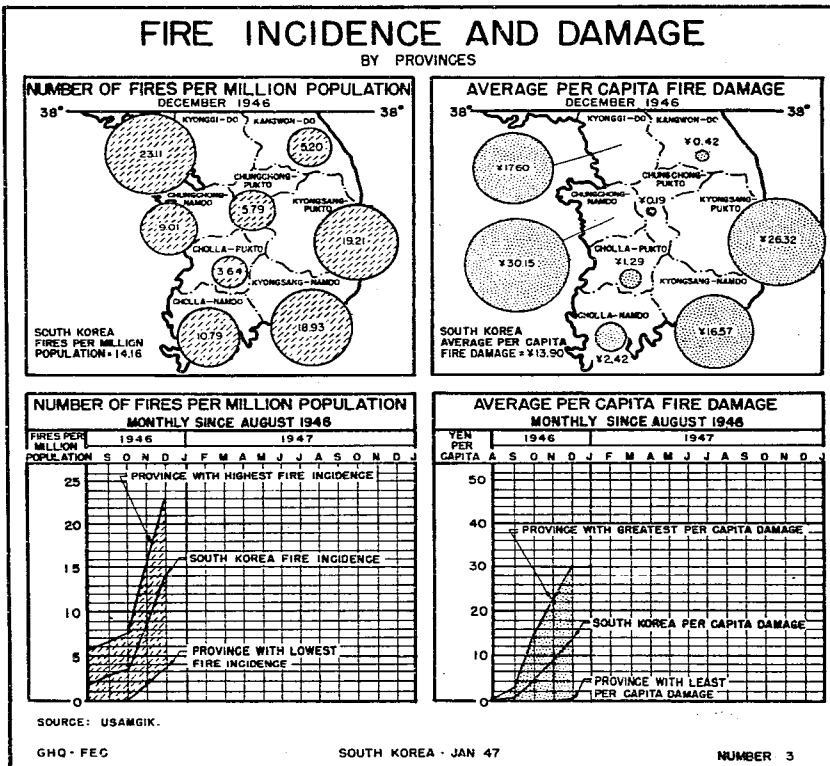


during the month and instructions given for necessary corrective action.

Fire Losses

18. Losses in 266 fires during December in South Korea amounted to ¥ 261,136,475. The province of Kyongsang-pukto reported the highest losses, totaling more than ¥ 80,000,000 in 59 fires. Kyonggi-do had the highest incidence with 84 fires and losses of more than ¥ 60,000,000.



INTERNAL SECURITY

Paragraph

Korean Constabulary.	20
Korean Coast Guard	22

19. Five new ranks were added in the organization of the Korean Constabulary and the Korean Coast Guard on 27 January. The new ranks in the Constabulary were General of the Constabulary, General, Lieutenant General, Major General and Brigadier General, and in the Coast Guard were Admiral of the Coast Guard, Admiral, Vice-admiral, Rear Admiral and Commodore.

KOREAN CONSTABULARY

First Anniversary

20. The first anniversary of the founding of the Korean Constabulary was observed with ceremonies on 16 January.

Officers' Training School

21. The opening ceremonies for 339 students enrolled at the Officers' Training School at Tainoon were held on 13 January.

The students, most of whom were selected from provincial regiments of the Constabulary, will receive a four-month training course leading to commissions.

KOREAN COAST GUARD

Commissioning of Vessels

22. On 3 January the Korean Coast Guard commissioned two more vessels at Chinhae, bringing the fleet strength to six tugs, six LCI's, one tanker and six miscellaneous tugboats.

The two vessels, formerly LCI's of the United States Navy, were named the "Chungju" and the "Chunghoun." After they have been used for a period of training, they will be used to suppress smuggling in Korean waters.

Offshore Patrol Activities

23. Since September 1946 patrol boats have apprehended 177 vessels engaged in smuggling. During December 24 vessels were seized carrying illegal cargos consisting of rice and other grains. Persons attempting to enter Korea illegally were also seized.

Operating 24 hours a day from bases at Pusan, Inchon, Mokpo and Mukho the Coast Guard has become an effective instrument in curbing illegal traffic in Korean waters.

COMMANDER-IN-CHIEF
FAR EAST

SUMMATION
of
UNITED STATES ARMY
MILITARY GOVERNMENT
ACTIVITIES
in
KOREA

Number 16

January 1947

PART III

ECONOMIC

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Section 2. Industry.	45
Section 3. Commerce.	57
Section 4. Rationing and Price Control	71

SECTION 1
NATURAL RESOURCES

C O N T E N T S

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Agriculture.	1
Fisheries.	10
Forestry	13
Mining	19

AGRICULTURE

Cotton Production

1. South Korea's cotton production in 1946 will reach an estimated 131,879,359 pounds, a decrease of 18,999,101 pounds under 1945 brought on by less acreage, floods and an acute fertilizer shortage.

SEED COTTON PRODUCTION 1946

	<u>Planted Area</u> (acres)	<u>Production</u> (pounds)
Cholla-namdo	101,465	52,247,316
Kyongsang-namdo	37,745	29,685,499
Kyongsang-pukto	49,393	13,328,040
Cholla-pukto	28,850	10,622,376
Chungchong-namdo	30,262	8,443,325
Kyonggi-do	31,317	7,114,525
Chungchong-pukto	24,652	6,789,926
Kangwon-do	8,144	2,272,512
Cheju-do	<u>4,522</u>	<u>1,375,840</u>
Total	316,350	131,879,359

Seed Planting

2. Acreage devoted to daikon and Chinese cabbage seed in 1947 will total 4,900 acres, or about three fourths of the area planted in seed vegetables. About one fourth of South Korea's seed output is produced in Kyonggi-do.

Seed Exchange Program

3. Specimens of barley, wheat, rice, beans, millet, sorghum and corn seed were included in 411 samples of seeds received from the Central Agricultural Experiment Station at Suwon for experimental work in the United States.

The United States Department of Agriculture had forwarded 60 samples of winter wheat to South Korea to be planted in an adaptation nursery for comparison with standard varieties used.

Silk Experiments

4. Sericulture experiments showed in December that silkworms produced from crossing the original silkworm imago with that of the common silkworm imported from Japan during the war years produced a superior silk. These improved types are crosses of "China 108" with "Japan 115" and "China 110" with "Japan 112." The silk produced is suitable for export.

Riceland Restoration

5. River control projects, aimed to repair flood damage and increase annual rice production in South Korea by 114,000 metric tons through improvement of irrigation facilities, have been allocated approximately ₩ 90,000,000.

6. Irrigation programs affecting 111,176 chungbo (272,461 acres) are being aided by imports from the United States of 1,300 tons of cement, 105 tons of reinforcing steel, 65 dump, cargo and other trucks and 15 trailers.

Fruit Acreage

7. South Korea has about 35,060 acres in fruit of which 29,423 acres are owned by members of the Korean Fruit Federation. Fruit acreage is devoted predominantly to apples, pears, grapes, peaches and persimmons.

Agricultural Society

8. The Scientific Agricultural Society of Korea was formed on 16 January at a meeting of Korean and American members of the Korean Department of Agriculture to study improved methods of cultivation.

Livestock Increase

9. Substantial increases in the livestock population of South Korea during 1947 are planned by the livestock section of the Korean Department of Agriculture.

LIVESTOCK POPULATION

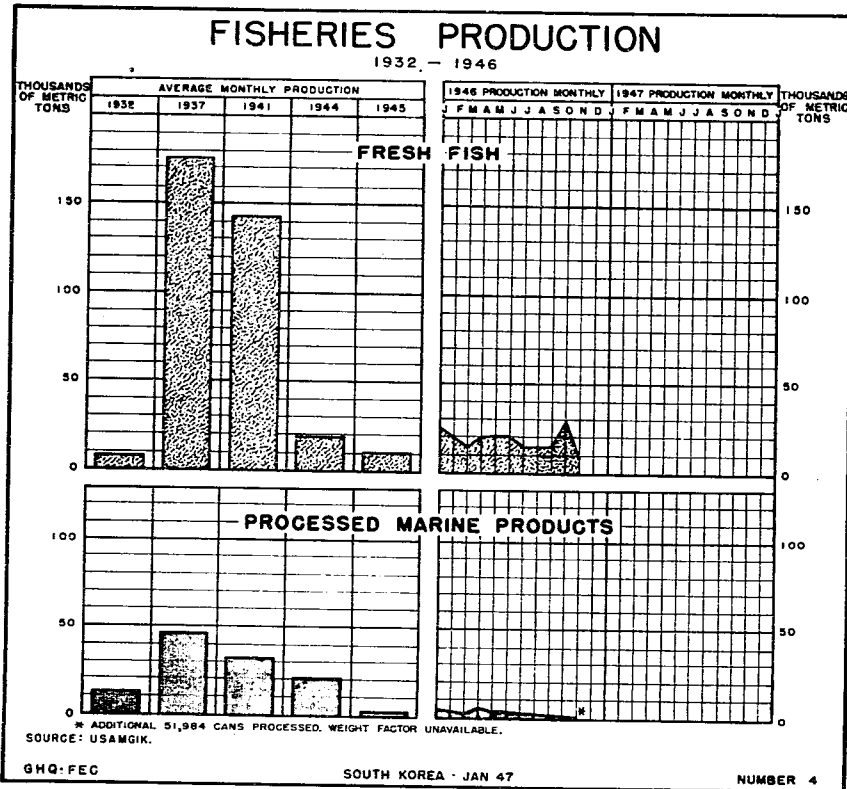
	1946	Planned in 1947
Cattle	1,127	1,500
Swine	148,089	184,000
Sheep	44,143	44,143 ^{a/}
Horses	8,715	9,850
Oxen	556,220	618,000
Chickens	1,516,389	1,820,000
Rabbits	12,356	34,712
Goats	25,395	30,000
Native ponies	22,789	22,789
Mules	89	89
Bee colonies	28,816	32,000

^{a/} Sheep will be maintained at the present level pending control measures on sheep paralysis.

FISHERIES

Fish Production

10. November fish production reported from eight provinces in South Korea was 9,168 metric tons of which Cholla-namdo produced 4,341 tons.



Trawling operations were at a virtual standstill due to the shortage of special fishing ropes.

Marine Products

11. Marine products processed in November totaled 108,940 kilograms, valued at ¥ 16,000,000.

NOVEMBER PROCESSED MARINE PRODUCTS
(kilograms)

Dried shrimp	28,760
Dried shrimp, shelled	27,770
Cuttlefish	24,680
Fujiko (sea cucumber)	9,720
Miscellaneous dried fish	5,800
Dried boiled small sardine	4,370
Seaweed	2,530
Agar-agar	1,940
Dried sea mussel	1,860
Dried abalone	620
Dried boiled sardine	310
Dried sea slug	80
Shark fin	<u>500</u>
Total	108,940
Canned abalone (dozen cans)	75
Canned mackerel (dozen cans)	2,308
Miscellaneous canned fish (dozen cans)	1,949

Laver Output

12. Production of laver or cured seaweed in 1947 is estimated at 2,240,000 bundles. Of the total Cholla-namdo will produce 2,100,000 bundles, Cholla-pukto 10,000, Chungchong-namdo 90,000, Kyonggi-do 20,000 and Kyongsang-namdo 20,000.

FORESTRY

Lumber Production

13. October lumber production in South Korea totaled 1,179,360 board feet valued at ¥ 7,035,002. Heaviest production increases occurred in Kangwon-do, Kyongsang-namdo and Chungchong-namdo.

OCTOBER LUMBER PRODUCTION
(board feet)

	<u>Board</u>	<u>Beam</u>	<u>Total</u>
Kangwon-do	66,000	289,440	355,440
Kyongsang-namdo	60,000	96,120	156,120
Chungchong-namdo	33,720	208,680	242,400
Chungchong-pukto	20,400	93,000	113,400
Cheju-do	15,600	24,000	39,600
Kyongsang-pukto	12,000	147,600	159,600
Seoul City	-	106,200	106,200
Cholla-namdo	<u>-</u>	<u>6,600</u>	<u>6,600</u>
Total	207,720	971,640	1,179,360

SOURCE: Department of Agriculture.

Charcoal

14. Charcoal production in South Korea in 1946 totaled 62,100 metric tons, 80 percent of the quota of 77,625.

CHARCOAL PRODUCTION 1946
(metric tons)

Kyonggi-do	14,562
Kangwon-do	14,400
Kyongsang-pukto	9,198
Kyongsang-namdo	8,604
Cholla-namdo	4,518
Chungchong-namdo	3,852
Chungchong-pukto	3,600
Cholla-pukto	<u>3,366</u>
Total	62,100

Fuel Gathering

15. Allocations of food, shoes, clothing, gloves and saws were made by the Department of Commerce for workers on forestry projects in South Korea.

Forestry Losses

16. Forestry losses in 1946 from clearance, illegal cutting and fires were set at ¥ 903,565 and affected 77,981 acres. Of the estimated 18,868 cubic meters of wood lost, fire accounted for 16,734, illegal cutting 1,926 and clearance 208.

Licenses Issued

17. Licenses issued in Kangwon-do in 1946 to purchase forest products from forests under military government supervision totaled 3,918 for fuel and 21 for building.

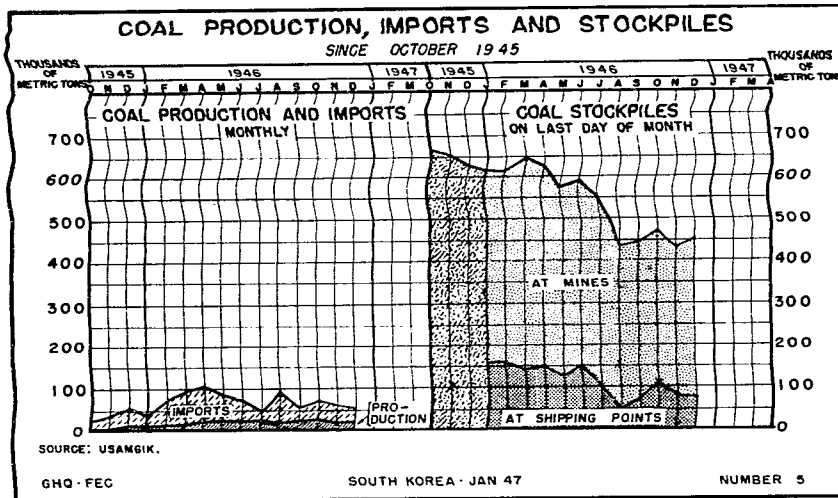
Education Program

18. School children's interest in reforestation was sought in January as school principals addressed students on the importance of reforestation and encouraged participation in the Department of Agriculture's forestry activities program beginning in February.

MINING

Coal Production

19. Coal production in December was 21,041 tons. Stockpiles at the mines climbed to 368,183 metric tons.



Sales and Stockpiles

20. December sales of anthracite dust and lump coal declined under November, but a gain of 2,991 metric tons was registered in bituminous sales. Stockpiles of anthracite lump coal gained slightly but anthracite dust coal stockpiles fell 22,952 metric tons under revised stockpiles in December to 49,784 tons. The sharp rise in bituminous stockpiles from the November figure of 1,383 tons was attributed to a coal shipment from Japan arriving in South Korea at the end of December.

DECEMBER SALES AND STOCKPILES (metric tons)

	<u>Sales</u>	<u>Stockpiles</u>
Anthracite		
Lump	570	5,047
Dust	35,829	49,784
Bituminous	36,324	23,319
Pitch	-	2,529
Lignite	407	4,050

SOURCE: Korea Coal Distributing Company.

Graphite

21. Production of crystalline and amorphous graphite in South Korea in October fell noticeably under September output. Crystalline dropped from 63 to 36 metric tons, amorphous from 80 to 30 metric tons. A further slight decline occurred in November amorphous graphite output which dropped to 29 metric tons.

Copper

22. Two mines in Kyongsang-namdo produced 83 metric tons of refined copper.

Gold and Silver

23. The Haeju mine in Kyonggi-do produced three kilograms of gold and 87 kilograms of silver.

Tungsten

24. Production of tungsten for the six-month period ending December was 182 metric tons, with a high of 43 metric tons occurring in September.

TUNGSTEN PRODUCTION	
July-December	
July	39
August	27
September	43
October	18
November	18
December	<u>37</u>
Total	182

SECTION 2

INDUSTRY

C O N T E N T S

	Paragraph
Heavy Industries and Manufacturing.	1
Textiles.	23
Labor	32

HEAVY INDUSTRIES AND MANUFACTURING

1. Industrial growth is still retarded by the shortage of raw materials and spare parts, the lack of skilled labor and sporadic labor difficulties.

National Economic Board

2. The National Economic Board was reorganized to permit greater Korean participation in directing economic policy. The Korean Economic Advisory Board was abolished and its functions are to be taken over by the National Economic Board.

Under the new plan the National Economic Board will consist of an American chairman, an American executive, a Korean deputy chairman and a Korean executive secretary. Four Korean departmental directors representing the Departments of Agriculture, Commerce, Finance and Transportation and their newly appointed research staffs will work jointly with four American advisers and their staffs.

Patents

3. Applications for patents will be formally received by the Bureau of Patents of the Department of Commerce beginning 15 January. The Bureau has received 345 temporary applications for patents since publication of Ordinance No. 91. These include 158 invention, 179 utility and 8 design patents.

During December applications for patents for 19 inventions, 45 utilities and two designs were received.

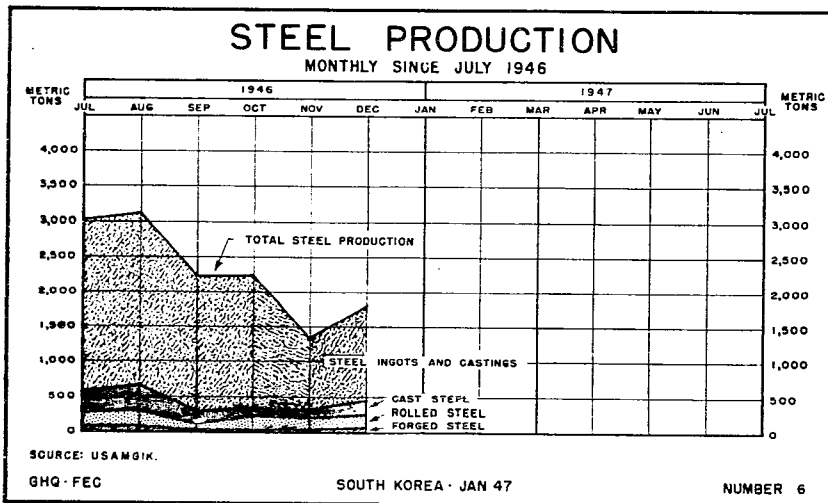
Metal Industry

4. December steel production increased. The coal shortage continued to hinder output. See chart, top of next page.

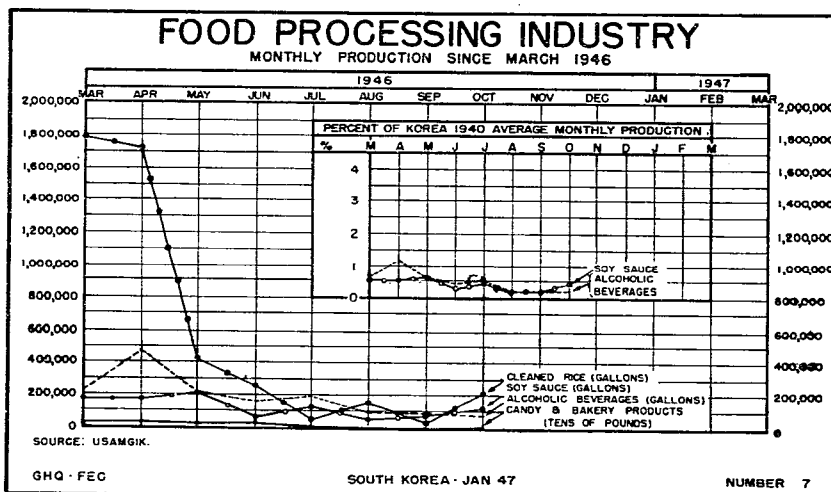
Food Processing

5. Flour production for December and January remained approximately normal at 106,731 50-pound bags. There is a shortage of soft cloth for packaging.

6. Due to the lack of raw materials and the low temperatures noodle production dropped to 35,000 kwan (one kwan equals 8.27 pounds). Noodle factories now face a shortage of wrapping paper and efforts are being made to utilize newspaper as a substitute.



7. Practically all soy sauce factories are closed because of shortages of soybeans, wheat and salt.

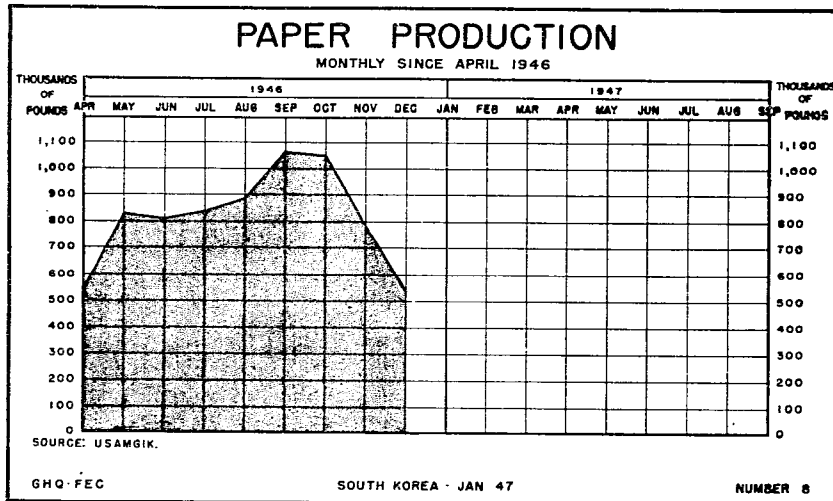


8. An inspection of the Seoul Milk Plant showed good sanitary conditions considering the difficulties of operation.

The plant is well designed and can handle 1,125 gallons per day. At present 180 gallons per day are being delivered while demand is 315 gallons. The shortage of milk cans and bottles is critical.

Paper

9. Paper production in December dropped about 300,000 pounds, with 537,874 pounds being produced. The decrease resulted from the shortage of electrical power, lack of pulp (natural wood and sulfite) and the breakage of wet felt blankets and felt roll covers. Estimated production for January is 350,000 pounds.

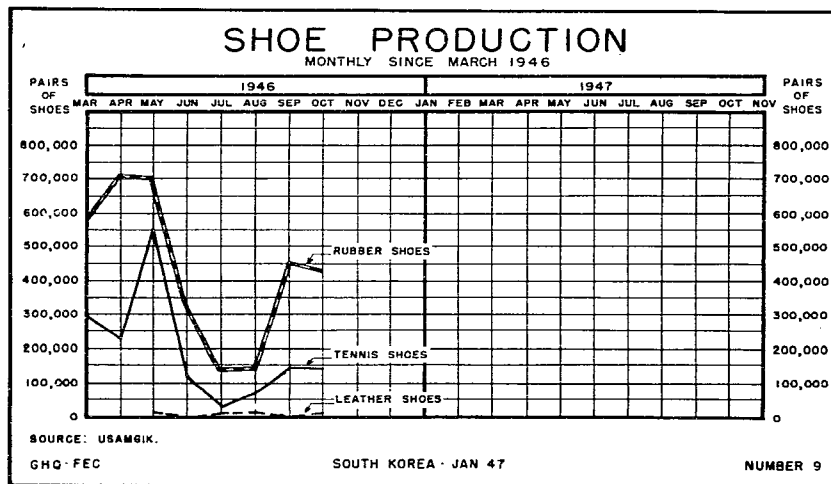


Felt blankets made from local materials are unsatisfactory because of their high cotton content. When used as wet blankets they absorb the water instead of allowing it to drain through and are easily torn.

Of 14 Military Government operated paper mills in South Korea four are out of production due to the lack of felt and pulp.

Shoes

10. Production of rubber shoes fell rapidly due to the critical shortage of rubber. Producers have turned to the production of sport and laborers' shoes to maintain quantity production.



Cement

11. Production of cement stopped in December because of equipment failure.

Leather

12. A small quantity of leather was made available by the Materials Control Corporation but the total supply continues to be inadequate. An adequate supply can be achieved only by imports.

Alcohol

13. Nine thousand five hundred fifty gallons of industrial alcohol produced at the Cheju-do plant was allocated to the Department of Public Health and Welfare.

Fertilizer

14. Nineteen hundred metric tons of phosphate rock arrived in Korea from Japan. This shipment was routed to the Chosun Fertilizer Company at Incheon where it will be processed with sulfuric acid to produce fertilizer.

Straw Products

15. An inventory on 30 November of the provincial straw-products companies showed 9,613,176 new bags and 8,420,414 pounds of new rope on hand. In addition there were 5,569,006 bags and 10,582,000 pounds of rope damaged by exposure. Of this 20 to 30 percent is considered serviceable.

Chemical Industry

16. The entire chemical industry is hampered by obsolete equipment and the inadequate supply of raw materials, particularly bituminous coal and crude rubber.

Plant Closures

17. From September through December, 18 factories in Chollan-do employing 1,300 workers shut down due to shortages of raw materials, fuel and electric power.

Soap

18. Production of soap increased from 122,214 bars in September to 371,706 in October. The industry still faces a serious shortage of fats and oils.

Consumer Products

19. In general production of consumer items increased as shown in top two charts on the facing page.

Structural Clay Products

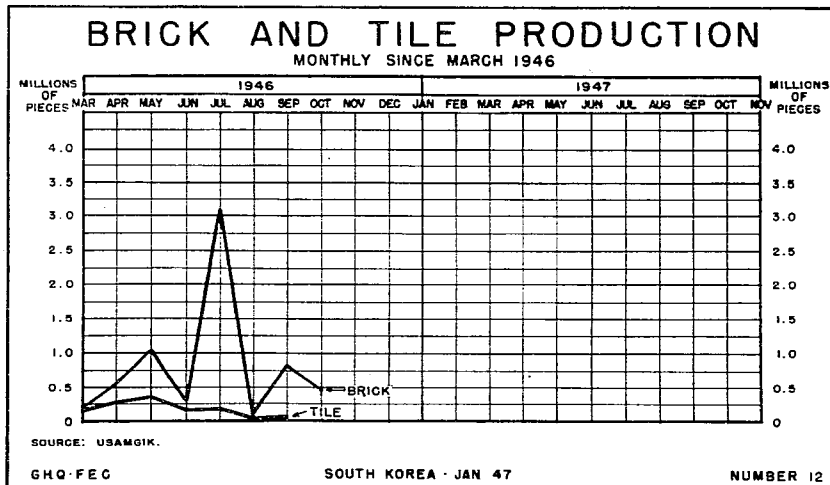
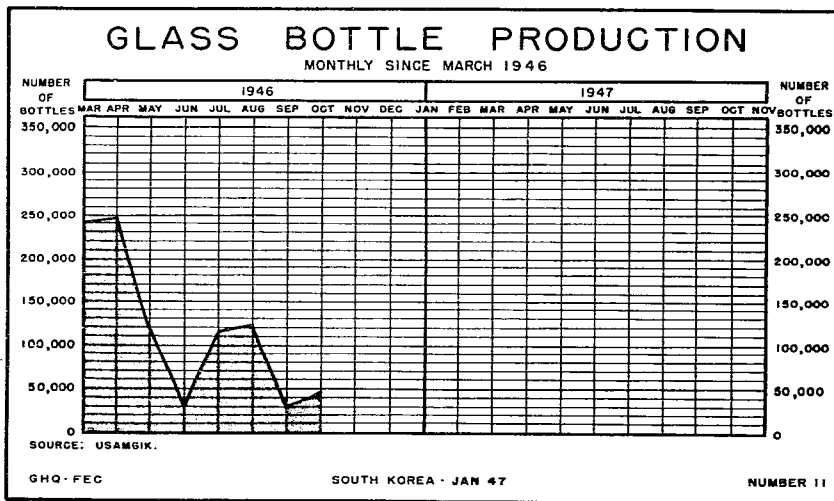
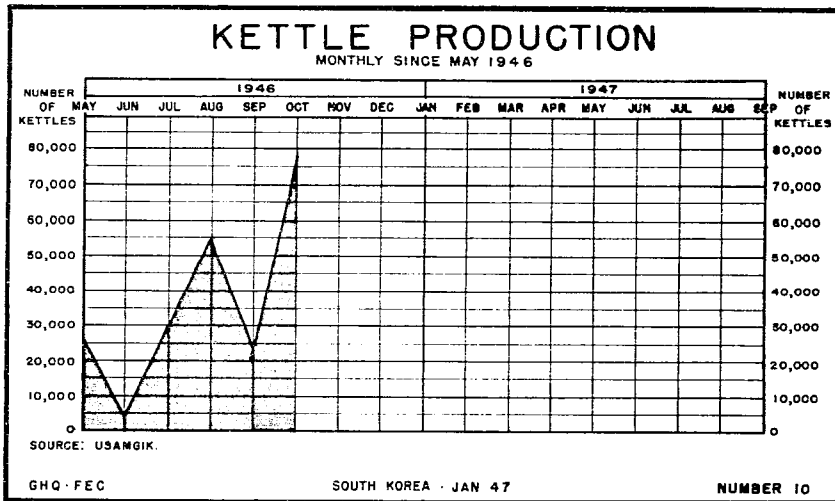
20. October brick production dropped sharply to 474,000 pieces, as shown in chart, bottom of next page.

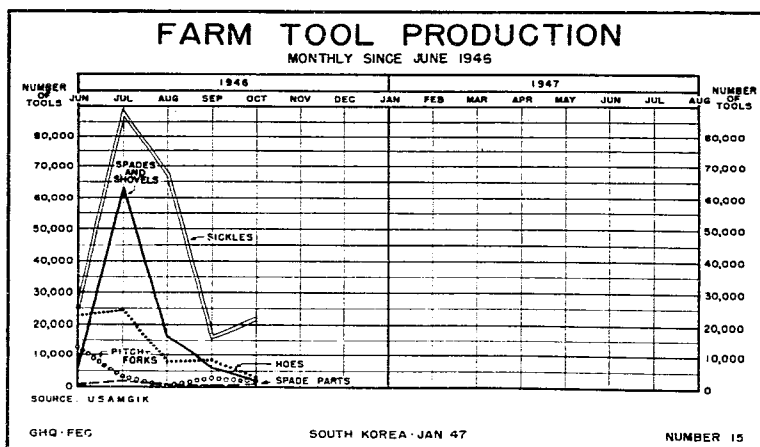
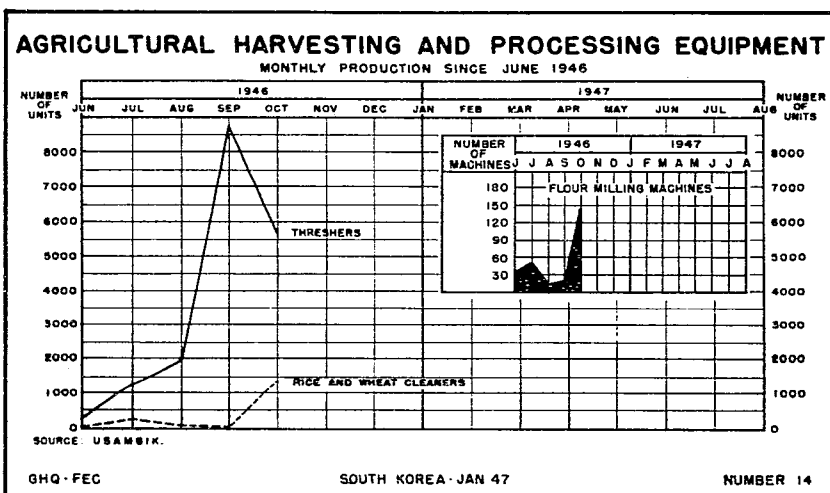
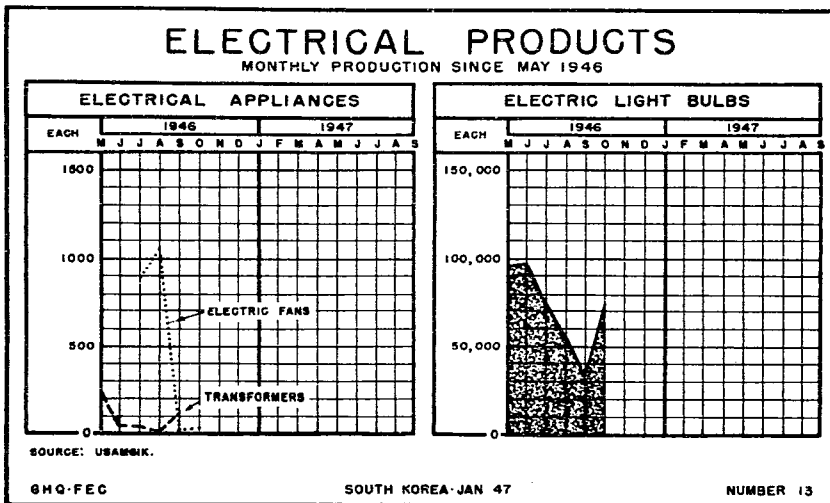
Electrical Products

21. With an increased supply of tungsten, electric light bulb production in October increased. See chart, top of page 50.

Agricultural Tools

22. With the harvesting season nearly finished production of farm equipment decreased, as shown in charts, page 50.





TEXTILES

23. Manufacture of silk cloth and silk thread accounted for almost 70 percent of the October value of textile production reported by 127 factories in South Korea. The value of all textiles produced totaled ₩ 55,998,434 as compared with ₩ 55,956,207 in September.

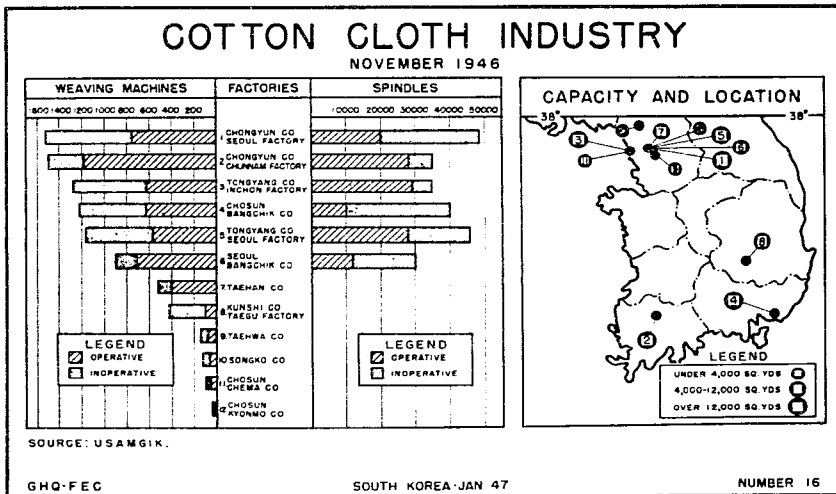
TEXTILE PRODUCTION

	Unit	August	September	October
Silk cloth	square yard	48,368	180,419	158,061
Mixed silk cloth	square yard	27,290	26,327	25,890
Cotton cloth	square yard	484,499	832,438	73,040
Hemp cloth	square yard	1,272	12,235	-
Artificial silk cloth	square yard	-	2,076	14,012
Clothing	suit	21,201	16,240	17,916
Underwear	each	15,151	43,816	38,509
Socks	pair	39,057	41,629	41,122
Fish net	pound	-	6,862	-
Finished cotton	pound	800,675	15,211	204,195
Silk thread	pound	27,761	25,867	100,543
Cotton thread	pound	6,299	191,794	70,782

Cotton

24. Production of finished cotton in five provinces, Kangwon-do, Chungchong-pukto, Chungchong-namdo, Kyongsang-pukto and Kyongsang-namdo, as reported by factories totaled 204,195 pounds in October and was valued at ₩ 5,038,080. Slightly more than half the value was produced in Chungchong-pukto. Production of cotton thread in Seoul City and three provinces was 70,782 pounds with a value of ₩ 1,093,468.

Cotton cloth manufactured in Seoul and four provinces was 73,040 square yards valued at ₩ 3,944,121.



Silk

25. To keep silk filatures in South Korea operating until July 1947, when a new cocoon crop will be available, 30,000 metric

tons of coal and a daily electric power supply of 2,000 kilowatts are required. Many filatures now use wood for fuel and the power supply is irregular and uncertain; these factors have reduced operating efficiency.

More than 7,000 persons are normally employed in the filatures which have a production potential for the next 150 days of ¥ 500,000,000. If this production is realized it will include an estimated ¥ 150,000,000 worth of raw silk suitable for export.

26. Twelve formerly Japanese-owned filatures are now in operation.

27. October production of silk cloth by factories in Seoul and five provinces was 158,061 square yards valued at ¥ 11,604,717. Mixed silk cloth manufactured in four provinces accounted for 25,890 square yards and ¥ 1,142,480 in value. Seven provinces and Seoul City produced silk thread which totaled 100,543 pounds; the value was ¥ 27,058,605.

Artificial Silk

28. The production of artificial silk by factories in four provinces was 14,012 square yards valued at ¥ 599,073.

29. Clothing production during October in factories of eight provinces was 17,916 suits valued at ¥ 1,775,304. Almost 6,000 of these suits were made in Cholla-pukto.

Factories in Seoul City and five provinces produced underwear totaling 38,509 suits; the value was ¥ 3,477,140.

Knit Goods

30. Factories in four provinces reported production of 41,122 pairs of socks valued at ¥ 265,437.

ESTIMATED 1946 PRODUCTION OF TEXTILES

	<u>Unit</u>	<u>Quantity</u>
Cotton yarn	pound	10,208,000
Cotton cloth	yard	28,000,000
Silk cloth	yard	7,737,930
Hemp yarn	pound	92,000
Hemp cloth	yard	146,000

STATUS OF TEXTILE LOOMS December

	<u>Installed</u>	<u>Operable</u>	<u>Repairable</u>	<u>Warehouse</u>	<u>Total</u>
Cotton (power)	8,512	4,590	3,922 <u>a/</u>	681 <u>b/</u>	9,193
Silk (power)	8,005	4,005	4,000	0	8,005
Silk (foot)	770	770	0	0	770
Silk (hand)	2,851	2,851	0	0	2,851
Hemp (power)	709	616	93 <u>a/</u>	500	1,209
Wool (power)	42	25	17 <u>a/</u>	0	42
Wool (hand)	43	40	3 <u>a/</u>	0	43

a/ Awaiting parts from Japan.

b/ This equipment was partially installed or in transit at the time of Japan's surrender. Most of it has been cannibalized to offset lack of parts. Reports have been submitted to the Property Custodian.

STATUS OF TEXTILE SPINDLES
December

	<u>Installed</u>	<u>Operable</u>	<u>Repairable</u>
Cotton	238,000 <u>a/</u>	120,000	118,000 <u>b/</u>
Waste cotton	40,000	12,400	27,600
Waste silk	6,000	1,000	5,000 <u>b/</u>
Hemp	9,900	6,000	3,200
Wool	2,900	2,080	820

a/ 15,000 are of English manufacture; balance are Japanese-made.
b/ Awaiting parts from Japan.

Estimates for 1947

31. Production of textile fibers and cocoons in 1947 in South Korea was estimated by the Department of Agriculture as follows:

ANTICIPATED 1947 FIBER PRODUCTION AND IMPORTS
(pounds)

	<u>Domestic Production</u>	<u>Requested Imports</u>	<u>Total</u>
Cotton	78,189,300 <u>a/</u>	20,000,000	98,189,300
Wool	34,536	2,000,000	2,034,536
Worsted yarn		10,000,000	10,000,000
Hemp and ramie	18,200,859	0	18,200,859
Cocoons	36,971,366	0	36,971,366

a/ Cotton lint available in 1946.

LABOR

Administration

32. On 7 January the Governmental Reorganization Board announced the reorganization of the Department of Labor to eliminate unnecessary offices.

The Department now consists of the Bureau of Labor Relations, the Bureau of Labor Standards and the Administrative Section. A Public Relations Section has been established as part of the Executive Office of the Department.

Child Labor Ordinance

33. On 5 January the Seoul District Branch of the Chun Fyung Labor Federation, while agreeing that the principles behind the Child Labor Ordinance were good, expressed opposition to certain details of the Ordinance.

34. At its 7 January meeting the National Labor Council held a general discussion on the displacement of persons, particularly orphans, caused by the application of the Child Labor Ordinance.

A committee was appointed to make an immediate study of each factory in the Yongdungpo area and fix the role of labor in aiding children made jobless by enforcement of the Ordinance.

The committee met on 22 January and decided to incorporate in its study mediation board procedures, safety and health measures and unemployment countermeasures.

35. On 13 January the Acting Military Governor announced a temporary suspension of the Child Labor Ordinance (Ordinance No. 112). Text of the announcement follows:

"That Military Government intends to allow the Interim Legislative Assembly to draft legislation appropriate to the needs and wishes of the Korean people is attested by its attitude toward the Child Labor Law. This law was enacted by ordinance on 18 September 1946, and its provisions are scheduled to come into effect by 15 February 1947.

"In order to insure that the regulation of child labor will be in accordance with the wishes of the Korean people, the Military Governor has suspended the enforcement of this ordinance until 1 June 1947, in order to give the Interim Legislative Assembly ample time to review all its provisions and to insure that it is entirely acceptable to the Korean people.

"The enforcement of Ordinance 112 will therefore be suspended as of 10 January until 1 June 1947, with the understanding that the hiring or employment of children under the age of 14 full years continues to be prohibited. Action taken to date on the Child Labor Law remains in force."

Labor Organizations

36. On 12 January the National Labor Federation was formed with its first branch composed of 300 workers from the Seoul Electric Company.

The slogan of the Federation is, "All laborers in Korea join together. We stand neither for the right, nor the left."

Labor Education

37. In order to inspect factory working conditions and conduct instruction on labor-management topics a Labor Information Party, consisting of a lecture team and a motion-picture team, visited 267 factories in South Korea during 1946, explaining to labor and management the labor policies of the Military Government, methods of presenting labor demands and the necessity of preventing work stoppages and increasing production.

The lecture team visited 176 factories with 103,800 workers, and the motion-picture team visited 91 factories with 29,100 workers.

Employment and Unemployment

38. During the period 1-15 December 42,495 persons were employed under the unemployment relief road-building program.

39. Unemployment in Chungchong-pukto increased from 17,877 in August to 29,364 as of 18 December

40. The number of operating factories increased considerably in October.

INDUSTRIAL EMPLOYMENT STATISTICS
October

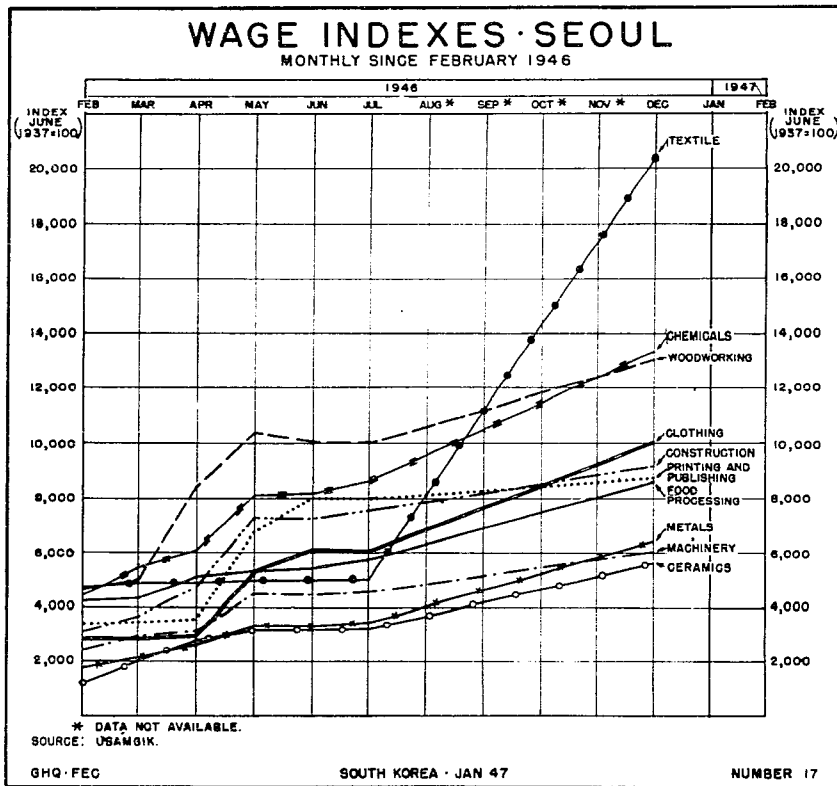
<u>Number of Employees</u>	<u>Operating</u>	<u>Idle</u>	<u>Total</u>
5 - 50			
Factories	681	174	855
Employees	11,659	1,733	13,392
51 - 100			
Factories	85	3	88
Employees	6,014	217	6,231
101 - 150			
Factories	29	4	32
Employees	3,611	524	4,001
151 - 200			
Factories	20	2	23
Employees	3,680	311	4,125
201 - 250			
Factories	5	2	7
Employees	1,113	423	1,536
251 - over			
Factories	26	2	28
Employees	18,584	834	19,418
Total			
Factories	846	187	1,033
Employees	44,661	4,042	48,703

INDUSTRIAL EMPLOYMENT STATISTICS BY INDUSTRY
October

<u>Industry</u>	<u>Factories</u>		<u>Employees</u>	
	<u>Operating</u>	<u>Idle</u>	<u>Operating</u>	<u>Idle</u>
Food	180	119	6,842	1,240
Textile	127	41	15,835	2,245
Chemical	227	2	11,471	158
Machinery and electric	260	17	9,482	343
Lumber	<u>52</u>	<u>8</u>	<u>1,031</u>	<u>56</u>
Total	846	187	44,661	4,042

Wages

41. The chart on next page indicates the wage scale for Seoul in December 1946. The wage indicated is for the common laborer over 18 years of age and includes the value of commodities if such are paid in lieu of or in addition to money wages.



Public Works Program

42. For the double purpose of providing work for unemployed Koreans and rebuilding levees, revetments, sluices and bridges which were destroyed by the 1946 flood, a ¥ 100,000,000 river restoration program is planned by the Department of Public Works.

Approximately ¥ 90,000,000 of the budget for this project has been allocated to the provinces and a total of 1,000,000 man-days of work will be used.

Levees to be restored range in length from 2,000 to 15,000 meters and revetments from 1,900 to 4,700 meters.

PLANNED FLOOD-DAMAGE REPAIR PROGRAM 1947-1948

<u>Province</u>	<u>Allocation</u>	<u>Levees</u>	<u>Revetments</u>	<u>Sluices</u>	<u>Bridges</u>
Kyonggi-do	¥ 17,510,000	10	9	11	1
Chungchong-pukto	7,978,000	14	16	2	0
Chungchong-namdo	12,120,000	14	9	0	0
Cholla-pukto	10,750,000	14	19	10	0
Cholla-namdo	11,400,000	10	9	8	1
Kyongsang-pukto	12,600,000	13	12	2	0
Kyongsang-namdo	13,210,000	11	13	0	0
Kangwon-do	4,430,000	8	11	7	0
Total	¥ 89,998,000	94	98	40	2

SOURCE: USAMGIK.

SECTION 3

COMMERCE

C O N T E N T S

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Property Control.	6
Imports and Exports	7
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FINANCE

Statement of the Acting Military Governor in Regard to Inflation

1. On 3 January the Acting Military Governor made the following statement in regard to inflation:

"Bank of Chosen note circulation was ¥ 17,424,000,000 as of 28 December. The sudden increase in currency circulation in the past two months was caused primarily by the purchase of rice by the Government for distribution to urban residents during the coming year. When the collection program is completed, this cause for increase in currency circulation will automatically be eliminated. The Government is taking the following positive measures in order further to reduce inflationary trends:

"(a) Utmost economy in expenditures, including the elimination of all personnel and activities not essential to the operation of the Government. In this connection, I recently ordered a reduction in the number of civil-service employees and have appointed a Reorganization Board to study the structure and functions of the Government and to recommend changes which will simplify the organization of the Government, eliminate duplications of responsibilities and reduce administrative expenses. If inflation is to be halted, deficit spending by the Government must be reduced. It is therefore essential that government expenses be held within the limits of available resources.

"(b) Bank credit is being more strictly controlled in order to limit loans to essential productive activities. It is necessary to hold credit in check, causing inconvenience to some people, in order to halt inflation.

"(c) At the same time expenses are being held down, government income has been increased by raising railway rates. Both the Department of Transportation and the Department of Communications are still operating at a loss and further rate increases will be necessary before these government services have sufficient income to meet expenses. If they have adequate operating revenues, it will make borrowing by the Government from the Bank of Chosen to cover

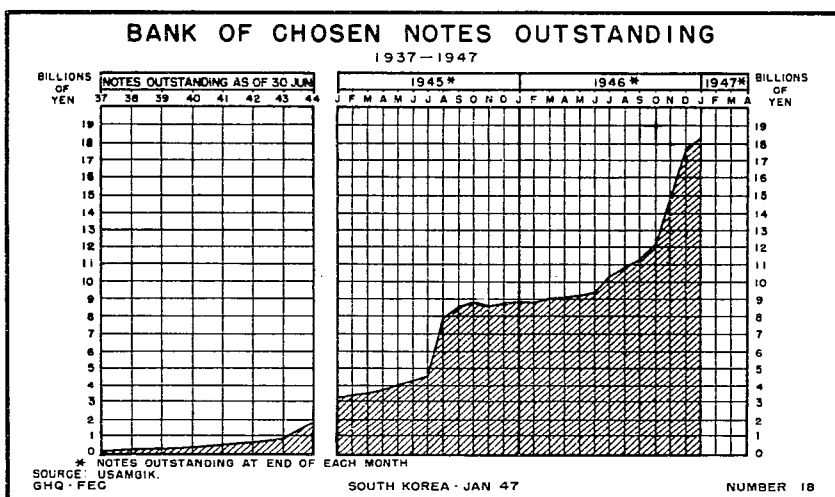
the costs of these services unnecessary.

"(d). A study of the tax structure is now being made. When the budget for the fiscal year 1947 is submitted to the Legislative Assembly, I plan to include recommendations for providing more adequate tax revenues. Methods of raising funds for the Government must be examined at the same time proposed expenditures are considered in order to reduce inflationary borrowing by the Government to a minimum.

"While financial measures such as those mentioned above can be taken in order to halt inflationary trends by reducing the amount of money put into circulation, the price level cannot be stabilized until the shortages of consumers' goods are overcome. This can be accomplished only by increased production. For that reason every possible effort is being made to get raw materials and equipment for factories manufacturing necessities. This measure is the most important one of all to halt the inflationary trends."

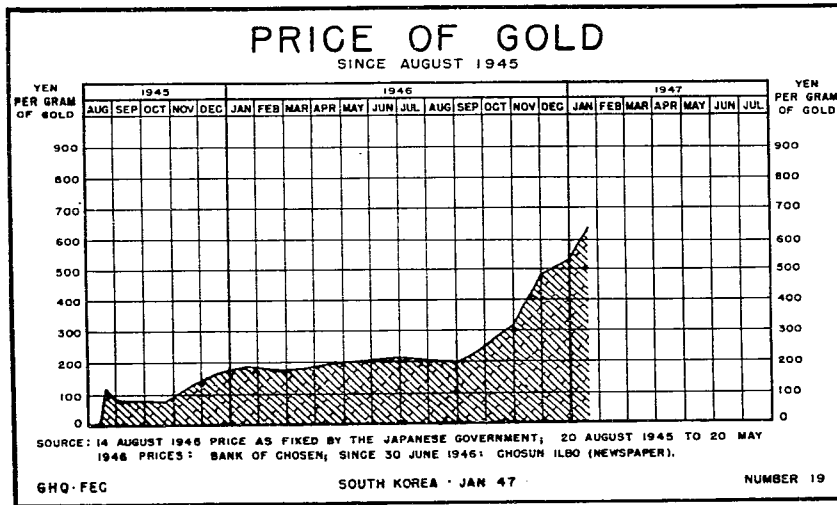
Currency

2. The increase in circulation of Bank of Chosen notes slackened to ¥ 566,990,248 in January, the smallest monthly increase since September. Notes outstanding on 31 January totaled ¥ 18,277,613,497.90.



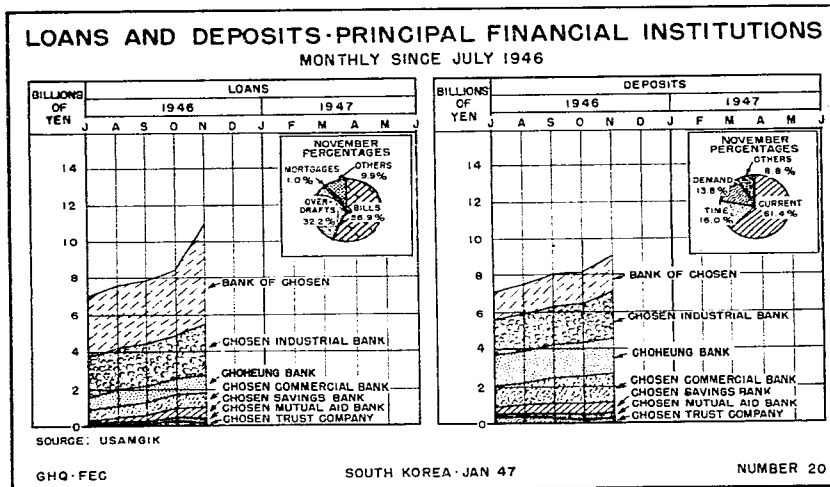
Price of Gold

3. The free market price of gold increased 17 percent from ¥ 2,050 per momme (3.75 grams) on 20 December to ¥ 2,400 on 20 January.



Financial Institutions

4. The Bank of Chosen increased its deposits about 9.5 percent and its loans about 56 percent in January. The other principal banks increased their deposits about 11 percent and their loans about 11.5 percent.



Insurance

5. The International Fire Reinsurance Company, the first all-Korean privately owned reinsurance company, was licensed on 10 January.

This company, with a capitalization of ¥ 20,000,000, will reinsure non-life policies written by the New Oriental Fire Insurance Company, which is capitalized at ¥ 10,000,000; the Taihan Fire Insurance Company, capitalized at ¥ 12,500,000; and the Seoul Fire and Marine Insurance Company, which has been in business approximately 25 years.

PROPERTY CONTROL

Return of Property

6. The Department of Commerce is now ready to process repatriates' applications for the return from Japan of limited amounts of Korean-owned property.

IMPORTS AND EXPORTS

Trade Plan for Exports

7. Korean exports that at present cannot be handled by private trade are to be sold in the United States and other countries by the U. S. Commercial Company, the import-export agency of the United States Government. The proceeds from the sales will be used to finance the importation of essential commodities into Korea.

The contract signed by Military Government provides for the U. S. Commercial Company to advise how merchandise shall be packed and routed and the port at which it is to be loaded. The care and responsibility for the merchandise will be with the U. S. Commercial Company up to the time of sale.

Trade Trends

8. Import and export permits issued were fewer in December than the total for November but the value in December was about three times that of the previous month.

FOREIGN TRADE PERMITS

	<u>Exports</u>		<u>Imports</u>		<u>Total</u>	
	<u>Permits</u>	<u>Value a/</u>	<u>Permits</u>	<u>Value a/</u>	<u>Permits</u>	<u>Value a/</u>
September <u>b/</u>	2	3.6	33	30.2	35	33.8
October <u>b/</u>	17	6.6	77	54.2	94	60.8
November <u>b/</u>	23	14.0	31	10.8	54	24.8
December	23	38.4 <u>c/</u>	17	33.4	40	71.8

a/ Millions of yen.

b/ Revised.

c/ Approximate.

9. Imports from China have fallen off as expected prices were not obtained for Chinese products in Korea.

Trade Developments

10. Samples of Korean products are used in the trade program, and for the United States offerings include agar-agar, silk and minerals which are surplus in South Korea.

11. Traders wishing to import salt, which is greatly needed in Korea, are encouraged by the Monopoly Bureau and are issued an importation order required under the Salt Monopoly Law.

Trade with Japan

12. Ores exported to Japan from August through December amounted to almost ¥ 34,000,000 in value of which approximately half was crystalline graphite.

ORE EXPORTS TO JAPAN

	Amount (metric tons)	Value (yen)
Fluorspar	500	1,130,835
Crystalline graphite	1,976	16,753,289
Amorphous graphite	3,733	5,876,695
Steatite	593	1,189,427
Lead	<u>300</u>	<u>9,878,275</u>
Total	7,102	33,828,521

13. Minerals exported from South Korea were shipped from Pusan, Inchon and Nohwa Do and included 5,000 metric tons of magnesia clinker from Pusan and 1,040 tons of pyrophyllite from Nohwa Do.

14. Textiles and machinery comprised the largest imports from Japan in 1946.

IMPORTS

<u>Food</u>	<u>Unit</u>	<u>1946</u>
Salt	metric ton	7,500
<u>Textiles and Related Products</u>		
Clothing (Navy uniforms and accessories)	set/piece	79,560
Cotton fabrics	linear yard	933,114
Yarn, cotton	pound	59,000
Wool fabrics	linear yard	330,994
Piece goods, silk	linear yard	148,716
<u>Consumer Goods</u>		
Bicycles	set	402
Bicycle parts	set/piece	202,650
Canteens, aluminum, with cork	piece	15,000
Lamps, miners'	piece	1,000
<u>Machinery and Equipment</u>		
Automotive spare parts	package	15,850
Blankets, rubber	sheet	75
Communications equipment	measurement ton	400
Cutters, cloth	set	3
Gauges, pressure	piece	14
Rollers, glass	piece	12
Knife blades, paper-cutting	piece	10
Knife, veneer, rotary	piece	10
Meteorological equipment	metric ton	5
Needles, record-cutting	piece	500
Phonograph discs, recording	piece	450
Railroad equipment		
Cars, motor	set	2
Locomotives, gasoline	set	5
Locomotives, electric	set	3

	<u>Unit</u>	<u>1946</u>
<u>Machinery and Equipment (continued)</u>		
Locomotives, steam	set	10
Tenders	set	6
Locomotive parts		
Accessories, supplemental	set	2
Air brakes	piece	264
Boilers for steam locomotives	set	4
Frames, main	set	1
Motors for electric locomotives	set of 6	2
Tender frames	set	2
Tires, locomotive, steel	pair	292
Truck, leading	each	1
Truck, tender	set	4
Truck, trailing	each	1
Tubes, boiler	metric ton	151
Valve	piece	15
Wheel, drawing	set	1
Wheel and axle	pair	80
Regulators, roly thermo	piece	10
Textile machine parts		
Carbon steel, plate	kilogram	247
Carbon steel, wire	kilogram	3,060
Jacquard cylinder	piece	150
Jacquard hooks	piece	300,000
Jacquard needles	piece	300,000
Leather belting	yard	25,371
Leather pickers	piece	12,000
V-belts	piece	4,035
Saw blades, drag	piece	10
Saw blades, miter	piece	20
Tools, hand and machine	pound	2,126
<u>Chemicals and Drugs</u>		
Acetic acid, glacial	metric ton	1
Alcohol, industrial	gallon	528
Aluminum sulfate	metric ton	1,197
Ammonia, liquid	metric ton	5
Arsenic acid	metric ton	1
Asphalt	metric ton	10
Bromine	metric ton	4
Butyl acetate	metric ton	1
Calcium carbonate	metric ton	504
Chlorine, liquid	metric ton	12
Dyestuffs	metric ton	80
Dynamite	metric ton	100
Film, X-ray	sheet	8,016
Glauber salt	metric ton	3
Gypsum	metric ton	579
Hydrochloric acid	metric ton	16
Magnesium carbonate	metric ton	60
Manganese dioxide	metric ton	100
Methanol	metric ton	2
Peppermint oil	gallon	45
Phosphorus pentachloride	metric ton	1
Photographic goods	package	25
Pitch, coal-tar	metric ton	10,477
Pyrethrum flowers	metric ton	85
Sodium amide	kilogram	100
Sodium bicarbonate	metric ton	5
Sodium carbonate	metric ton	75

	<u>Unit</u>	<u>1946</u>
<u>Chemicals and Drugs (continued)</u>		
Sulfuric acid	metric ton	7
Urea	kilogram	120
Vaccine, cholera	cubic centimeter	10,000,000

Metals and Minerals

Coal	metric ton	625,138
Copper plates	sheet	2
Filaments, tungsten	piece	590,000
Mercury	metric ton	5
Phosphate rock	metric ton	3,800
Pyrites, iron	metric ton	9,929
Sulfur	metric ton	2,476

Wood and Paper

Poles, telephone	piece	3,000
Bamboo	metric ton	4,992
Paper, cigarette	pound	900,435
Paper, bank-note	pound	1,775
Tape, paper, telegraphic	roll	125,000

Miscellaneous

Ink, printing	metric ton	13
Fuses, blasting	kilometer	2,000
Seeds, mulberry	pound	3,000
Seeds, vegetable	metric ton	33
Seedlings, mulberry	piece	910,000
Matches, safety	case	7,050

15. New items imported from Japan during January included wool piece goods, wire rope and aluminum sulfate.

IMPORTS

	<u>Unit</u>	<u>December a/</u>	<u>January b/</u>
<u>Textiles</u>			
Overcoating, wool	linear yard	21,730	0
Serge, wool	linear yard	59,246	0
Piece goods, wool	linear yard	0	26,557
<u>Consumer goods</u>			
Bicycle parts <u>g/</u>	piece	0	3,450
Canteens, aluminum, with cork	piece	15,000	0
Instruments, band	set of 15	0	2
<u>Machinery and Equipment</u>			
Automotive spare parts	package	3,051	491
Blankets, rubber	sheet	60	0
Communications equipment	measurement ton	6	16
Rollers, glass	piece	12	0
Knife, veneer, rotary	piece	10	0
Locomotive parts and accessories			
Tubes, boiler	metric ton	43	0
Rear cars	set	0	400

	<u>Unit</u>	<u>December a/</u>	<u>January b/</u>
<u>Machinery and Equipment (continued)</u>			
Saw blades, drag	piece	10	0
Saw blades, miter	piece	20	0
<u>Textile machinery parts</u>			
Carbon steel, plate	kilogram	247	0
Carbon steel, wire	kilogram	2,060	0
Leather belting	yard	13,123	20,341
Leather pickers	piece	10,000	12,500
Needles, sewing	gross	0	1,160
V-belts	piece	0	5,241
Wire rope	meter	0	3,200

Chemicals and Drugs

Aluminum sulfate	metric ton	0	58
Dyestuffs	metric ton	8	0
Dynamite	metric ton	100	0
Ethylene glycol	metric ton	0	10
Magnesium carbonate	metric ton	0	10
Manganese dioxide	metric ton	60	0
Naphthalene, crude	metric ton	0	6
Pitch, coal-tar	metric ton	1,250	1,198

Metals and Minerals

Graphite	metric ton	344	0
Magnesia clinker	metric ton	1,855	0

Wood and Paper

Paper, bank-note	pound	1,775	0
Paper, flooring	sheet	0	150,000
Paper, newsprint	pound	0	99,875
Paper, postage-stamp	sheet	0	32,000

Miscellaneous

Ink, printing	metric ton	10	0
Matches, safety	case	4,550	450

a/ Revised.

b/ Preliminary.

c/ Includes bicycle chains, spokes, rims and tires.

Trade with the United States

16. More than 146,000 incandescent light bulbs arrived in South Korea from the United States during December.

To date 790,000 tungsten filaments, for local light bulb production, and 265,930 light bulbs have been imported from the United States.

TRANSPORTATION AND PUBLIC UTILITIES

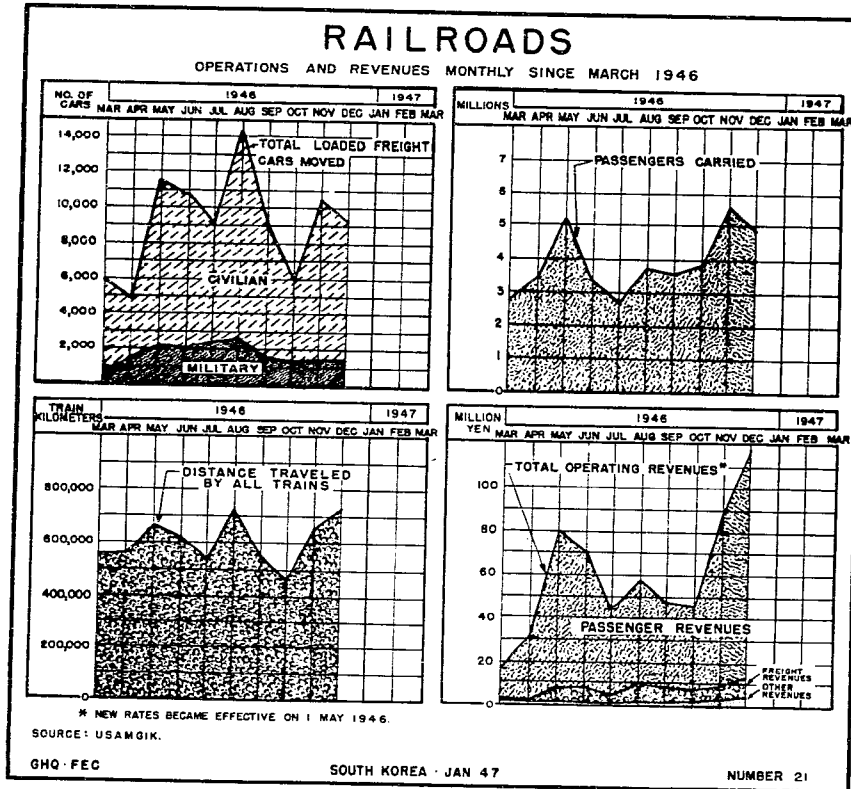
Rail Transportation

17. Effective 15 January railroad passenger rates were increased to ¥ 1 per kilometer due to increased operating costs and the high prices of repair materials.

18. Three electric locomotives are being assembled at Pusan; when completed, they will be sent to Seoul.

19. During December 2,705 feet of railroad track were constructed. Cost of repairs included ¥ 347,177 for labor and ¥ 28,606 for materials.

20. The following chart compares railroad operations and revenues for December with those for previous months.



Motor Transportation

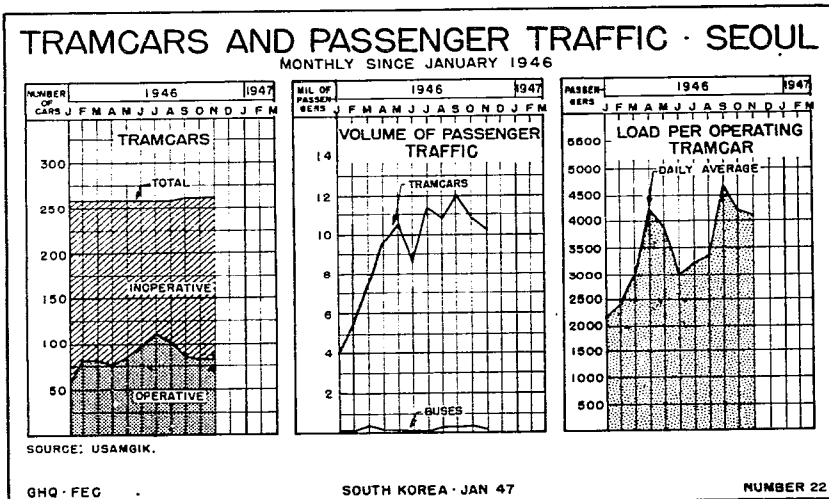
21. Laws, ordinances and regulations relative to motor vehicles have been separated from the general laws and statutes and are being published separately.

22. The shortage of gasoline, which has seriously restricted all motor transportation, has necessitated greater use of ox-cart transportation for hauling materials and equipment.

23. A conference of all shippers and representatives of stevedoring companies was held at Seoul on 20 January to discuss ways and means to expedite the dispatch of freight.

24. Rising operating costs are increasing the need for a raise in truck rates and bus and taxi fares.

25. Passenger volume on tramcars operating in Seoul in 1946 exceeds that of buses operating during the same period.



Marine Transportation

26. The Bureau of Marine Transport of the Department of Transportation is working with representatives of the Customs, Coast Guard, Constabulary and Department of Commerce to clarify procedures and define each agency's functions in the field of maritime commerce.

27. A total of 116 marine disasters occurred during 1946. The figures apply to Korean shipping only.

MARINE DISASTERS 1946

Major collision	10
Minor collision	8
Grounding	5
Stranding	5
Unseaworthy	51
Fire	6
Engine damage	11
Equipment damage	1
Flooding	9
Rough weather	9
Miscellaneous	1
Total	116

28. In January construction was finished on four lighthouses located at Pudo and Oryuk-to in Kyongsang-namdo, Ong Do and Ochong Do in Chungchong-namdo.

LOCATION OF LIGHTHOUSES

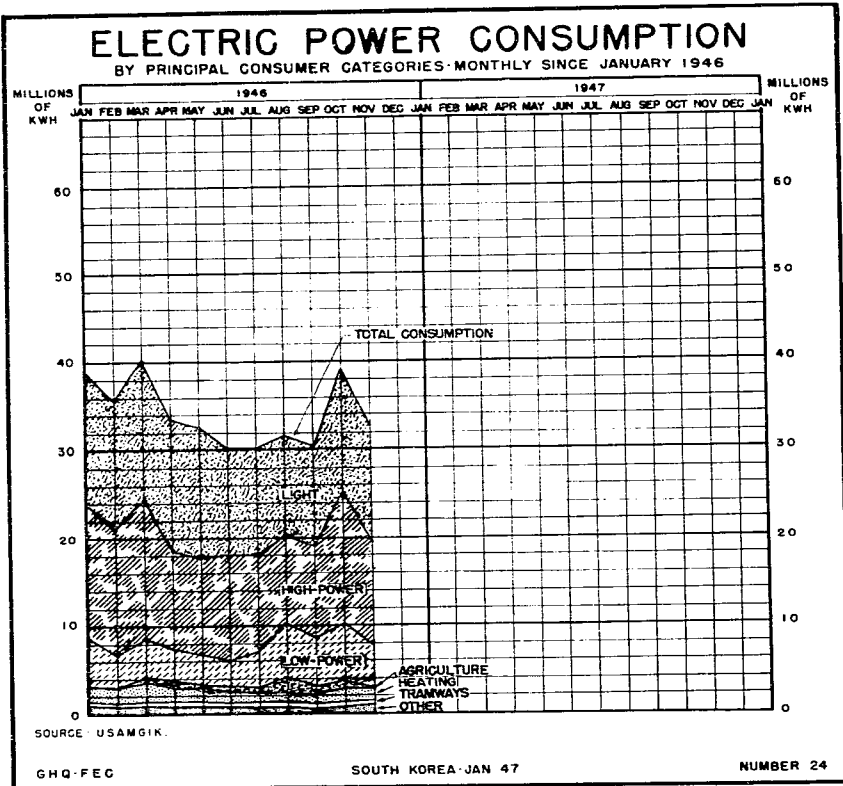
JANUARY 1947



Public Utilities

29. Total electric power generated in November decreased to 13,554,609 kilowatt hours as compared with the October generation of 24,738,065 kilowatt hours.

30. November consumption of electric power decreased slightly.



COMMUNICATIONS

Paragraph

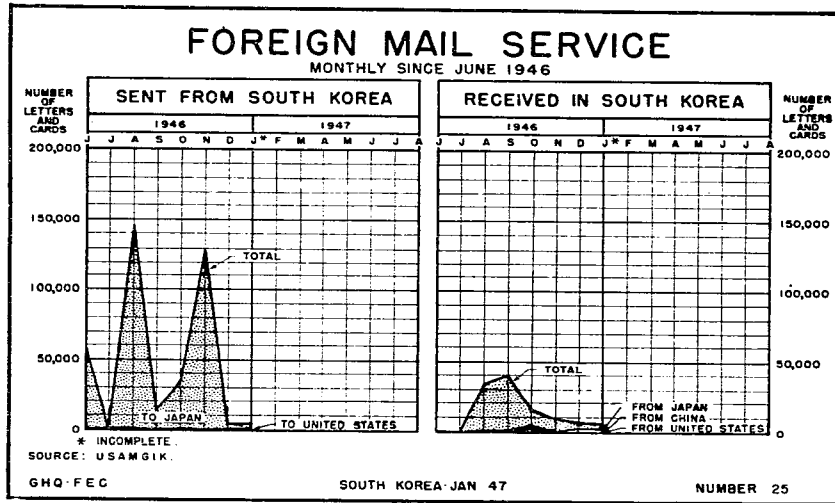
Postal Services	31
Wire and Radio.	36

POSTAL SERVICES

31. On 14 January plans to extend Korean mail service to include all countries were approved. Letters, post cards and printed matter may be sent in Korean, Chinese, Japanese, English, Spanish, French and Russian.

32. Previously mail was authorized only with Japan, China, the United States and the Philippines. Present mail rates for those countries are: post cards, ¥ 1 to Japan and China and ¥ 6 to the Philippines; letters, ¥ 2 per 20 grams to Japan and China and ¥ 10 per 20 grams to the United States; printed matter, ¥ 2 per 50 grams to China and ¥ 3 per 50 grams to the Philippines. The weight limit for all classes of mail is two kilograms.

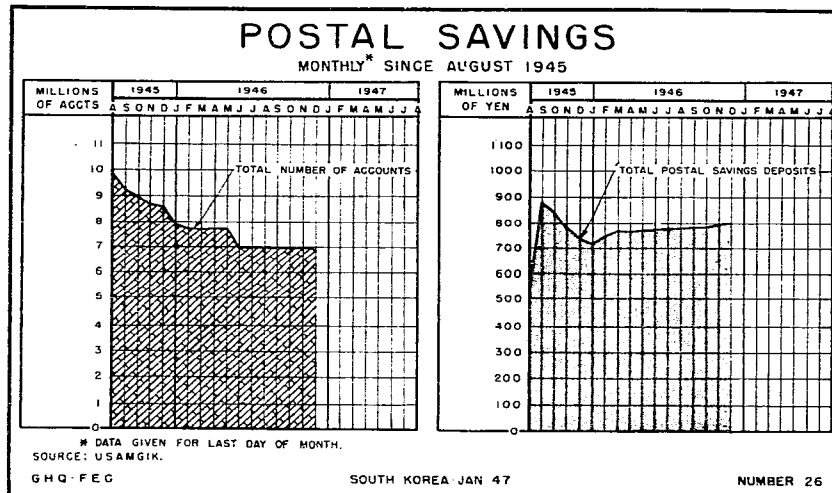
The International Postal Convention applies to all rates not given above.



33. In January there were two interzone exchanges of mail at which 32,531 letters and post cards were sent from North Korea and 13,567 from South Korea.

34. All postal savings pass books issued to Koreans under Japanese names must be reregistered in the owner's Korean name. Accounts which are not reregistered will be presumed to be Japanese-owned and will be administered by the Office of the Property Custodian.

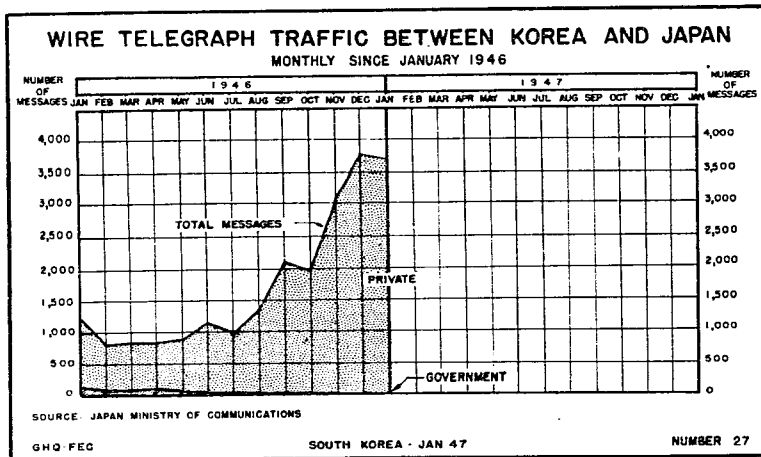
35. Korean Postal Savings deposits did not change greatly during December.



WIRE AND RADIO

Wire

36. The volume of wire telegraph traffic between Japan and Korea changed very little during January.



37. Improvement of telephone service continues but is handicapped by lack of supplies. Hitherto unavailable schematic drawings of Japanese equipment were distributed to all Korean toll repeater and terminal stations during January. Classes began training Koreans as operators, engineers and maintenance men.

Radio

38. Receipt at the end of January of American amplifier tubes will enable station JODK in Seoul to resume normal 50-kilowatt transmission.

Equipment

39. The Korean Emergency Civilian Supply Program has ordered from Japanese manufacturers 1,607 items of communications equipment. By 31 January 1,106 items had been shipped, 150 were ready for shipment and 170 were still being manufactured. One hundred eighty-one items were not available in Japan.

40. In a special program to supply the Korean Broadcasting System 122 items had been shipped by air from Japan by 31 January.

SECTION 4

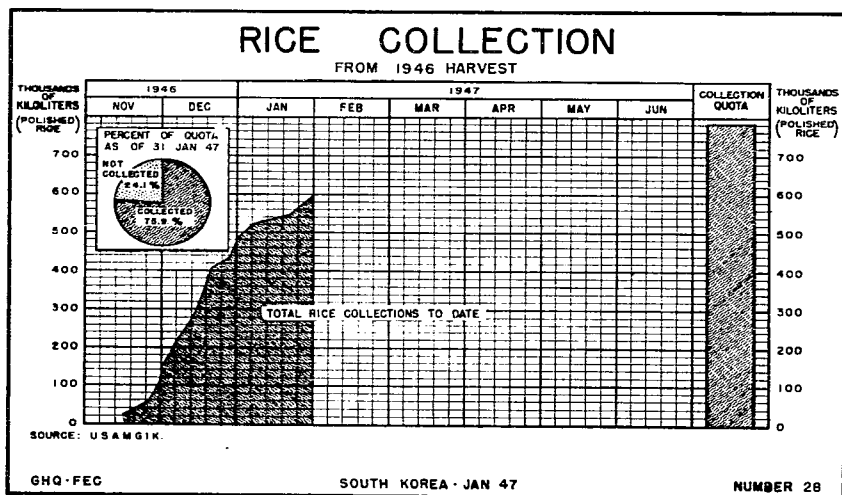
RATIONING AND PRICE CONTROL

C O N T E N T S

	Paragraph
Food.	1
Fertilizer.	6
Fuel.	8
Cost of Living.	10
Miscellaneous Goods	12

FOOD

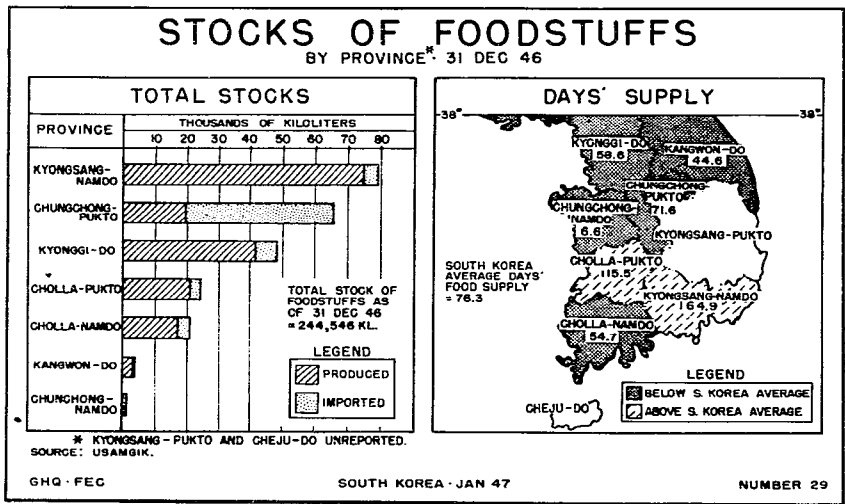
1. Rice collections progressed during January. About 78 percent of the 1946 harvest's quota was collected by 31 January.



2. Tenants of the New Korea Company, a government agency which controls land formerly owned by Japanese, were responsible for 19.5 percent of the rice which had been collected by 25 January. Two thirds of that amount was paid in rent for the land. These tenants farm about 15 percent of South Korea's rice land.

3. The publicity campaign to persuade farmers to fill their quotas continues. Teams are touring the provinces with sound trucks and motion picture projectors to explain to the people the importance of the rice collection program.

4. On 25 January the National Food Administrator announced a new 15-day ration period beginning 12 February. People will then draw rations only twice a month instead of the present three times, which will be more convenient for both the consumers and the Provincial Food Services.



5. Because of lack of transportation from farms to cities and low November rice collections, imported staple food had to be distributed in December.

IMPORTED STAPLE FOOD CONSUMPTION

December
(kilograms)

	Maize	Wheat	Wheat Flour	Total
Kyonggi-do	326,640	14,705,400	9,076,080	24,108,120
Chungchong-pukto	0	3,285,360	0	3,285,360
Chungchong-namdo	956,400	5,057,040	536,400	6,549,840
Cholla-pukto	117,780	1,492,140	1,409,820	3,019,740
Cholla-namdo	596,280	4,603,800	8,400	5,208,480
Kyongsang-pukto	0	2,771,340	399,240	3,170,580
Kyongsang-namdo	1,698,120	17,376,840	2,225,400	21,300,360
Kangwon-do	393,660	1,649,160	731,940	2,774,760
Cheju-do	0	0	0	0
Total	4,088,880	50,941,080	14,387,280	69,417,240

In January it was not necessary to release imported staple food but distribution began on 3,800 short tons of United States' candy and 3,600 metric tons of United States' salt.

FERTILIZER

6. The Korean Agricultural Association has been appointed the sole fertilizer distributing agency and has begun distribution of 711 short tons of United States' ammonium nitrate.

7. Coincident with this distribution the Department of Agriculture sponsored a radio broadcast on 4 January explaining how the fertilizer should be used and how farmers can obtain their share.

FUEL

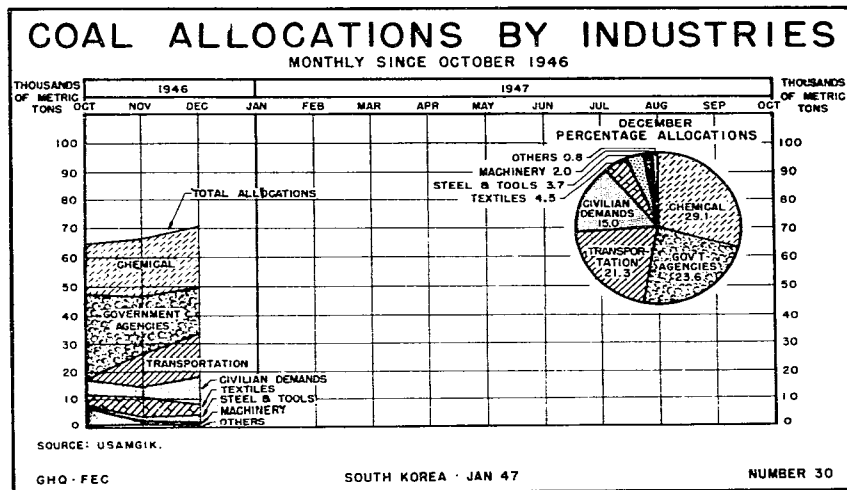
8. Official prices of coal and imported asphalt pitch in

February will remain the same as in January. Distribution of about 813 short tons of imported asphalt pitch has begun.

9. Domestically produced coal was allocated as follows for January:

COAL ALLOCATIONS
January
(metric tons)

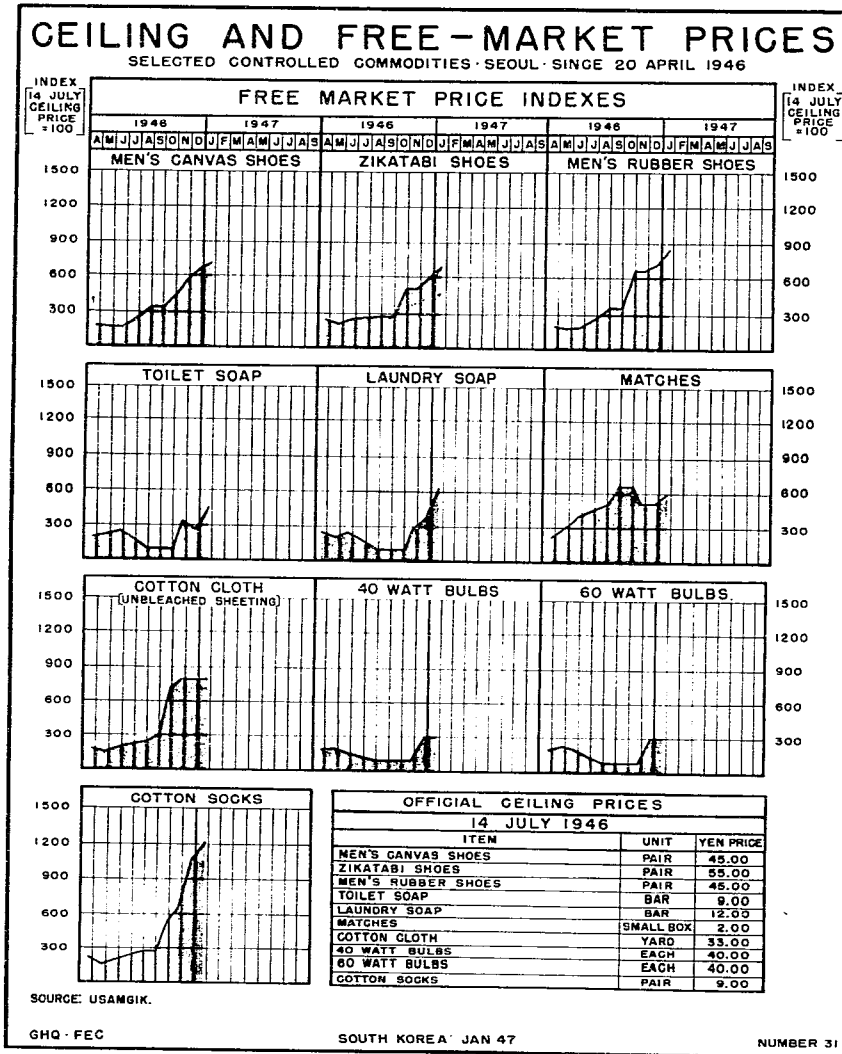
	<u>Anthracite</u>		<u>Lignite</u>	<u>Total</u>
	<u>Powder</u>	<u>Lump</u>		
Seoul	9,524	2,376	0	11,900
Kyonggi-do	3,744	756	0	4,500
Kangwon-do	2,820	180	0	3,000
Chungchong-pukto	928	72	0	1,000
Chungchong-namdo	820	180	0	1,000
Cholla-pukto	1,000	0	0	1,000
Cholla-namdo	2,428	72	0	2,500
Kyongsang-pukto	1,640	360	1,500	3,500
Kyongsang-namdo	2,140	360	1,500	4,000
Cheju-do	1,500	0	0	1,500
Railways	<u>7,000</u>	<u>500</u>	<u>2,500</u>	<u>10,000</u>
Total	33,544	4,856	5,500	43,900



COST OF LIVING

10. The cost-of-living differential set in October remained unchanged in January.

11. Prices of essential commodities continued to rise.



MISCELLANEOUS GOODS

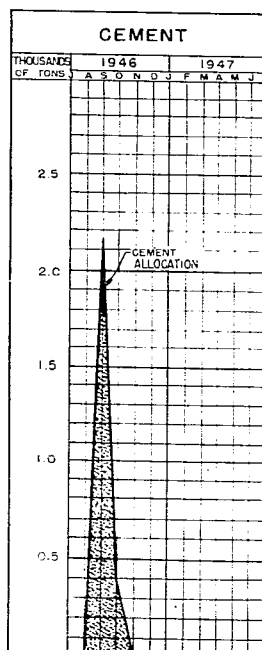
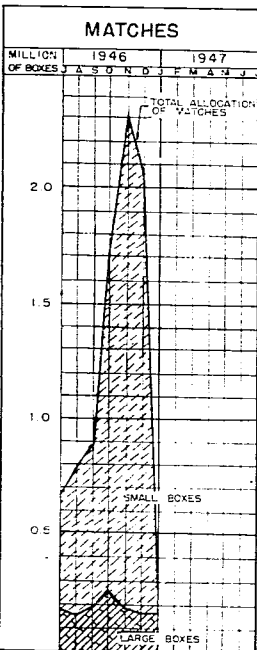
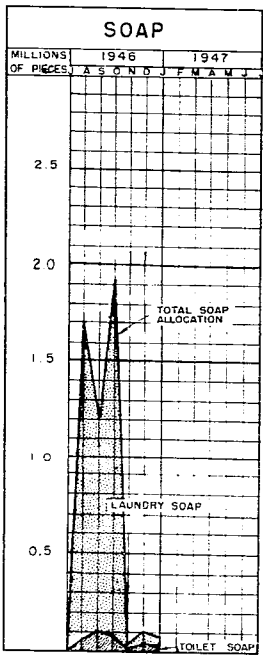
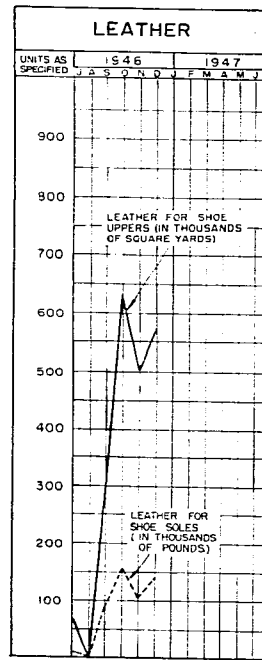
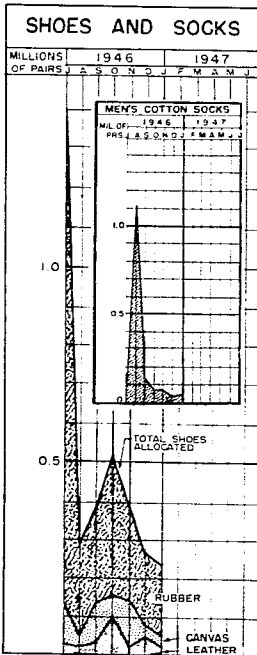
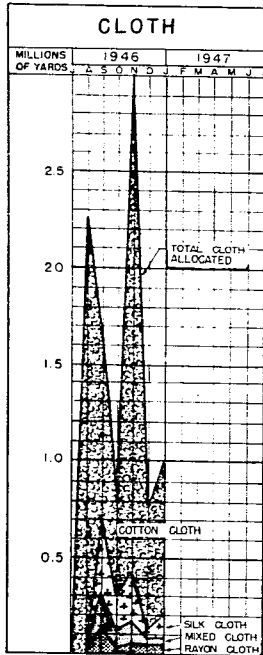
Imported

12. The Seoul Electric Company began distribution of over 146,000 electric light bulbs from the United States. Official prices were set at ¥ 30 for 5- to 30-watt bulbs, ¥ 40 for bulbs from 31 to 65 watts, ¥ 100 for bulbs from 66 to 100 watts and ¥ 1 per watt for bulbs of more than 100 watts.

13. The Civilian Supply agencies began distribution of 82 short tons of caustic soda and 80 short tons of calcium chloride received from the United States.

ALLOCATION OF CONTROLLED COMMODITIES

MONTHLY SINCE JULY 1946



SOURCE: USAMGIX.

GHO-FEC

SOUTH KOREA JAN 47

NUMBER 32

14. From 27 December to 2 January distribution was made of the following items which arrived under the Emergency Civilian Supply Program.

DISTRIBUTION OF EMERGENCY SUPPLIES

	<u>Distributed to</u>	<u>Unit</u>	
Zinc chloride	Department of Public Health and Welfare	pound	29,527
Sulfite of soda	Department of Public Health and Welfare	pound	3,500
Cement	Department of Agriculture	bag	26,968
Steel (concrete reinforcement)	Department of Agriculture	foot	7,759
Bicycles	Department of Communication and Bureau of Forestry	each	402
Bicycle tires and tubes	Department of Communication and Bureau of Forestry	pair	200
Leather belting	Department of Commerce	yard	11,209
Needles	Department of Commerce	package	150
Canteens, aluminum	Department of Internal Security	each	15,000

Domestic

15. Seoul received from the provinces 14,697,000 cubic feet of firewood for distribution.

16. The Department of Public Health and Welfare was allocated 9,550 gallons of industrial alcohol.

COMMANDER-IN-CHIEF
FAR EAST

SUMMATION
of
UNITED STATES ARMY
MILITARY GOVERNMENT
ACTIVITIES
in
KOREA

Number 16

January 1947

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SOCIAL

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SECTION I
PUBLIC HEALTH AND WELFARE

C O N T E N T S

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PUBLIC WELFARE

1. During December 186 boxes of relief supplies consisting of cloth, shoes, blankets and soap were received from Koreans in Japan. Three boxes were lost and the remaining 183 were distributed as follows:

RELIEF SUPPLIES DISTRIBUTED
(boxes)

Seoul	27
Kyonggi-do	11
Chungchong-pukto	12
Chungchong-namdo	18
Cholla-pukto	18
Cholla-namdo	24
Kyongsang-pukto	34
Kyongsang-namdo	29
Cheju-do	2
Kangwon-do	<u>8</u>
Total	183

2. In December there were 20 institutions for children in Fusan caring for 1,123 persons. In the same month of 1945 there were four institutions with a total of 115 children. Assistance is being rendered to the institutions by the city welfare section and nurses from the Nursing Affairs Section.

3. A training program was instituted in Seoul on 30 January to instruct health and other public officials in new techniques in disease prevention measures. The course is conducted by professors of the Seoul National University Medical College and specialists of the National Vaccine Laboratory.

4. A 10-day course to retrain laboratory technicians of provincial public health departments was instituted in Seoul by the Department of Health and Welfare. Lectures on immunology, bacteriology and laboratory training in standard techniques and modern procedures are conducted by professors at the Seoul National University Medical College.

Women's Activities

5. The women's magazine "New Household" was published for the first time during the month.

6. On 25 January the four women representatives of the Korean Interim Legislative Assembly and representatives of women's groups held a conference in Seoul and discussed problems of women and protective legislation.

Refugee Housing

7. Field trips were made to the provinces on a special survey of refugee housing, utilization of former Japanese restaurants for refugee use and the distribution of relief supplies. It was reported that 4,624 temporary family dwellings had been completed under the refugee housing program and that an additional 26,262 homes had been started.

8. By 31 January the Association for Assisting in Building Shelters for Refugees raised ₩ 7,362,997 from private funds to supplement public grants for housing refugees.

The Society purchased 2,000 bolts of clothing material costing ₩ 2,200,000 and is distributing this material to approximately 16,000 refugees.

9. There are 31 shelters operating in Fusan caring for the needs of 18,000 refugees, of whom 8,000 are destitute.

10. The National Police organized a "Refugee Saving Corps" during the month to assist refugees arriving in Seoul. More than 45,000 articles of clothing were contributed in January by police personnel to aid destitute refugees.

Repatriation

11. During January 10,036 Japanese nationals were repatriated from North Korea and 15 from the South while no Koreans returned to their homeland from overseas during this period. See chart on opposite page. At the end of January there were 15,283 Koreans awaiting evacuation from Japan and 639 Japanese nationals awaiting evacuation from South Korea.

12. By 31 January a total of 287,995 Japanese refugees had entered South Korea from north of the 38th parallel.

MEDICAL AND HOSPITAL AFFAIRS

13. During the month 79 physicians renewed their licenses to practice. The total number of regular doctors licensed to date is 2,384 while limited doctors number 451 and herb doctors 1,023.

14. Seven hospital units, received through the Church Committee for Relief in Asia, were distributed among the Masan Tuberculosis Sanitarium, Seoul City Hospital, Severance Union Medical College, Kyongsang-pukto Hospital, East Gate Kyonggi-do Women's Medical Hospital, Chonju Hospital and Pusan Hospital.

19. During January the Department of Public Health and Welfare received three cases of textbooks on nursing from the University of Virginia.

VETERINARY AFFAIRS

20. Northern Kyonggi-do and Kangwon-do reported that cattle are transported from north of the 38th parallel to the South due to the high prices in South Korea. Although an immune zone 25 miles wide was established across the Korean peninsula along the 38th parallel from April to July 1946 possible importation of animal diseases, particularly rinderpest, is feared by veterinarians.

SUPPLY

Production

21. During the month about 700 short tons of sweet potatoes were received from the National Food Administration and distributed to drug manufacturers for the production of alcohol.

22. Production of smallpox vaccine at the Pusan Laboratories from 30 August to 4 January totaled 18,599,400 doses. There were 654 calves used in achieving this production.

The purchase of calves used in the production of smallpox vaccine was discontinued during January because sufficient vaccine is on hand.

Status of Biologicals

23. Smallpox vaccine produced or received by the Institute for the Prevention of Infectious Diseases and the Pusan Institute of Veterinary Research during the month totaled 4,716,600 doses while 6,968,200 doses were dispensed. On 27 December 5,517,100 doses of vaccine were on hand. The dispensing of most biologicals by the following institutes was relatively normal during the month.

BIOLOGICALS

Institute for the Prevention of Infectious Diseases
28 December - 31 January

	<u>Unit</u>	<u>New</u>	<u>Dispensed</u>
Cholera diagnostic antiserum, varied	cc	0	40
Cholera vaccine	cc	0	30,800
Diphtheria antitoxin	cc	0	7,760
Diphtheria toxoid a/	cc	0	24,000
Fertussis vaccine	cc	0	13,780
Rabies, human, vaccine	treat	99	105
Smallpox vaccine	dose	2,102,000	3,368,200
Tetanus antiserum a/	vial	0	45
Tetanus toxoid a/	cc	0	210
Tuberculin diagnostic antigen	cc	5,130	1,400
Typhoid vaccine	cc	126,000	67,550
Typhus diagnostic antigen	cc	700	20
Typhus vaccine a/	cc	959,260	1,041,800

Pusan Institute of Veterinary Research
22 December 1946 - 25 January 1947

	Unit	New	Dispensed
Blackleg serum	cc	7,500	0
Fowlpest vaccine	cc	20,000	30,000
Hemorrhagic septicemia vaccine	cc	0	43,000
Infectious pneumonia vaccine	cc	0	2,000
Smallpox vaccine	dose	2,614,600	3,500,000

Anyang Institute of Veterinary Research
23 December 1946 - 26 January 1947

Anthrax vaccine	cc	0	2,200
Blackleg vaccine	cc	0	30,000
Fowlpest vaccine	cc	22,000	30,000
Infectious pneumonia vaccine	cc	9,000	0
Rinderpest serum	cc	332,000	0
Rinderpest vaccine	cc	2,000	0
Septicemia vaccine	cc	4,000	0

a/ American.

Distribution

24. From 27 December to 2 January 29,527 pounds of zinc chloride and 3,500 pounds of sulfite of soda were received by the Department of Public Health and Welfare under the Emergency Civilian Supply Program.

PREVENTIVE MEDICINE

25. During the month typhus fever, typhoid fever, diphtheria and smallpox incidences increased considerably over the December 1946 total.

COMMUNICABLE DISEASES

	Cases	
	December	January
Relapsing fever	2	15
Meningitis	3	4
Malaria	9	6
Diphtheria	22	97
Smallpox	39	74
Typhus fever	26	647
Typhoid fever	91	457
Paratyphoid fever	-	3
Bacillary dysentery	12	9

Smallpox

26. On 28 December 35 cases of smallpox were reported from the Kangnung area of Kangwon-do and on 7 January 23 new cases appeared in isolated villages of Sorim-ni, Songnim-ni and Chumunjin, near the 38th parallel. The initial case was reported from a person returning from North Korea.

The smallpox vaccination program in Kangwon-do, which was lagging due to transportation difficulties and the shortage of

doctors in the isolated regions, was accelerated during the month to cope with the epidemic and full-scale operations are now in progress.

Typhus Fever

27. During the month Chungchong-pukto reported the highest incidence of typhus fever with 56 cases, Chungchong-namdo had 17 cases and Kyongsang-pukto 28 cases.

Typhoid Fever

28. The year-round incidence of typhoid fever in South Korea is due to the lack of a widespread immunization program and the low standards of sanitation in rural areas. Typhoid inoculations are given only in certain areas and have never been carried out on a nationwide scale.

Venereal Disease

29. Under the national venereal disease program clinics have been established in Kyongsang-namdo, Kangwon-do and Seoul City for standard routine treatment and periodic examination of suspected cases.

Narcotics

30. With the transfer of the control of narcotics from the Department of Finance to the Department of Public Health and Welfare in December a drive against narcotics smugglers and illicit dealers in drugs was initiated.

Narcotic addicts are given treatment by the provincial clinics.

SECTION 2

EDUCATION, CULTURE AND RELIGION

C O N T E N T S

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EDUCATION

Winter Institute

1. A four-week Winter Institute for teachers and other qualified personnel was held at Seoul National University beginning 6 January. Instruction included discussions and lectures on Korean educational needs and programs and university-level courses in chemistry, school administration, English, home economics, commercial education, music, physical education, vocational education and zoology. College credit was given for work satisfactorily completed.

Demonstrations and explanations of the uses and operation of various office machines were given the commercial education section through visits to Military Government offices.

Representatives of the Department of Public Health and Welfare presented proposed school health programs to the physical education group of the Winter Institute.

American Reference Books

2. Distribution of American reference books for use in English classes in 17 normal schools and two colleges of education throughout the provinces was begun in January. The references include dictionaries, biographical dictionaries and other works selected to inform students of American activities in such fields as radio, farming, atomic energy and electricity.

General Science Textbook

3. The first volume in a series of general science textbooks for middle schools was released in January. This is the first science textbook in the Korean language and covers elementary geology, meteorology and primary concepts of biology, chemistry and physics.

CULTURE

Korean National Youth Movement

4. The Korean National Youth Movement for young men and women 18 to 30 years of age was initiated in August 1946. The organization applied for a charter on 6 October 1946 at which time it filed a copy of its national constitution. The movement was designed to be truly Korean, nonpolitical, nonmilitary and non-commercial with the objectives of character building, patriotism and citizenship training.

A creed, law, sign, salute, badge, uniform and song have been adopted and approved.

Korean National Youth Activities

5. Formal organization was followed by the election of a National Executive Board. The national staff obtained, repaired and equipped a National Training Center at Suwon, Kyonggi-do. Of 258 students who enrolled in the First National Training School for leadership training 170 were graduated; 55 percent of the graduates received a rating of superior in leadership ability.

6. On 20 January the Second National Training School at Suwon opened a Scout Leaders' Training Course for 450 Korean National Youth Movement leaders. Instruction includes scouting, playground and recreational activities and organization of 4-H Farm Club programs.

7. The program provides youth activities on the individual, village and township level. Each member is encouraged to improve himself through at least two hobbies, one of which will improve health and physique, the other the intellect. Neighborhood groups conduct discussions of current problems, participate in community improvement activities and function as permanent emergency units whose work includes first aid, fire fighting and disaster relief.

Town groups hold weekly meetings whose programs feature group activities including mass calisthenics, gymnastics, singing, concerts, lectures and contests in which the neighborhood groups compete. The town groups sponsor leadership training courses for representatives of the smaller units.

8. Graduates of the First National Training School are organizing local youth groups. Town groups have been organized in 45 localities covering seven provinces. The first official report of the movement showed 19,270 members.

Ten weekly and four special radio broadcasts have been made. The 30 January broadcast featured a drama, "The Housewives of Korea," which launched the campaign to promote the Women's Section of the Korean National Youth Movement.

The 40-piece Korean National Youth band won the South Korean band contest held at the Duk Soo Palace in December 1946.

Winter Olympics

9. The Korean Winter Olympics formally opened at Seoul on 17 January under the sponsorship of the Amateur Athletic Association of Korea.

Conference of Korean Scientists

10. Leading Korean scientists held a conference at the Technical College of Seoul National University on 30 and 31 January. The group met to draft a constitution and bylaws for a proposed Korean Association for the Advancement of Science. Plans were initiated to organize an Academy of Science which will honor 50 eminent Korean scientists.

Meteorology

11. Repair of the automatic transmitter of the Inchon Central Meteorological Observatory was completed and hourly weather broadcasts are now being made.

RELIGION

Missionaries

12. Two Roman Catholic and two Seventh-Day Adventist missionaries returned to Korea in January. A representative of the Church of Christ arrived on 11 January to conduct a six-week survey of the facilities and activities of that organization in the Seoul area. Two Methodist missionaries who returned to South Korea from the United States are initiating plans to reopen the Methodist Hospital and Mission at Kaesong.

Two Korean ministers were cleared to enter the United States for study at the Westminster Theological Seminary in Philadelphia.

SECTION 3
PUBLIC INFORMATION

C O N T E N T S

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Press and Public Opinion	11

INFORMATION PROGRAMS

Rice Collection

1. The Mobile Education Train was utilized in January to publicize the rice collection program in Cholla-pukto.

2. The Department of Public Information issued three special pamphlets which urged completion of the rice collection program by 22 January, the beginning of the Korean New Year. The booklets emphasized the necessity for complete co-operation in the program and advised farmers of the availability of fertilizer from the United States.

Civic Information

3. Articles were published in the Chukan Digest by the City of Seoul to publicize governmental activities and familiarize Seoul citizens with their city government and officials.

Refutation of Propaganda

4. On 24 January 22 Korean newspapermen from Seoul visited the port of Inchon and witnessed the unloading of food for American personnel from a United States Army transport. This visually refuted malicious propaganda that Americans in South Korea were utilizing Korean foodstuffs.

Scientific Journals

5. Scientific publications purchased from Rockefeller Foundation funds granted to Korea by the American Library Association were received in January for use in information centers.

Publication Rights

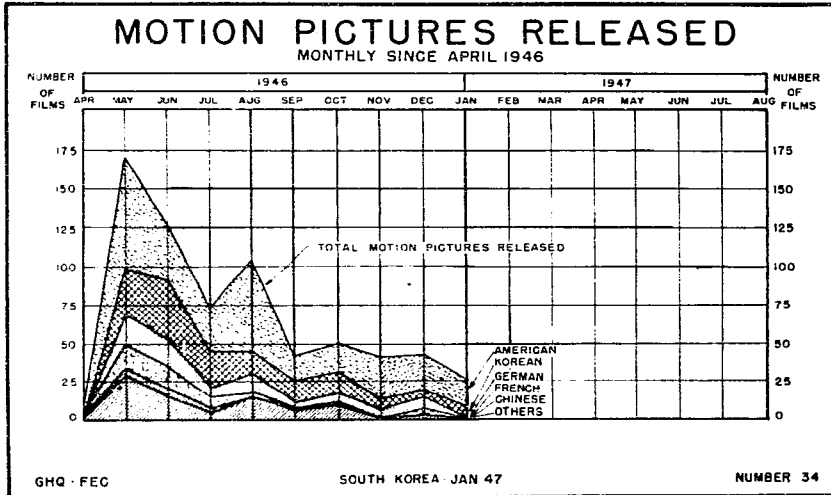
6. Articles by prominent authors whose copyrights have been purchased by the United States War Department will be released to responsible Korean publishers by the Department of Public Information. The Department will arrange to obtain free reprint privileges for articles or stories selected by Korean editors from American sources not on the present available list.

MOTION PICTURES

7. A motion picture entitled "Cholera" was completed and will be utilized for general orientation and education of the public in

cholera control.

American films led in the number of releases in January.



RADIO

Programs

8. The "Military Government Hour" on 12 January presented a broadcast of the activities of the Winter Institute. On 18 January the Hour was sponsored by the Department of Police which gave a dramatic sketch of police methods used in the performance of normal duties and activities.

9. Information programs included newscasts, the "Home Hour," Korean language lessons, "Lessons in Democracy," Korean music appreciation, "Domestic Science Hour," "Looking into the Future of the Korean Interim Legislative Assembly," shortwave news from New York, "Letters from Listeners," public notices and reports on commodity prices.

Religious Broadcasts

10. Members of the Confucian, Buddhist and Christian clergy were given broadcast time to conduct devotions for their followers.

PRESS AND PUBLIC OPINION

Press Analysis

11. Discussion of trusteeship was the dominant feature of press comment throughout the month. Papers continued the practice of reporting actions and statements of political parties, groups and personages to express views. Comment on Military Government, the United States-Soviet Joint Commission and some on the Korean Interim Legislative Assembly was related to trusteeship.

12. The increase of interest in trusteeship caused newspaper attention to shift to the activities and statements of rightist groups and leaders.

The rightist Dong-A Ilbo commented in detail on the

resolution against trusteeship passed by the Korean Interim Legislative Assembly. The paper stated rightist organizations including the Democratic Council, the Korean Democratic Party and the Korean Independence Party believe that the vote of 44 to 1 in the Legislative Assembly was the reflection of the general will of the people; and that rightist leaders were planning a permanent organization to launch a nationwide movement against trusteeship.

13. All Seoul newspapers published without comment the statement of the Commanding General, USAFIK, relative to the antitrusteeship resolution passed by the Korean Interim Legislative Assembly.

14. The leftist Seoul Shim Mun reported that there was noticeable dissension in the Hankook Democratic Party on the issue of trusteeship, chiefly in the Chungking group which is against trusteeship.

This same paper reported a meeting of the patriotic political groups was held at the headquarters of the Hankook Democratic Party on 16 January. The paper noted that approximately 30 organizations sent representatives and that a committee of nine members was selected to study ways and means of launching an active antitrusteeship movement. The meeting decided to cancel the signing of Joint Communiqué No. 5 and to deny the existence of the so-called coalition committee from which the rightist groups decided to recall their representatives.

15. The rightist Dai Dong Sin Moon reported that on 20 January the Korean Independence Party issued a statement criticizing the stand of the Commanding General, USAFIK, on freedom of expression. It stated the Party is of the opinion that he changed his attitude in the matter of trusteeship, and it congratulated the members of the Legislative Assembly who passed the resolution denouncing trusteeship.

16. Seoul Shin Mun reported that a meeting of 30 leftist organizations upheld the Russian contentions and maintained that those who have been objecting to trusteeship should not be consulted by the Joint Commission; that there are inconsistencies in the comments of the Commanding General, USAFIK; and that they believe those who signed Joint Communiqué No. 5 commit themselves to support the Moscow Agreement fully.

17. Reports of statements, speeches and telegrams concerning trusteeship made by Kim Koo and Syngman Rhee were featured in Hyern Dai Ilbo, Dai Dong Sin Moon, Dong-A Ilbo and the Seoul Times.

18. At the end of the month Dong-A Ilbo reported the anti-trusteeship movement was still under way. The paper said 43 members of the Antitrusteeship Committee met on 29 January and conducted an initiation ceremony. The Committee decided, according to the report, to dispatch diplomats to leading countries, and to send an unofficial representative to the Four Ministers' Conference. At home they decided to launch a systematic antitrusteeship movement on 1 March, the date of the Korean Declaration of Independence.

19. Dong-A Ilbo reported both rightist and leftist organizations were demanding the dissolution of the Coalition Committee. The paper asserted the Hankook Democratic Party was of the opinion the formation of the Korean Interim Legislative Assembly had ended the usefulness of the Committee while the Peoples' Front maintained the so-called Coalition Committee was a means whereby the committee members deceived the masses.

Rightist Dai Dong Sin Moon reported the Democratic Council recalled its representatives on the Committee and a Chosun Ilbo report stated the Emergency National Congress on 16 January issued a statement denouncing the Coalition Committee.

20. The right-wing Chosun Ilbo reported the reactions of various political groups to the correspondence between the American and Soviet zone commanders relative to the reopening of the United States-Soviet Joint Commission. Attitudes ranged from that of the Headquarters of the United People which asserted General Hodge had changed his attitude completely and is in alliance with the Russians to enforce the iron chain of trusteeship upon Koreans to that of the Peoples' Front which praised General Hodge for his sane views.

Neutral Kyong Hyang Sin Mun reported that the reply of General Hodge to the Russian Commander dated 24 December 1946 contained no indication of any change or modification in the American attitude. The article asserted any comments he made were not contradictory to the fundamental policy of the United States Government.

21. A Seoul Shin Mun editorial stated that the international aspects of the Korean problem made it impossible to realize Korean independence unless the Joint Commission met and fulfilled the terms of the Moscow Decision. It asserted that although there is a tendency to launch a so-called peoples' movement protesting the Moscow Decision and demanding immediate independence, such a move might result in rightist leaders' being refused consultations with the Joint Commission.

Chosun Ilbo editorialized that the American attitude toward freedom of expression had not changed and called upon the Russians to tell Koreans what they mean by "guardianship."

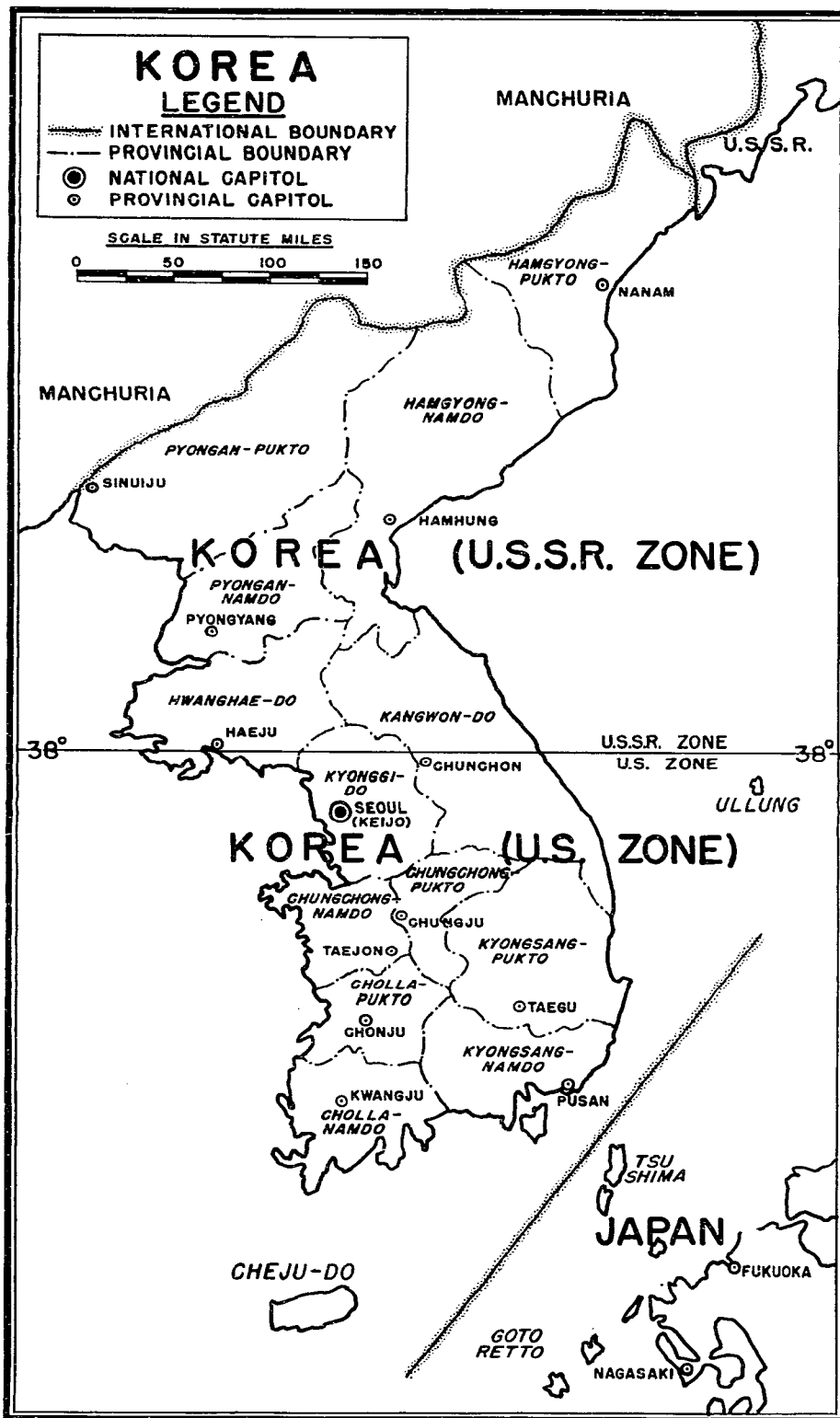
Dong-A Ilbo reported that the Antitrust Convention sponsored by the Federation of Students passed a resolution which asked the signatory powers of the Moscow Agreement to abrogate it and that the Yalta secret pact be annulled.

22. Chayoo Shin Mun, leftist, contended the Korean Interim Legislative Assembly was a means of strengthening and assisting Military Government. The article alleged that the members were one-sided which might result in dissension among Koreans.

23. Chosun Ilbo published an editorial which urged the public to aid the rice collection program and thereby check profiteering and inflation. Dok Lib Sin Bo also commented upon the rising cost of living. Chayoo Shin Mun reported leftist educators issued a statement demanding that all pro-Japanese, fascist elements, profiteers and relics of feudalism be eliminated from the educational system.

Newsprint

24. Paper rationing was completed on 4 January. Newsprint shortages were reported 21 January but the inadequate supply made it impossible to fill additional requests.



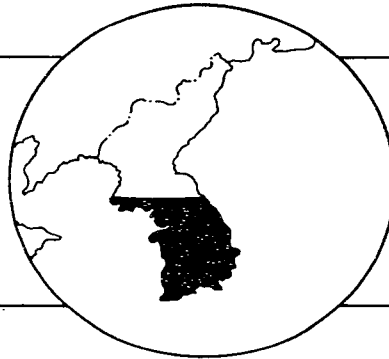
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渉外保存

Commander - in - Chief
Far East



SUMMATION

of

UNITED STATES ARMY
MILITARY GOVERNMENT

ACTIVITIES

in

KOREA

No 17

February

1947

0182

GENERAL HEADQUARTERS
COMMANDER - IN - CHIEF
FAR EAST

SUMMATION No 17
UNITED STATES ARMY
MILITARY GOVERNMENT
ACTIVITIES
IN
KOREA

FOR THE MONTH OF
FEBRUARY 1947

0183

COMMANDER-IN-CHIEF
FAR EAST

Number 17

February 1947

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COMMANDER-IN-CHIEF
FAR EAST

SUMMATION
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in
KOREA

Number 17

February 1947

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SECTION 1
POLITICAL ACTIVITIES

C O N T E N T S

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ADMINISTRATION

Appointment of First Korean Civil Administrator

1. The Military Governor on 6 February nominated Ahn Chai Hong as Civil Administrator, administrative chief of the executive branch of the Civil Government. The nomination was confirmed by the Legislative Assembly and Ahn took the oath of office on 10 February.

USAMGIK Services of Civilian Supply

2. The USAMGIK Services of Civilian Supply was established to assume all functions of the Office of the Coordinator of Civilian Supply. The new agency will prepare comprehensive civilian supply plans and programs.

KOREAN INTERIM LEGISLATIVE ASSEMBLY

3. During the month the Military Governor sent several messages to the Legislative Assembly pointing out to the legislators numerous important problems facing the country.

4. The Legislative Assembly gave attention during February to the Antitrusteeship Resolution, revision of the Assembly rules, the Assembly Budget and the organization of the Korean Red Cross.

U. S.-U. S. S. R. JOINT COMMISSION

5. The Chief U. S. Commissioner issued a series of reports to the Korean people on the position of Korea under the Moscow Decision. The reports dealt with the following subjects:

- (1) The functions of the Joint Commission.
- (2) Progress in implementing the Moscow Decision.
- (3) Procedure in implementing the Moscow Decision.
- (4) Creation of the Provisional Government.
- (5) Trusteeship.

PUBLIC SAFETY

6. South Korea was without violence or disorder throughout February.

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NATURAL RESOURCES

Agriculture and Fisheries

1. Revised crop estimates set 1947 production of nine principal crops of rice and cereals at 133,365,911 bushels, with a planted area of 5,542,357 acres.
2. Fish landings in December decreased under the previous month and a slight decline occurred in processed marine products.

Forestry and Mining

3. Lumber production in November gained.
4. January coal production and stockpiles decreased. Equipment and power shortages continued to hamper mining operations.

INDUSTRY

5. Shortages of raw materials and spare parts continued to restrict production. The cement industry ceased operations as did many factories.

Textiles

6. Sericulture technicians met in Seoul to discuss a program for improving the silk industry.
7. On 31 January stocks of dry cocoons were sufficient to operate filatures eight months.

Labor

8. Orientation and educational programs in factories and other industrial establishments continued during February.

COMMERCE

Finance

9. Bank of Chosen notes outstanding on 28 February decreased to ¥ 17,689,196,182.90.

0187

SECTION 1

POLITICAL ACTIVITIES

C O N T E N T S

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ADMINISTRATION

Appointment of First Korean Civil Administrator

1. The Military Governor on 6 February nominated Ahn Chai Hong as Civil Administrator, administrative chief of the executive branch of the Civil Government. The nomination was confirmed by the Legislative Assembly and Ahn took the oath of office on 10 February.

USAMGIK Services of Civilian Supply

2. The USAMGIK Services of Civilian Supply was established to assume all functions of the Office of the Coordinator of Civilian Supply. The new agency will prepare comprehensive civilian supply plans and programs.

KOREAN INTERIM LEGISLATIVE ASSEMBLY

3. During the month the Military Governor sent several messages to the Legislative Assembly pointing out to the legislators numerous important problems facing the country.

4. The Legislative Assembly gave attention during February to the Antitrusteeship Resolution, revision of the Assembly rules, the Assembly Budget and the organization of the Korean Red Cross.

U. S.-U. S. S. R. JOINT COMMISSION

5. The Chief U. S. Commissioner issued a series of reports to the Korean people on the position of Korea under the Moscow Decision. The reports dealt with the following subjects:

- (1) The functions of the Joint Commission.
- (2) Progress in implementing the Moscow Decision.
- (3) Procedure in implementing the Moscow Decision.
- (4) Creation of the Provisional Government.
- (5) Trusteeship.

PUBLIC SAFETY

6. South Korea was without violence or disorder throughout February.

7. Chiefs of police divisions met at Seoul and discussed current problems at their first conference on 7 and 8 February.

8. Prison-camp projects at Taegu and Pusan were inspected during the month. Both are now being used to house prisoners.

9. A new cutter was added to the fleet of the Korean Coast Guard on 7 February. On the same day, the second class to enter the Officers' Training School was addressed by the Military Governor on the occasion of the formal opening of the Coast Guard Academy at Chinhae.

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ECONOMIC ACTIVITIES

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NATURAL RESOURCES

Agriculture and Fisheries

1. Revised crop estimates set 1947 production of nine principal crops of rice and cereals at 133,365,911 bushels, with a planted area of 5,542,357 acres.

2. Fish landings in December decreased under the previous month and a slight decline occurred in processed marine products.

Forestry and Mining

3. Lumber production in November gained.

4. January coal production and stockpiles decreased. Equipment and power shortages continued to hamper mining operations.

INDUSTRY

5. Shortages of raw materials and spare parts continued to restrict production. The cement industry ceased operations as did many factories.

Textiles

6. Sericulture technicians met in Seoul to discuss a program for improving the silk industry.

7. On 31 January stocks of dry cocoons were sufficient to operate filatures eight months.

Labor

8. Orientation and educational programs in factories and other industrial establishments continued during February.

COMMERCE

Finance

9. Bank of Chosen notes outstanding on 28 February decreased to ₩ 17,689,196,182.90.

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Imports and Exports

10. Exports in January declined to about 30 percent of December's value and there was almost as much reduction in the value of imports. Ice jams and bad weather limited overseas trade.

Imports of food items from the United States included wheat, wheat flour and barley. Considerably less wheat was imported in January than in December but larger quantities of wheat flour and barley were brought in.

Transportation

11. Issuing of 1947 motor vehicle license plates began on 1 February and will continue through 30 March.

12. Rail and bridge construction was at a standstill because of bad weather.

Communications

13. Postal service between Korea and all other countries was announced on 25 February and rates and regulations were set up.

14. The work of separating Korean National Life Insurance policies held by Japanese and by Koreans living in North Korea has been largely completed.

15. On 4 February radio station JODK was restored to its normal power of 50,000 watts.

RATIONING AND PRICE CONTROL

16. The Office of the Coordinator of Civilian Supply has been reorganized as the USAMGIK Services of Civilian Supply. The new agency will plan supply programs and supervise imports into Korea.

17. By 28 February 533,929 metric tons of rice had been collected.

SECTION 3

SOCIAL ACTIVITIES

C O N T E N T S

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PUBLIC HEALTH AND WELFARE

Public Welfare

1. A feeding program was initiated in Kyongsang-pukto to relieve the hardships of refugees. By 20 February 12,475 refugees in Fusan and 7,000 in Chinhae were receiving a daily grain ration of two hop (.65 pint).

2. The National Food Administrator allocated 53 carloads of U. S. Army rations to the Department of Public Health and Welfare for distribution to hospitals and clinics.

3. The reorganization plan of the Korean Red Cross Association was approved by the Military Governor during the month. The Association will be formed by 60 incorporators from the provincial capitales, the Korean Interim Legislative Assembly and the various departments and appointees of the Military Governor.

Repatriation

4. Japanese repatriated from North Korea from 3 February to 2 March totaled 356 while an estimated 9,700 were awaiting evacuation. Koreans evacuated from Japan numbered 835.

School of Nursing

5. There were 16 schools of nursing in South Korea on 28 February with a total student body of 610.

Communicable Diseases

6. Typhus fever incidence in February increased from 147 in January to 271.

7. A typhoid fever epidemic occurred in Kyongsang-pukto; cases totaled 659.

Veterinary Affairs

8. In the rabies epizootic in Cheju-do from 3 September to 13 February 256 persons were bitten by dogs and 17 died of rabies.

Production

9. Production of medicines and patent medicines in January increased to approximately ¥ 15,344,000 in over-all value.

Distribution

10. Medical supplies sent by the Presbyterian Mission through the Church Committee for Relief in Asia were allocated and 75 per cent distributed during the month.

EDUCATION, CULTURE AND RELIGION

11. On 14 February the Military Governor discontinued Seoul University classes given by American instructors. Student strikes had made effective instruction impossible.

12. The Military Governor on 13 February recommended establishment of a new system of appointment for the Board of Regents of Seoul National University. The Board would include 10 Koreans with the University's President an ex-officio member.

13. The second semester of Seoul National University will open 3 March; no credit for first-semester work will be given unless validated by examinations to be held in April.

14. Student strikes disrupted middle schools in Seoul and other cities.

15. Eighteen educators and philologists were selected as members of the Korean Language Purification Committee.

16. Membership in the Korean National Youth Movement continued to increase with a reported membership of 20,808 as of 31 January.

The Second National Training School graduated 174 leaders and candidates for the Third School are being selected.

17. A professional-women's conference was held 13 February to enable women leaders to meet American press representatives.

18. One Christian missionary returned to South Korea in February.

PUBLIC INFORMATION

19. The rice collection program continued to utilize all media of expression in a drive directed toward farmers who had not completed delivery of their quotas. Speakers continued to tour the provinces.

20. Methods for preparing American food to prevent waste and adapt it to Korean dietary habits were given extensive publicity.

21. A new daily radio program featuring news of the Korean Interim Legislative Assembly was inaugurated.

22. Antitrust activities dominated press comment which featured statements by political groups and leaders. Other topics included student strikes, use of the United States credit to Korea and the housing shortage.

COMMANDER-IN-CHIEF
FAR EAST

SUMMATION
of
UNITED STATES ARMY
MILITARY GOVERNMENT
ACTIVITIES
in
KOREA

Number 17

February 1947

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POLITICAL

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SECTION 1

GOVERNMENT AND POLITICS

C O N T E N T S

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ADMINISTRATION

Nomination of First Korean Civil Administrator

1. On 6 February the Military Governor nominated Ahn Chai Hong as Civil Administrator, administrative chief of the executive branch of the Civil Government. The nomination was confirmed by the Korean Interim Legislative Assembly and Ahn resigned his membership in the Interim Legislative Assembly and took the oath of office as Civil Administrator on 10 February 1947.

Ahn is one of the Korean independence leaders who stayed in Korea throughout the period of Japanese control. He was imprisoned by the Japanese nine times. He is a graduate of Waseda University and has been a trader and newspaper publisher and editor. Ahn was one of the original members of the Korean Nationalist Party and later was a member of the Independence Party, which he represented on the Representative Democratic Council. He was also a member of the Coalition Committee and was appointed by the Commanding General, USAFIK, as a member of the Korean Interim Legislative Assembly.

Statement of Korean Civil Administrator

2. On assuming office the Civil Administrator set forth his policies in the following statement:

"I am convinced that the most important duty confronting us under the American Military Government, which represents the Allied Powers in Korea, is to demonstrate our self-government ability in constructive reality, relying on the warm support of Lieutenant General Hodge and other American generals, officials and men. In other words, we have to foster the spirit of the people on our own accord not only by strengthening the function of the Interim Legislature and regulating the organs of justice and administration, but also by the solution of urgent problems of the people's livelihood through industrial economic reconstruction, rehabilitation of education and enforcement of official discipline. In this way we can make the democratic Powers realize our self-government ability.

"Under such conditions, Lieutenant General Hodge and other executives of the Military Government decided upon the policy of transferring administrative functions generally to the Koreans, and have already set about accomplishing a part of their decision. At the same time Lieutenant General Hodge asked me to assume the important office of Civil Administrator. I do not feel quite

confident of my ability to assume the office, but I am determined to do my very best through this office for national liberation and independence, regardless of praise or censure, success or failure.

"As I have already assumed this important office no doubt or hesitation is allowed. I have no specially grand or elaborate plans but I am going to perform the duty confronting me through patriotism and through the cooperation of officials and the people, according to the principles of democracy. As you well know, the problems confronting us mentioned above cannot be solved with the brains and ability of a single man. For example, to solve the single problem of the people's livelihood now confronting us we have to know the exact amount of production and consumption to formulate a just and correct policy. Secondly, the workers who produce and the people who consume must cooperate in order to carry out this policy successfully.

"Therefore, I sincerely hope that the government officials who are in charge of administration will always try to carry out a just and disinterested policy with patriotic sincerity, and that the people will unite and put forth their whole constructive ability in whatever position they may be. This is the only way to shorten the period of Military Government and to achieve the great objective of independence in the shortest possible time."

New Census

3. A census is now being taken in Kyonggi-do and the city of Seoul and will soon be extended to the other provinces.

Each person will be issued an identification card to be used by the rationing and election authorities.

USAMGIK Services of Civilian Supply

4. The USAMGIK Services of Civilian Supply was established to assume all the functions, duties, property and personnel of the Office of the Coordinator of Civilian Supply. This new agency will prepare civilian supply plans and programs in cooperation with the National Economic Board and other agencies of Military Government.

KOREAN INTERIM LEGISLATIVE ASSEMBLY

Antitrusteeship Resolution

5. The Korean Interim Legislative Assembly reconvened on 3 February with 60 members present. Chairman Kim Kiu Sic, presiding during the first part of the session, stated that he wished to report the attitude of the Commanding General, USAFIK, on the Antitrusteeship Resolution of 20 January.

Chairman Kim said that the Commanding General, USAFIK, regarded the resolution as an act of opposition to himself and the American program in Korea rather than as a simple disapproval of the principle of trusteeship. The chairman added that the Legislative Assembly should give this view of the Commanding General the most careful consideration.

Use of Japanese Technicians

6. A proposal that Japanese technicians be utilized in Korean industries was defeated by the Assembly 49 to none, 10 members abstaining.

Investigation of Rumors

7. The Military Governor sent the following letter to the Chairman of the Korean Interim Legislative Assembly:

"The members of the Korean Interim Legislative Assembly no doubt are aware that a rumor to the effect that rice is being shipped out of Korea to Japan, America or other places is being circulated.

"While I know that this rumor is utterly false and that it is being broadcast only to hamper the collection of rice, nevertheless a great many Koreans, I am told, are placing credence in the report. As a result they are reluctant to meet their rice quotas since they fear that the produce of their labor will not be used to feed nonfarming Koreans.

"The Korean people are entitled to know the truth and they are entitled to know it through investigation and report of their own representatives.

"I request that the Chairman of the Korean Interim Legislative Assembly appoint a committee of the members thereof to make an immediate and thorough investigation of this matter and to report to the Legislature as soon as practicable upon their findings."

Seoul National University

8. On 17 February the Military Governor sent the following letter to the Korean Interim Legislative Assembly:

"For over a year the Korean and American educational officials have been exerting every effort toward the establishment of a national university which will be truly representative of Korea. It has been their desire to see a Korean university which can take its place among the great universities of the world, and with which the best universities of other countries will be happy to exchange students on a basis of equality. The efforts to date have not been very successful. Much of the trouble, I am sure, comes from professional troublemakers; however, whatever the cause it is a serious national problem.

"It is also a Korean problem which should be solved by representative sound-thinking Koreans. While I know that there are many things of great importance awaiting the action of the Korean Interim Legislative Assembly, I hope that in the very near future the matter of an amendment to Ordinance No. 102, dated 22 August 1946, can be discussed, and that we can have a basic law enacted which will place our national university on a level equal to the best in the world."

Matters for Consideration of the Legislative Assembly

9. On 17 February the Military Governor sent the following letter to the Korean Interim Legislative Assembly:

"On 5 February 1947 I brought to your attention some of the most pressing problems before the country. This letter is intended to present for your consideration certain other matters which await action by the Assembly. They are:

- "(1) The entire field covered by Military Government ordinance since the beginning should be carefully studied with a view to amending ordinances so as to bring them up to date, and in accord with the present needs of the country.

- "(2) A careful screening of all Military Government personnel as contemplated in Section V of Ordinance No. 118, is, I believe, currently contemplated by the Assembly.
- "(3) The early enactment of a universal franchise law and provision for a general election in the near future.
- "(4) Although the Commanding General has retained a close control over matters of finance, he would appreciate careful consideration by the Assembly of the serious problems of inflation, government expenditures, taxation, control of black markets, price fixing, high cost of living and government salaries.
- "(5) Countermeasures to the decline in industrial output, including the acute coal shortage.
- "(6) Constructive labor laws, including beneficial labor unions, and improvement of the living conditions of laborers.
- "(7) Proposals concerning disposition of former Japanese property (subject of my letter of 5 February 1947).
- "(8) Food collection and distribution plan for 1947-1948. In my opinion, legislation on this subject should be given high priority.
- "(9) Refugee housing and feeding for next winter.
- "(10) The national university problem in all its aspects.
- "(11) Land reform program.

"I have indicated only a few of the many problems confronting the country. They are worthy of the most careful consideration."

Revision of Assembly Rules

10. Revision of Assembly rules as recommended by the Legislative and Judicial Committees was discussed in the session of 17 February.

Assembly Budget

11. The Assembly Budget was discussed by the Assembly on 18 February and referred to the Fiscal and Economic Committee.

Korean Red Cross

12. The organization of the Korean Red Cross was considered on 20 February. The Education and Welfare Committee was constituted as a special committee to organize the Red Cross and to select five other Koreans to work with them as advisers.

U. S.-U. S. S. R. JOINT COMMISSION

Functions of Commission

13. In order to clarify any misunderstanding which might exist as to the functions of the U. S.-U. S. S. R. Joint Commission the Commanding General, USAFIK, made the following statement on 5 February:

"My recent discussions with Korean leaders indicate that some people of South Korea do not understand completely the function of the U. S.-Soviet Joint Commission. Such people erroneously believe that one purpose of the Commission's consulting with Korean representatives is to modify the Moscow Decision.

"The actual purpose of the Joint Commission is to put into practical operation the provisions of the Moscow Decision. Discussion with consultees will be confined to ways and means for this implementation. The first step prescribed by the Moscow Decision is the formation of a Korean Provisional Government of all Korea 'joined into one nation.' During this phase Koreans called in for consultation will be asked to present plans and ideas on the type of government, manner of forming it, representation, etc.

"The second step, also prescribed by the Moscow Decision, comes after the Provisional Government is formed, when members of the Joint Commission, working with and consulting the Korean Provisional Government and Korean leaders, will work out measures for helping and assisting the Korean nation for a period of up to five years in political, economic and social progress in order to insure that the Korean people develop a stable, democratic self-government and to insure complete Korean national independence.

"Koreans must remember that these subsequent measures are to be worked out with the participation of the Korean Provisional Government and Korean democratic organizations, and the proposals therefore 'shall be submitted following consultation with the Provisional Korean Government for the joint consideration of the governments of the U. S., U. S. S. R., U. K. and China.' These facts establish ample safeguards and insurance for the protection of the reborn Korean nation and guarantee its future sovereign independence."

Progress in Implementing the Moscow Decision

14. The following is the first report by the Chief Commissioner of the American Delegation of the U. S.-U. S. S. R. Joint Commission on implementation of the Moscow Decision:

"On May 8, 1946, the Commanding General, USAFIK, announced the adjournment of the Joint Commission. The announcement, which was included in a special press release of that date, explained the reason for the adjournment. It also explained the American position in the disagreement which caused the adjournment.

"Since that time, there have been several interchanges of letters between General Hodge and General Chistiakov, the Soviet Commander in North Korea, in an effort to resolve the disagreement and reconvene the Commission. The present status of this correspondence was given in a press release by the Commanding General, USAFIK, on January 11. In the January 11 release extracts were given from the most recent letters between the two commanders. The American position has remained constant throughout the entire exchange of correspondence. The United States insists that the right of freedom of expression cannot be denied to Koreans in the matter of implementation of the Moscow Agreement.

"The object of the exchange of letters has been to attempt to arrive at a formula whereby both nations would agree that the exercise of this freedom of expression would not unjustly penalize any group which might voice opposition to some features of the Moscow Agreement. At the same time, an agreed formula must assure that no group will be permitted to interfere with the orderly

progress of the work of the Joint Commission or disrupt its proceedings by fomenting and instigating active opposition. The adamant attitude of some Koreans toward the Moscow Agreement has made necessary an agreement on such a formula before further discussions can be held by the Joint Commission.

"Since the Moscow Agreement was first announced over a year ago, there have been a number of outbursts of antagonism against the 'trusteeship' feature. 'Trusteeship' in respect to Korea, however, has never been defined and no one can possibly know what it means until the Joint Commission determines its concrete form in consultation with representatives of the Korean people. This antagonism toward trusteeship contributed materially to the cause of the adjournment of the Commission last May, and since that date has occupied much time, energy, and attention of Korean leaders. These leaders would be much more patriotic to spend their time and energy on constructive matters and an effort to cooperate in establishing a Korean Provisional Government and through it Korean independence, rather than taking actions which hinder the union of North and South Korea and thus jeopardize the cause of Korean independence.

"In order to insure that there will be no further misunderstanding of the Moscow Agreement or the functions of the U. S.-Soviet Joint Commission, the American Delegation of this Commission will issue during the next few weeks a series of releases. A careful study of these forthcoming releases will show Koreans the importance of avoiding untimely and ill-advised actions which can serve only to delay the progress of the Commission's work and consequently delay your national independence. A careful study of these releases will also show how true Korean patriots can exercise the maximum amount of influence in the formation of the Provisional Government.

"It is pointed out that there is now no instrument other than the Moscow Agreement which provides the measures for the achievement of Korean independence."

Procedure for Implementing the Moscow Decision

15. The following is the second report by the Chief Commissioner of the American Delegation of the U. S.-U. S. S. R. Joint Commission:

"As indicated in my statement number one, in my talks with Koreans of all ideologies it has become more and more apparent to me that the people of Southern Korea do not understand clearly either the Moscow Agreement or the functions of the U. S.-Soviet Joint Commission.

"The Moscow Agreement was not conceived in the spirit of binding Korea under foreign domination, although this misunderstanding is widespread among Koreans and appears to be furthered by some of the leaders for their own purposes.

"On the contrary, the four Allied Powers--Great Britain, China, the United States, and the U. S. S. R.--after making possible the liberation of Korea by their all-out efforts in war, agreed to the complete independence of Korea by a series of orderly steps, particular care being taken to prevent Korea from coming under the domination of any foreign Powers, including any single Allied Power.

"The conditions of the postwar world could not be foreseen at the time the Agreement was made, and even at this date the political and economic pattern of the world is somewhat clouded.

"As for the Joint Commission which was created by the Moscow Agreement, many Koreans mistakenly think that when the Commission brings in Korean representatives for consultation, the Joint Commission will become a debating society or a forum to discuss modifications in the Moscow Agreement. Such a concept is entirely erroneous.

"Recent events have convinced me of the importance of issuing a series of statements explaining the procedure under the Moscow Agreement by which Korea will become independent. Many Koreans who have discussed the Moscow Agreement and its actual meaning with members of the American Delegation of the Joint Commission appeared to be satisfied that the Moscow Agreement as explained in the discussions was in no way detrimental to Korea. The following procedure is envisaged in the Moscow Agreement. It is here divided into its probable phases and steps for purposes of clarity.

"Establishment of the Provisional Government

- "(1) The Joint Commission will meet with Korean leaders of political parties and social groups to obtain their views as to the formation and organization of the Provisional Government of Korea. Views on the economic development of the country will also be obtained.
- "(2) With full consideration of the views of the Korean leaders, the Joint Commission will draw up its proposals for the formation and organization of the Provisional Government.
- "(3) The plan for the Provisional Government will then be presented to the four Powers: United States, U. S. S. R., Great Britain, and China for their consideration prior to the final decision by the United States and U. S. S. R.
- "(4) The Provisional Government of Korea will then be inaugurated and will assume the responsibility for governing a united Korea with temporary guidance of the Allies to insure that the Korean Government fully develops and that Korean independence is guaranteed.

"Formulation of Measures for Effecting Korean Independence

- "(1) The Joint Commission with the participation of the Provisional Korean Democratic Government and the Korean democratic organizations will work out the details of measures for helping and assisting 'trusteeship,' the political, economic and social progress of the Korean people, the development of democratic self-government and the establishment of the national independence of Korea.
- "(2) The proposed measures arrived at by the Joint Commission will be submitted to the Governments of the United States, U. S. S. R., China and Great Britain for a working out of an agreement concerning a four-power trusteeship of Korea for a period of up to five years.

"It is the second phase of the program to which certain

Koreans take exception, apparently solely because the word 'trusteeship' was used in the text of the Agreement, and without thought as to the nature of the help and protection intended.

"Korean Independence The consummation of the four-Power agreement reached in Phase 2 will result in the complete sovereign independence of Korea.

"This is a general outline only. I will follow this statement with others and will take up in detail the steps which I have indicated above. I am certain that in this way will there come an understanding by the Korean people of the procedures set up by the Moscow Agreement for Korean independence. I strongly advise all Koreans to carefully and critically question any individual who would try to lead you to believe that the Moscow Agreement is an agreement for the enslaving of Korea. I would urge that you ask these persons whether or not they studied an official copy of the Moscow Agreement or whether their version of the Agreement is made up from rumors and statements of others.

"The Moscow Decision is an existing treaty solemnly agreed upon by four Powers for the evolution of an independent Korea. It is the only existing international agreement providing any machinery for establishing and guaranteeing Korean sovereign independence for a united Korean nation."

Creation of the Provisional Government

16. The following is the third report by the Chief Commissioner of the American Delegation of the U. S.-U. S. S. R. Joint Commission:

"The phases and steps by which Korea will obtain its independence already have been described for the people of Korea. The purpose of this report is to describe in detail the steps of the first phase.

"The object of the first phase is the establishment of a Provisional Government, and in Step 1 of that phase the object is for the Joint Commission to obtain, by consultation with Korean leaders, the views of the people of Korea on the structure and organization of the Provisional Government, as well as its rights and powers.

"The Joint Commission will determine the parties and groups with whom it will consult. These parties and groups will send their representatives who will make clear to the Joint Commission the views of the people whom they represent. Of course, not all of the many parties and groups in Korea can be consulted. There are too many. It is to be expected therefore that the Joint Commission will consult parties of importance and whose membership includes a substantial number of people.

"In addition to having the proper degree of strength and importance, a party or group to be consulted must sign the declaration contained in Communiqué No. 5 and after signing that declaration must restrain itself from instigating active opposition to the Moscow Decision.

"Naturally, those Koreans who appear before the Commission will confine their discussion to those questions which are up for discussion. Matters which are to be taken up in the various phases of the proceedings will be discussed in sequence and at the proper time; matters which are outside the scope of the work of the Commission will not be discussed at all. Any individual who persists in raising a subject outside the scope of the discussion may so interfere with proceedings as to make himself ineligible for

further consultation. In that case, his party or group will be required to furnish a representative who will cooperate with the work of the Commission.

"Herewith are listed the types of general subjects which will probably be included for discussion in the first step:

- "(1) Rights of the people under government.
- "(2) General type or character of the Provisional Government to be established.
- "(3) The organ or organs of authority of the central government to perform the executive and legislative functions.
- "(4) Local organs of authority.
- "(5) Judicial organs.
- "(6) Political policies.
- "(7) Economic policies.
- "(8) Educational and cultural policies.

"With full consideration to the views of Korean parties and groups, the Joint Commission will draw up its proposals for the formation and organization of the Korean Provisional Government.

"After the Joint Commission has completed its proposals for the Provisional Government they will be presented to the four Powers (United States, U. S. S. R., Great Britain and China) for their consideration before the final decision is made by the Governments of the United States and U. S. S. R. After decision by the Governments, the Provisional Government of Korea will be inaugurated.

"It is expected that Allied guidance will be a long step toward Korean independence. The Allies who made great sacrifices in breaking the power of Japan over Korea must be assured that the Government of Korea will stand and develop in an orderly, democratic manner without undue influence from any outside Power."

Trusteeship

17. The following is the fourth report by the Chief Commissioner of the American Delegation of the U. S.-U. S. S. R. Joint Commission:

"A careful analysis of the Moscow Agreement shows that only misunderstanding can be the cause of the strong objection of some of the people of South Korea to the aid and assistance (trusteeship) provision of the Moscow Agreement. General Hodge has explained this matter as recently as his February 11th statement. The misunderstanding seems to be found in different definitions applied by each individual who objects to the word 'trusteeship.'

"The principle of 'self-determination,' as included in the 14 points proposed by President Wilson at the Paris Peace Conference after World War I, visualized a willingness of a nation which determined its own form of government to become a peaceful, law-abiding and cooperative member of the League of Nations. The League of Nations would guarantee the status quo of its member nations as regards interference by other nations.

"The Allied leaders who signed the Moscow Agreement visualized a troubled postwar world, a world in which small nations not protected by a League of Nations or other international agency might become the prey of more powerful nations seeking strategic frontiers or economic advantage.

"In order to assure protection of such nations, who without armies and navies for their own protection must be secured by others, the United Nations Organization was proposed. Until the United Nations could become a powerful operating agency, it was necessary to guarantee security to those smaller nations unable to secure themselves. Under the Moscow Agreement, Great Britain, China, Russia and the United States guaranteed for a limited period of time the security and complete independence of Korea in the postwar world. This is the first meaning of 'trusteeship.'

"In order that the world may live at peace, it is essential that all nations of the world remain stable. Should a small nation become shaken by internal dissension and disorder, it becomes a threat to the peace of the world. We are all aware that the technical knowledge and management experience required to guide such development is in some degree lacking to Korea because of the long domination and oppression. In order to insure a healthy, normal development of Korea which would enable it to participate on an equal basis of competition with other nations of the world and to assure internal peace and tranquility during this period of growth and progress, the four Powers, in guaranteeing independence under the Moscow Agreement, undertook to aid and assist Korea for a period not to exceed five years during this development. This is the second meaning of the word 'trusteeship' as it appears in the Moscow Agreement.

"The Korean people have been dominated by the Japanese and prior to that by an absolute monarchy for such a long time that they are, in general, unfamiliar with democratic procedures and ideals. It is perfectly natural, therefore, that a few political leaders thinking primarily of the present rather than the future of their party and country should endeavor to appeal to the hatred which the average Korean holds for the word 'trusteeship' in order to gain political advantage. Such cheap political maneuvering, while aiding the immediate objective of the political leader, cannot but injure his ultimate prestige because he is misleading the people and, in fact, delaying the achievement of that independence which they all so justly and naturally desire.

"The details of 'trusteeship' and the exact manner in which it shall be exercised was not stated in the Moscow Agreement nor is it yet known to anyone. This is a matter which must be worked out under Paragraph 3 of the Moscow Agreement between the Joint Commission and the Provisional Government of Korea. Even after these agencies in cooperation determine the degree of helping and assisting 'trusteeship,' and define the method of its application, their decision must go to the four great Powers, namely Great Britain, China, Russia and the United States, for confirmation.

"There is no satisfactory translation of the word 'trusteeship' from English or other European languages into the Korean language. The nearest translation into Korean--'shintak'--is both inadequate and inaccurate. 'Trusteeship' does not mean that Korea will be under a foreign protectorate such as that imposed on Korea in 1905 by the Japanese prior to annexation. 'Trusteeship' does not mean that Korea will be a part of the general trusteeship system of the United Nations. 'Trusteeship' does not mean that it will become a mandate under the protection of any foreign power.

As a matter of cold fact, the activity of certain Koreans in appealing to the United Nations for voiding the Moscow Agreement, if successful, could conceivably bring Korea under the United Nations' trusteeship system indefinitely with consequent loss of its sovereignty.

"It will remain the fixed objective of the United States to assure that the Provisional Government to be created under the Moscow Agreement will be one which will adequately and honestly reflect the desires of the Korean people and will work for their advancement toward independence. It is important to bear in mind that this Provisional Government will participate in any negotiations or discussions concerning trusteeship. If any necessity should ever arise for the Korean people to take exception to the extent of trusteeship worked out by their Provisional Government and the Joint Commission, the time when such exception should be taken is after the agreement has been worked out and the exact nature of 'trusteeship' made known. It is only at this time that there can exist any real basis for complaint. At the present time the exact methods for helping and assisting (trusteeship) are unknown and will continue so until worked out by the Joint Commission and the Korean Provisional Government. The furor raised by certain politicians, therefore, resolves itself into objection to a mere word without practical meaning. The only result is to raise a question in the minds of those responsible for assisting Korea to her independence as to the stability and judgment of their political leaders and their ability to take over and control the destiny of their nation."

American Attitude on Korean Independence

18. On 15 February the Commanding General, USAFIK, issued the following statement:

"Since our arrival in Korea the Americans have worked with the Korean people in the preliminary steps essential to an independent Korea. In carrying on this work many thousands of Americans have foregone the privilege of living comfortably at home with their own families in order to aid the Korean cause. They have worked diligently for long hours in a strange land in their efforts to accomplish the American mission of re-establishing a stable, free and democratic Korea to take its place in the family of nations.

"In spite of our mutual aspirations for Korean independence, progress has been slow because of factors which are beyond your control and my power. My personal disappointment in the delays can be measured by your own. But I assure you that I have not given up. I am confident that Korean independence will come and that full cooperation between the Koreans and the Allied Powers will speed the day.

"Korean independence has been pledged by the Allies on more than one occasion. The ways and means of fulfilling these promises were stipulated in the Moscow Decision, agreed to by the Great Powers to carry out concretely their promises. The terms of this decision are far more definite than the phrase 'in due course' as stated in the Cairo Declaration. The Moscow Decision has two objectives: first, the establishment of a Korean Democratic Provisional Government and second, stabilizing the Korean Government and nation by the four Powers through helping and assisting a reborn Korea. As an agent to carry out their will, the signatory Powers set up the Joint U. S.-Soviet Commission to accomplish these two objectives. In making plans to realize these

objectives, the Joint Commission is required to consult with Korean leaders of democratic parties and organizations.

"In April 1946 the Joint U. S.--Soviet Commission during its sessions issued a Joint Communique No. 5 which prescribed a declaration to qualify those who signed it to be consultees with the Joint Commission. Unfortunately, that Joint Commission later adjourned indefinitely over the issue of full freedom of expression advocated by the U. S. delegates.

"In efforts to reconvene the Joint Commission, the U. S. and Soviet Commands in Korea have exchanged several letters. The Americans have always felt that signing the Joint Communique No. 5 is sufficient evidence of willingness to join in carrying out the work of the Joint Commission, and that it should open the door of consultation to those Korean patriots who have a sincere wish to work with and cooperate with the Joint Commission in its highly important task of working out the details for an independent Korea. The Americans have not and will not change their stand on freedom of expression by Koreans in consultation with the Joint Commission.

"The word 'trusteeship' appears to carry a sinister meaning to many patriotic Koreans and is a stumbling block to clear understanding. It means that the Allies will give some form of help and assistance to the new Korean nation, the exact nature of which will have to be worked out by the Joint Commission. It means the maintaining of the stability of the Korean Provisional Government and the development of Korean independence with the assistance of the Allied nations. As stated, the second task of the Joint Commission is to work out the details of this arrangement with the participation of the Provisional Government and democratic groups.

"I am fully aware of the misunderstandings and misinterpretation of the word 'trusteeship' which in the minds of some Koreans has even a connotation of national strangulation and complete subservience to foreign nations. This is absurd, but it illustrates the attitude of many who blindly hate an as yet undefined arrangement. I wish I knew how to cause all Koreans to understand and to place their full confidence in the Allies, who sacrificed so much to liberate Korea and who have pledged Korean independence. I recognize that the idea of sovereignty is sacred to the Koreans. I also know that the intent of the Moscow Decision is to re-establish that Korean sovereignty so firmly that it will not again be threatened.

"I am also sure that these Korean patriots, who insist upon complete sovereignty for their country, would not want to do anything that may hurt their cause. Unfortunately, because of the riots last fall in Southern Korea, the Allies' confidence in the capability of Koreans in maintaining law and order may already have been somewhat shaken. Any movement, no matter how noble and patriotic the intentions may be, if it brings about disturbances or disorders, can only put a stigma on Korea. Korean leaders must understand that there are persons both inside and outside of Korea who would welcome disorders so that they might aggrandize their personal ends.

"Throughout history all successful patriotic movements were conducted in proper timing. Likewise, Korean patriotic movements should be well timed. During the past year a majority of Koreans made it clear to the world that they dislike the term 'trusteeship.' Disorders arising from well-intentioned 'peaceful demonstrations' can only militate against the interest of Korea

and delay the advent of full sovereign independence. My superiors and the U. S. Government officials are fully aware of the interpretation placed on the word 'trusteeship' by a large number of the Korean people. The attitude of the opponents to the term is well known throughout the world. However, I feel that Koreans should welcome the reopening of the Joint Commission and be anxious to help it establish a democratic Provisional Government with the consultation of Korean leaders. When the detailed measures for 'helping and assisting' come under consideration, it is expected that Korean consultees will express clearly their opinions as to the character of these measures. By doing so, the Korean Provisional Government and the Korean leaders will make a constructive contribution in determining the nature and terms of help and assistance for a reborn Korea and in guiding the future of their country.

"We must bear in mind that the Korean problem has an international aspect. Neither you nor I can change a word of the Moscow Decision. Some Koreans seem to believe that a nationwide movement against 'trusteeship' may impress the signatory Powers so as to change the agreement. There is no guarantee but that the effect may be quite different. It is far more important to utilize an already existing international agreement to unite your nation, to get your Provisional Government and to establish your independence than to continue social turmoil over the use by the great Allied Powers of an instrument that is still to be worked out with the participation of your own patriots.

"I earnestly urge that you not bring about unpatriotic consequences through an ill-advised patriotic movement and that you discontinue agitation that can only delay the establishment of a Provisional Government for a united Korea.

"I give you this message, not only in the official capacity of Commanding General of the American Forces in Southern Korea, but also as a warm and personal friend of Korea and her people, as one who is working constantly and without stint for the independence of your nation. I firmly believe that when Koreans unite together and cooperate with the efforts of the Allied Powers, the aspirations of the 30,000,000 people will soon be fulfilled."

FOREIGN AFFAIRS

Chinese Representative

19. On 5 February Liu Yu-won, official representative of the Chinese Government, arrived in Seoul and took up quarters in the former Chinese Legation.

SECTION 2
PUBLIC SAFETY

C O N T E N T S

	Paragraph
Law and Order	1
Police.	2
Prisons	6
Fire.	7
Internal Security	8

LAW AND ORDER

1. No demonstrations or disorders were reported in South Korea during February. Labor disputes were scattered and without violence. Classes in middle schools in Seoul and four other cities were interrupted by student strikes.

POLICE

Police Conference

2. At their first conference held 7 and 8 February at the National Police College in Seoul, chiefs of police divisions in South Korea discussed problems confronted in maintaining public order and in establishing a democratic police force.

Dr. P. O. Chough, director of the Department of Police, Kim Yong Mu, chief of the Supreme Court, Ree In, Attorney General, Rui Tong Yul, director of the Department of Internal Security, the Military Governor and more than 150 policemen attended the conference.

Public Relations Section

3. A Public Relations Section was established in the Department of Police to aid in acquainting the public with the duties and functions of the police.

Antinarcotics Campaign

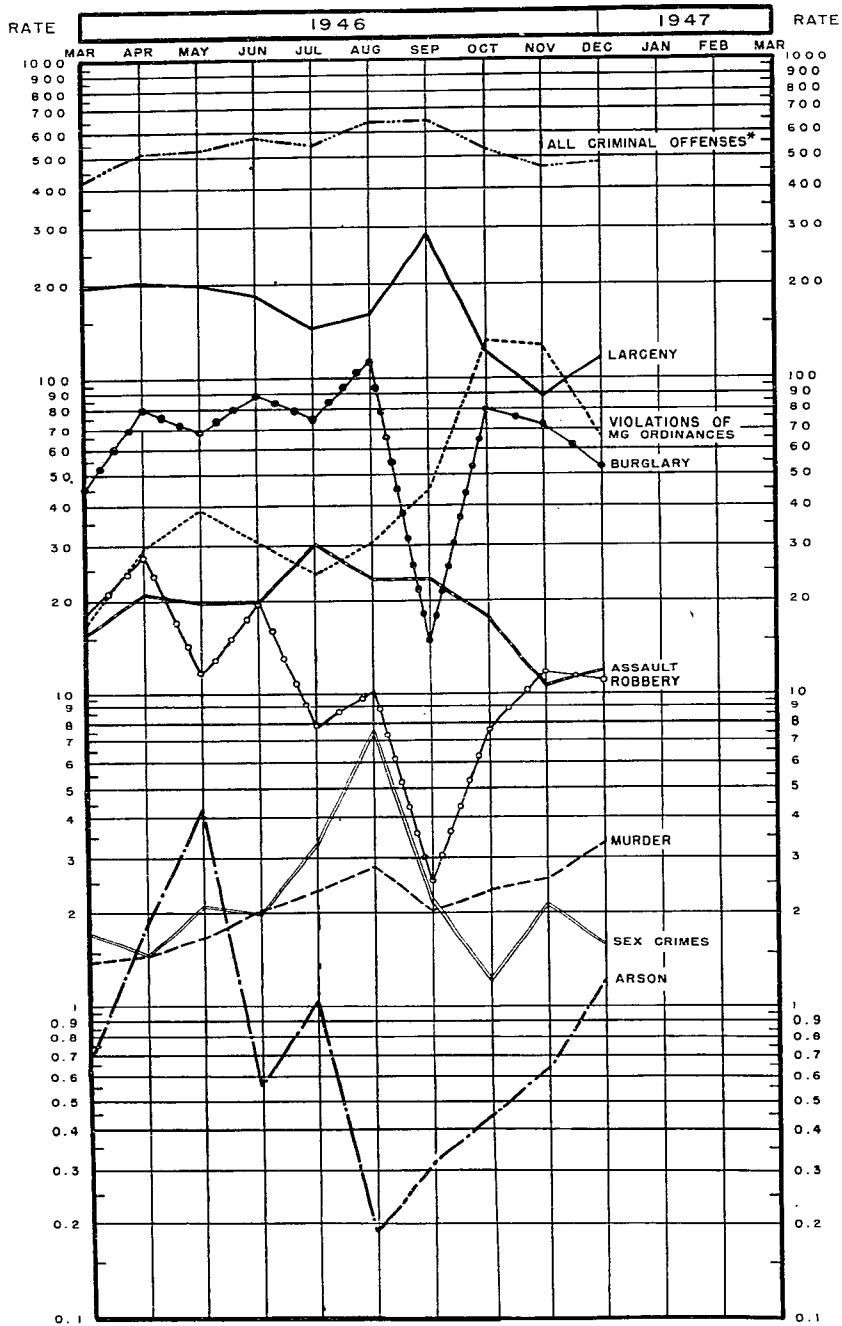
4. The new narcotics squad of the National Police, cooperating with the narcotic agency of the Department of Public Health and Welfare, is making a vigorous campaign against use of drugs and narcotics.

Crime

5. Criminal offenses reported in December totaled 7,505, a slight increase over November but continued below the August-September high. Larceny was the most frequent offense with 1,821 cases reported.

CRIMINAL OFFENSES

RATE/100,000 POPULATION/ANNUM



* "ALL CRIMINAL OFFENSES" INCLUDE MISCELLANEOUS OFFENSES NOT SEPARATELY SHOWN
 NOTE: ON SEMI-LOGARITHMIC CHARTS EQUAL RISES OR FALLS INDICATE EQUAL PERCENTAGE CHANGES
 SOURCE: USAMGIK.

GHQ-FEC

SOUTH KOREA FEB 47

NUMBER 1

PRISONS

Prison Camps

6. Inspection indicated considerable progress at the new Taegu and Pusan prison camps. Both camps are already being used.

FIRE

Fire Prevention Day

7. The first Tuesday of every month will be observed as Fire Prevention Day in Seoul. All media of expression are to be utilized to gain public cooperation in eliminating fire hazards.

INTERNAL SECURITY

Paragraph

Korean Coast Guard.	8
Korean Constabulary	11

KOREAN COAST GUARD

8. The formal opening of the Korean Coast Guard Academy, the start of training by the Academy's new class of midshipmen and the christening of the cutter "Admiral Lee" all took place at Chinhae on 7 February.

The Military Governor made the following address to the new class of midshipmen at the formal opening of the Academy:

"It gives me great pleasure to be here today for the formal opening of the Korean Coast Guard Academy and to greet the new class of midshipmen.

"Korea is in great need of men with knowledge of the sea, capable of leadership and ready to accept the responsibility that goes with leadership. The aim of this Academy is to produce such men and the future officers of the Coast Guard.

"The superintendent of this Academy, Lieutenant Commander Kim Il Byong, has been carefully chosen for his scholarly achievements, his demonstrated leadership and his unquestioned patriotism and loyalty to Korea.

"I have every hope that this Academy will graduate young men with sound bodies, stout hearts and alert minds with a liking for the sea and its lore, these men to be well grounded in the sciences, seamanship, navigation, and the courtesies and conduct that are expected of officers among all civilized nations."

On the occasion of the christening of the Korean Coast Guard Cutter "Admiral Lee," the Military Governor said:

"This fine ship which has just been commissioned into the service of the Coast Guard is named after one of Korea's most distinguished heroes. That hero, Admiral Lee, saved Korea during one of her darkest moments 350 years ago by his daring seamanship, his resourcefulness, and his outstanding leadership.

"It is proper that this first steel ship built in Korea after the liberation of Korea from the Japanese yoke should be named after that hero. Admiral Lee designed the first ironclad vessel and successfully used it to completely destroy the enemies of Korea on the sea.

"Korea is engaged in an all-out effort to rebuild herself as a nation to overcome the effects of many years' oppression by the Japanese. A critical part of this effort is being performed by the Coast Guard which is charged with the duty of suppression of smuggling and piracy in Korean waters, as well as aiding and assisting vessels in legitimate trade.

"Under the able leadership of Captain Song Won Yil the Coast Guard is now an efficiently functioning bureau of the Government of Korea. Captain Song has been greatly assisted in the accomplishment of this mission by the commander of the service forces, Commander Kim Seung Sam, who has successfully coordinated the supporting forces consisting of the shipyard, Academy, Training Station, supply depot and hospital.

"Five bases and 18 ships are now operating in the service of the Coast Guard. In addition there are a number of small vessels. The 'Admiral Lee' is the nineteenth major ship to join the Coast Guard Fleet."

Base at Pohang

9. A Coast Guard base was established at Pohang with the cutter "Chounchon" operating from that base.

Illegal Transport of Cargoes

10. Four ships seized while transporting cargoes of rice, gasoline and other vital items smuggled out of South Korea were brought to Korean ports by prize crews of the Korean Coast Guard during January.

KOREAN CONSTABULARY

Class in Basic English

11. Constabulary members are now attending a class in Basic English four evenings each week in Seoul.

Presentation of Insignia

12. On 25 February at Seoul the Military Governor invested new officers of the Korean Constabulary with their insignia of rank with appropriate ceremonies.

COMMANDER-IN-CHIEF
FAR EAST

SUMMATION
of
UNITED STATES ARMY
MILITARY GOVERNMENT
ACTIVITIES
in
KOREA

Number 17

February 1947

PART III

ECONOMIC

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SECTION 1

NATURAL RESOURCES

C O N T E N T S

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Agriculture	1
Fisheries	4
Forestry.	7
Mining.	10

AGRICULTURE

Production Goals

1. South Korea's agricultural production goals for nine principal crops in 1947, depicted on chart, next page, show a decrease in the planted area of rice, attributed to summer floods reducing the planting area, but substantial gains in areas of millet, sorghum and corn.

In setting the goals the Department of Agriculture in South Korea anticipates delivery of considerably larger imports of fertilizer and farm supplies.

CROP PRODUCTION 1947

	<u>Acres</u>	<u>Bushels</u>	<u>Bushels Per Acre</u>
Paddy rice	2,826,865	86,626,672	30.6
Barley	1,231,715	25,126,197	20.4
Naked barley	573,575	7,873,846	13.7
Italian millet	483,282	6,145,240	12.7
Wheat	249,664	5,314,208	21.3
Sorghum	98,024	1,257,625	12.8
Corn	56,442	756,524	13.4
Barnyard millet	16,419	188,364	11.5
Glutinous rice	6,371	77,235	12.1

SOURCE: Department of Agriculture.

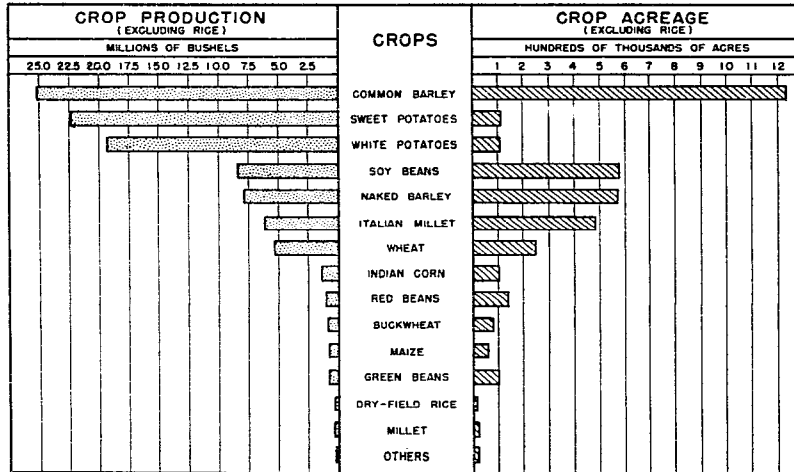
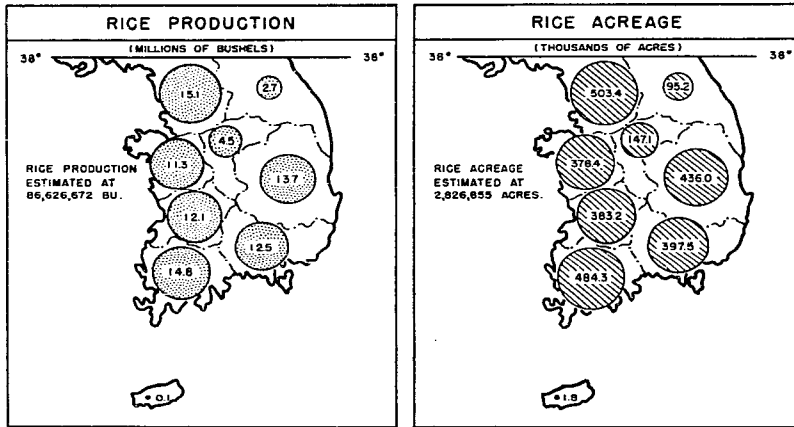
Livestock

2. Further revision of South Korea's livestock plan for 1947 increases horses from 34,142 to 38,071 and work cattle from 661,181 to 724,013. An estimated 960,000 work cattle are required in South Korea.

3. Seoul and Kyonggi-do in 1946 slaughtered 32,288 cows and 8,065 pigs.

1947 AGRICULTURAL ESTIMATES

PRINCIPAL FOOD CROPS



SOURCE: USAMGIK.

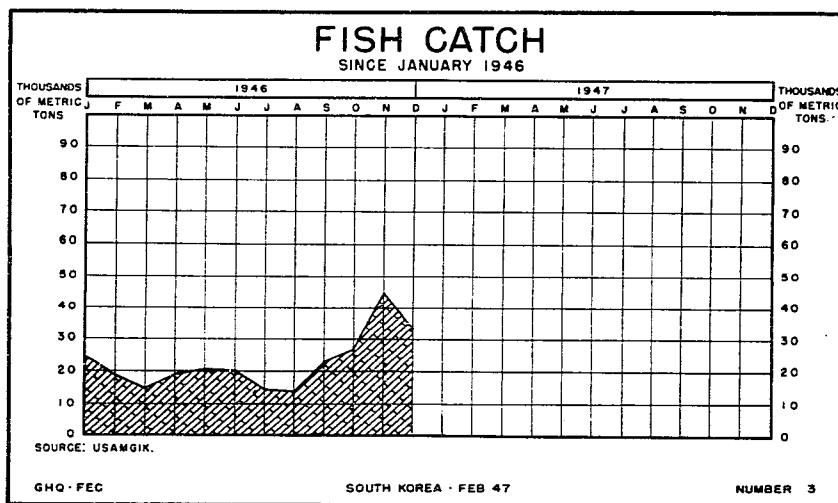
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SOUTH KOREA · FEB 47

NUMBER 2

FISHERIES

4. Fish landed in South Korea in December totaled 33,609 metric tons, 11,100 tons less than in November.



Marine Products

5. Marine products processed in South Korea in December totaled 100,690 kilograms, 8,250 less than in November.

PROCESSED MARINE PRODUCTS December (kilograms)

Eel	43,240
Shrimp	35,490
Fujiko (sea cucumber)	5,940
Sardine	4,020
Seaweed	3,180
Salted fish	3,000
Dried sea slug	2,560
Agar-agar	1,200
Miscellaneous dried fish	710
Boiled dried sardine	660
Dried abalone	510
Shark fin	<u>180</u>
Total	100,690
Canned mackerel (dozen cans)	5,641
Canned abalone (dozen cans)	64
Miscellaneous canned fish (dozen cans)	4,397

Sale of Fishing Vessels

6. Eleven fishing vessels were sold by the Materials Control Corporation to four fishing associations and highest bidders at a public sale.

FORESTRY

Lumber Production

7. November lumber production in South Korea totaled 1,409,880 board feet, a gain of 230,520 over October. Of the total, 1,097,520 board feet was beam and 312,360 was board.

Nurseries

8. The planned forest nurseries area for 1947 has been increased to 2,776 acres, a gain over 1946 but still insufficient to meet seedling requirements.

Forest Policy

9. Enlarged forest areas, better cutting practices, less industrial consumption of wood and prevention of erosion are contained in plans to rehabilitate and improve South Korea's forestry industry in 1947.

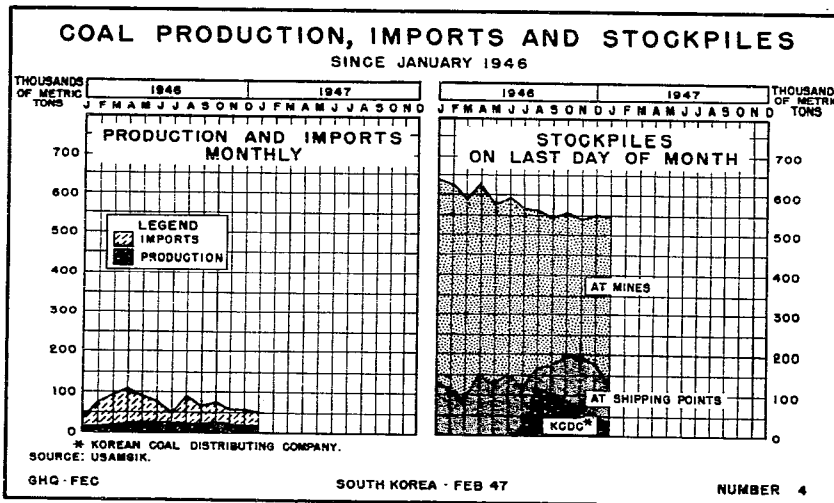
MINING

Coal Production

10. January coal production totaled 17,000 metric tons, 3,000 tons under the revised December production.

Coal Stockpiles

11. Coal stockpiles in January were 498,000 metric tons, 52,000 tons less than the revised December total.



Coal Sales and Stockpiles

12. February anthracite and bituminous coal sales totaled 79,525 metric tons. Of the 37,518 tons of anthracite sold, dust coal comprised 35,670 tons and lump 1,848. Bituminous sales totaled 42,007 tons and lignite sales 1,596 tons.

January bituminous and anthracite stockpiles declined 26,343 metric tons but lignite increased 704 tons. Anthracite lump dropped from 5,047 metric tons in December to 1,929 in January and anthracite dust from 35,829 to 31,176.

Bituminous coal fell from 23,319 metric tons as of 31 December, when a coal shipment at the end of the month bolstered stockpiles, to 10,733 as of 31 January. Lignite stockpiles climbed from 2,529 metric tons in December to 3,233 in January.

Tungsten

13. Tungsten production in South Korea in 1946 totaled 424 metric tons, with a high of 85 metric tons in March.

Graphite and Talc

14. Crystalline graphite produced from August to December totaled 204 metric tons. Talc production in the same period was 460 tons.

SECTION 2

INDUSTRY

C O N T E N T S

	Paragraph
Heavy Industries and Manufacturing.	1
Textiles.	15
Labor	18

HEAVY INDUSTRIES AND MANUFACTURING

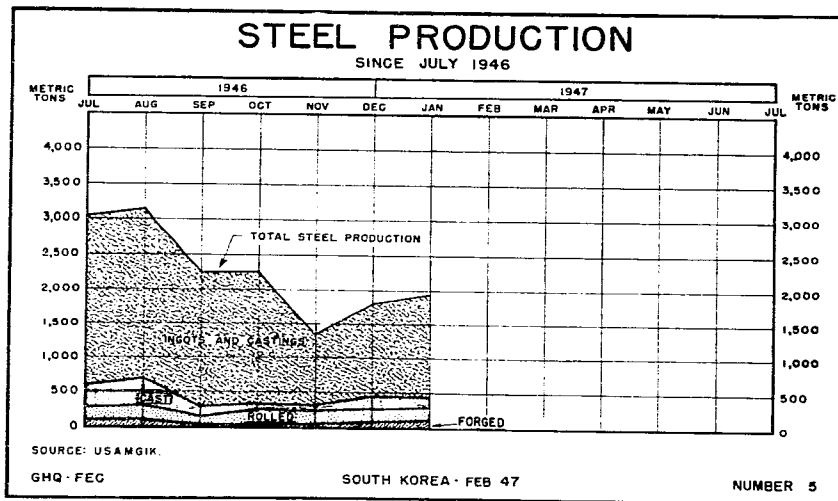
1. The scarcity of raw materials continued to cause a shortage of consumer goods.

National Economic Board

2. The National Economic Board, meeting for the first time on 29 January, discussed production goals for agriculture, revision of food shipping schedules, and aid to the copper-mining industry.

Metal Industry

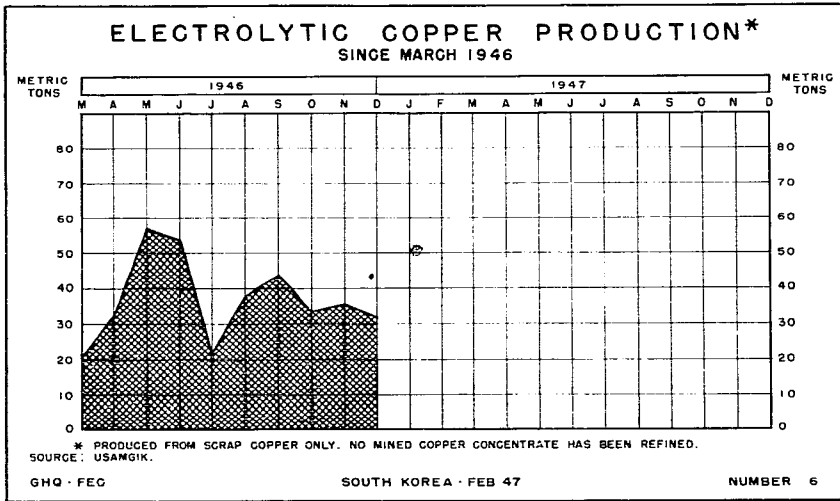
3. January steel production increased due to increased coal production in December.



4. Electrolytic copper output in December totaled 32 metric tons, all produced from scrap copper. See chart, top of following page.

Fertilizer

5. Due to the lack of liquid ammonia the Chosen Chemical Fertilizer Company at Inchon will be closed temporarily.



Alcohol

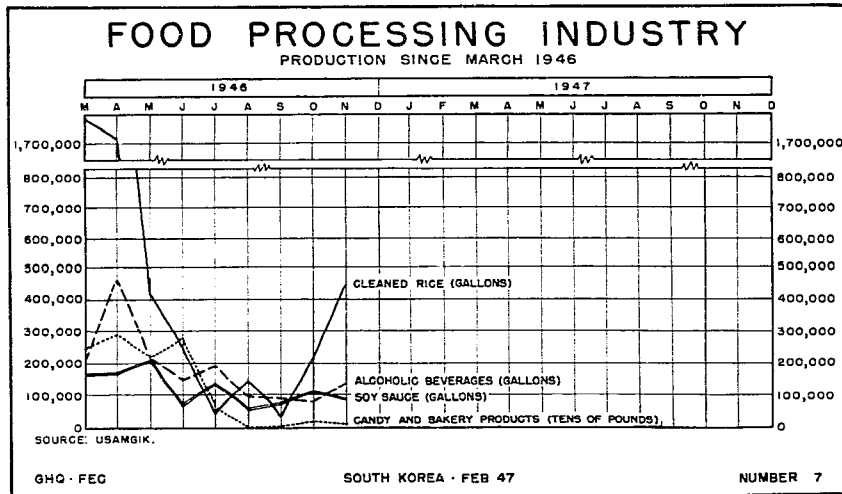
6. Current production of medical alcohol averages 1,000 gallons per day.

Food Processing

7. Due to the lack of soft cloth, flour mills are operating at approximately two thirds of capacity.

Noodle factories operated at full capacity and contributed materially to the total quantity of foodstuffs produced.

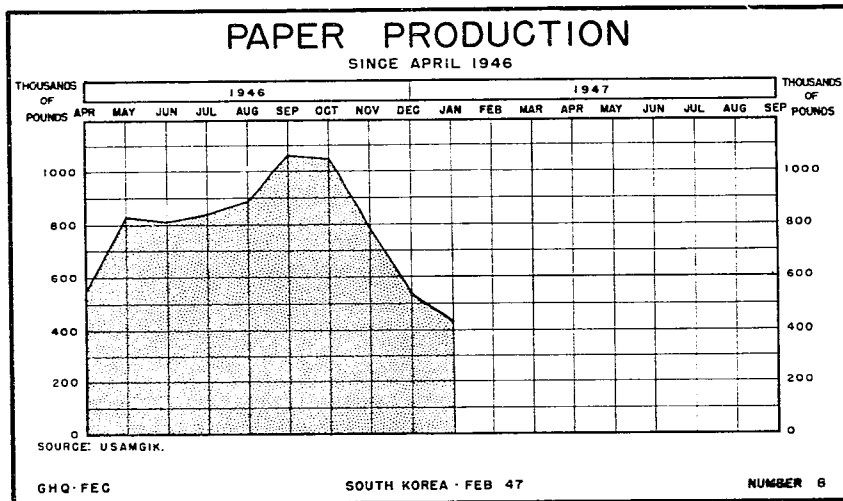
8. Canning operations were at a low level because of shortages of cans and raw materials and the lack of proper equipment.



9. Due to the shortage of coal the Kirin and the Chosun Beer Companies ceased operations.

Paper

10. Paper production in January amounted to 433,105 pounds with one mill not reporting. Total production is estimated at approximately 450,000 pounds. In the last four months the paper output of South Korea has dropped 600,000 pounds and at present only three and one-half percent of the paper needs of South Korea are being met.



The felt roll covers ordered from Japan arrived in Seoul for installation in the Hokusun Paper Mill. It will take 20 days to make them ready for use. The industry continues to face a serious shortage of wet felts and pulp. Present operations are dependent upon scrap-paper collection and without imports face a complete shutdown within two months.

The Department of Commerce reported paper stocks so low that newspapers will not receive any ration in March.

Consumer Goods

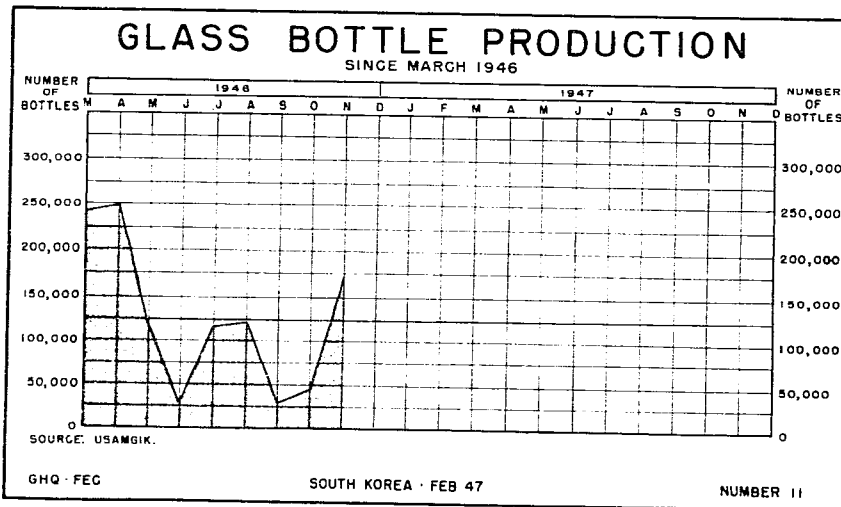
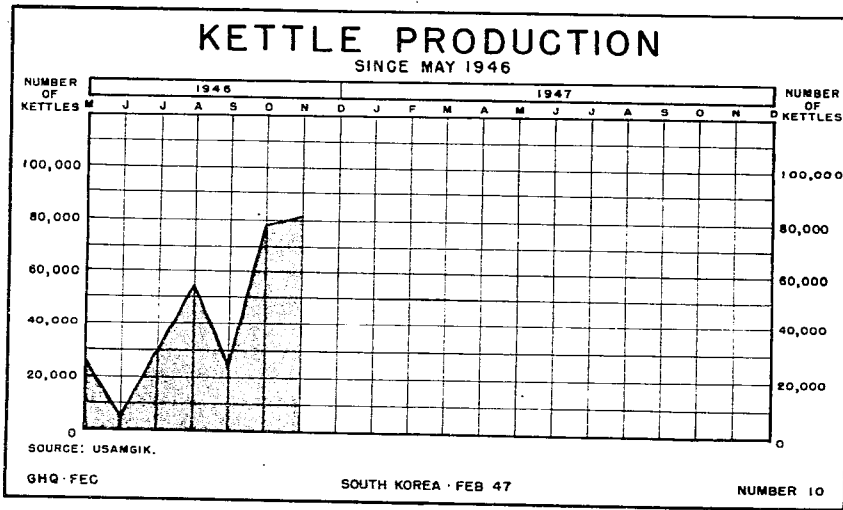
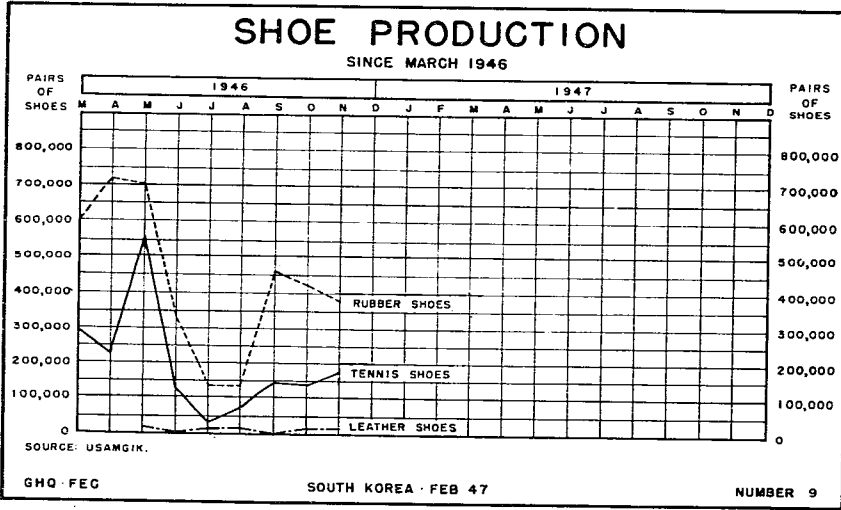
11. Output of consumer goods varied, depending on the supply of raw materials to the individual industry. Production of tennis and leather shoes increased while the acute rubber shortage caused a large drop in output of rubber shoes. See the charts on the following page.

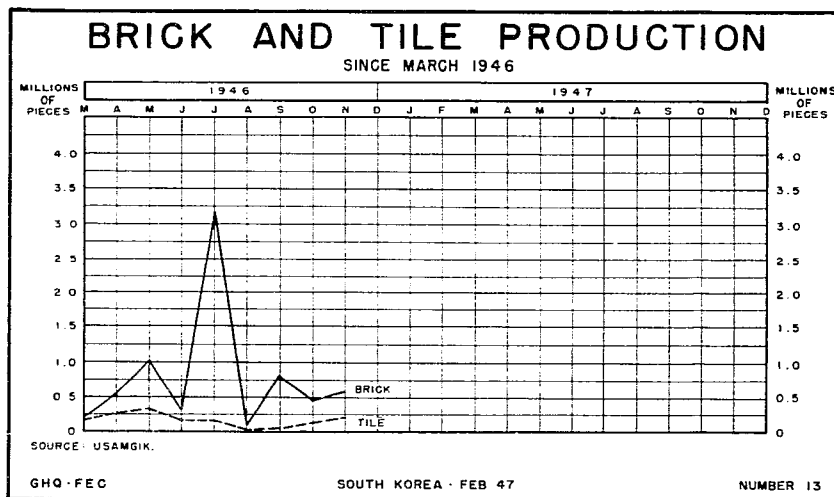
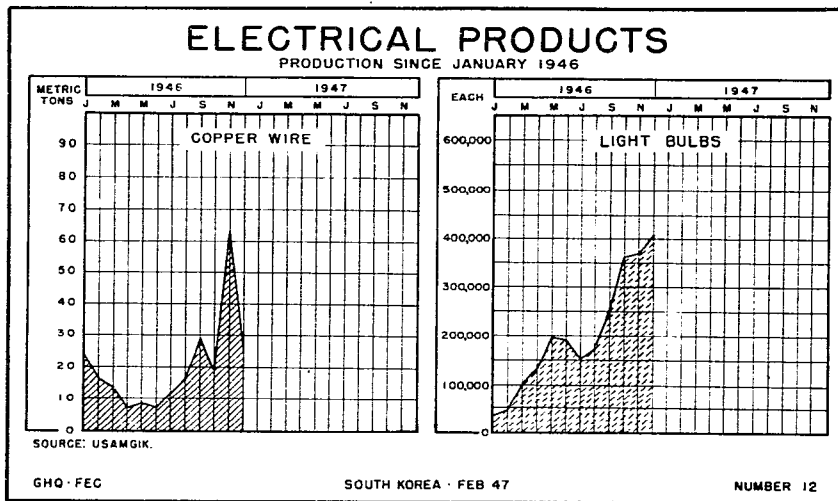
Electrical Products

12. Continuing its fluctuating trend electric bulb production dropped sharply. Transformer output increased. See chart No. 12, page 41.

Building Materials

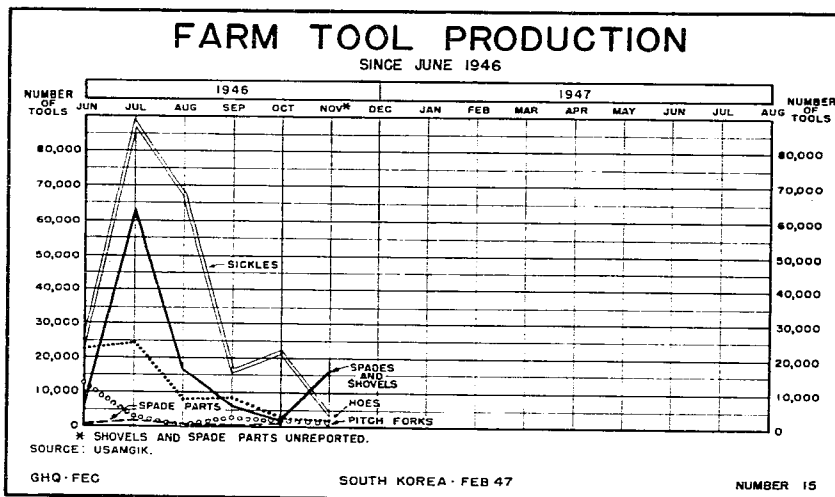
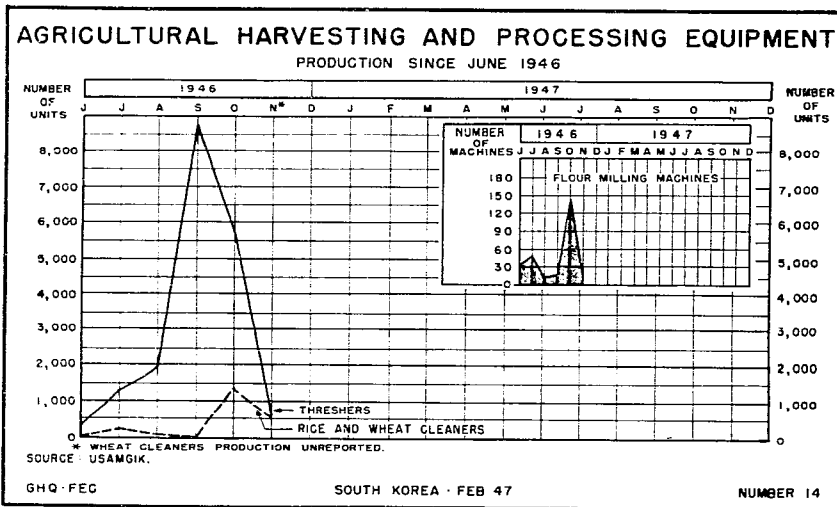
13. Keeping pace with Korean reconstruction, output of brick and tile increased in November. Note chart No. 13, page 41.





Agricultural Equipment

14. With the needs of the harvesting season satisfied, production of most agricultural implements declined, as shown in the following two charts.



TEXTILES

15. Conditions in the textile industry typify those affecting Korean industry as a whole, with shortages of raw materials, obsolete equipment, rising prices with consequent demands for higher wages, and daily increasing production costs.

Sericulture

16. A conference of provincial sericulture technicians and filature representatives was held at Seoul 10-12 February.

Topics discussed included the production and distribution of silkworm eggs and mulberry seedlings, mulberry acreage, the collection of cocoons and financial matters.

Dry Cocoon Stocks

17. On 1 February stocks of dry cocoons amounted to about

3,235,900 pounds. This quantity is considered sufficient for eight months' filature operations at current capacity.

ANNUAL SILK COCOON PRODUCTION
(kilograms)

	1940-1944 <u>Average</u>	1945 <u>1945</u>	1946 <u>1946</u>
Kyonggi-do	1,159,744	437,295	385,001
Chungchong-pukto	843,056	429,173	358,991
Chungchong-namdo	1,311,143	945,401	604,774
Cholla-pukto	1,378,387	437,233	622,906
Cholla-namdo	1,522,710	603,304	622,076 ^{a/}
Kyongsang-pukto	3,054,641	2,721,397	1,884,622
Kyongsang-namdo	1,169,700	580,928	610,339
Kangwon-do	<u>1,044,574</u>	<u>635,282</u>	<u>727,579</u>
Total	11,483,955	7,090,013	5,816,288

^{a/} Estimated. Includes Cheju-do.

LABOR

Labor Relations

18. During February representatives of the Department of Labor participated in the mediation of several labor disputes.

Labor Education

19. Orientation and educational programs in factories and industrial establishments continued during February. Programs stressed the necessity of cooperation between employees and management and the advantages to be gained from discussion of disputes prior to action being taken by either side.

Employment and Unemployment

20. Lack of raw materials contributed to the number of idle factories. A total of 775 factories with 43,868 employees were operating in November. The chemical and machine industries employed the largest number of workers.

INDUSTRIAL EMPLOYMENT STATISTICS
November

<u>Number of Employees</u>	<u>Operating</u>	<u>Idle</u>	<u>Total</u>
5 - 50			
Factories	616	162	778
Employees	11,296	1,720	13,016
51 - 100			
Factories	80	5	85
Employees	5,438	343	5,781
101 - 150			
Factories	21	2	23
Employees	2,582	251	2,833
151 - 200			
Factories	14	1	15
Employees	2,479	160	2,639

<u>Number of Employees</u>	<u>Operating</u>	<u>Idle</u>	<u>Total</u>
201 - 250			
Factories	13	1	14
Employees	2,854	220	3,074
251 - over			
Factories	31	2	33
Employees	19,219	561	19,780
Total			
Factories	775	173	948
Employees	43,868	3,255	47,123

INDUSTRIAL EMPLOYMENT STATISTICS BY INDUSTRY
November

<u>Industry</u>	<u>Factories</u>		<u>Employees</u>	
	<u>Operating</u>	<u>Idle</u>	<u>Operating</u>	<u>Idle</u>
Food processing	170	103	9,577	1,193
Textile	115	37	9,579	1,392
Chemical	213	9	12,618	235
Machinery and electric	242	17	11,307	306
Lumber	<u>35</u>	<u>7</u>	<u>787</u>	<u>129</u>
Total	775	173	43,868	3,255

Wages

21. Meetings of the Wage Rates and Incentives Board of the National Labor Council continued during February. A study of price ceilings on essential commodities, availability of commodities and possible revision of present wage scales is being made. See chart on following page.

22. South Korea expended ¥ 146,898,020 in public-works projects in 1946.

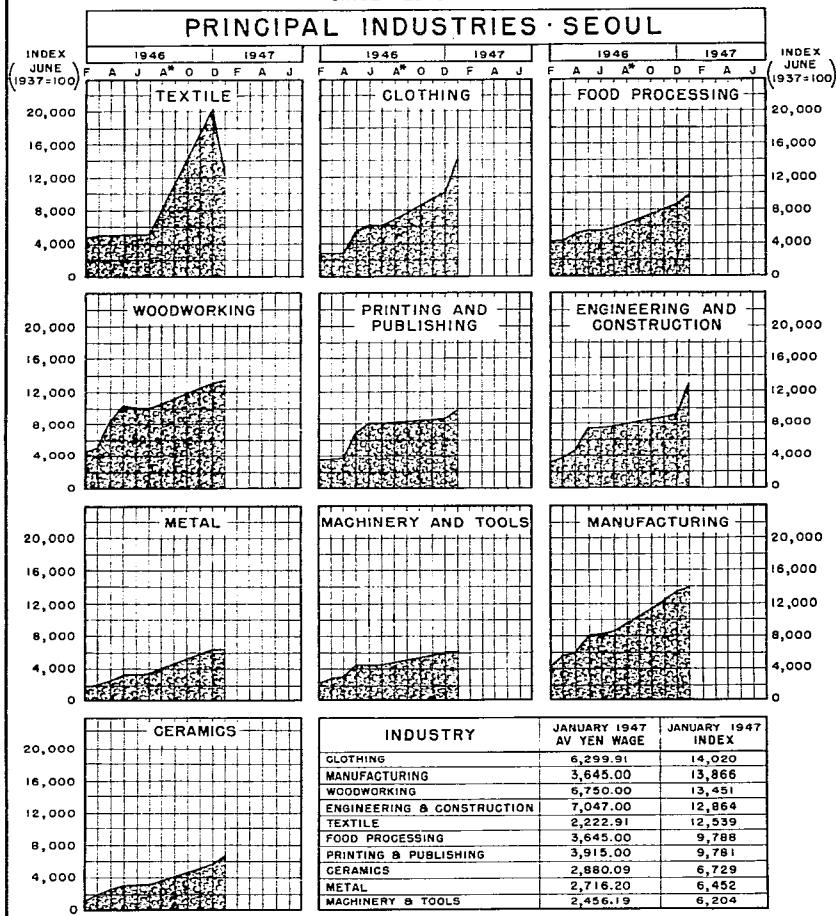
PUBLIC WORKS PROJECTS
1946

	<u>Number</u>	<u>Laborers</u>	<u>Cost (yen)</u>
Road surfacing	466	947,906	66,984,060
Retaining walls	378	236,402	20,737,660
Bridges	192	326,875	45,396,820
Culverts	304	62,031	9,426,420
Drainage	<u>318</u>	<u>53,380</u>	<u>4,353,060</u>
Total	1,658	1,626,594	146,898,020

WAGE** INDEXES

SINCE FEBRUARY 1946

PRINCIPAL INDUSTRIES - SEOUL



* DATA NOT AVAILABLE AUGUST THROUGH NOVEMBER 1946.
 ** WAGES INCLUDE COMMODITIES PAID IN LIEU OF, OR IN ADDITION TO, MONEY.
 SOURCE: USAMGIK.

GHQ-FEC

SOUTH KOREA - FEB 47

NUMBER 16

SECTION 3

COMMERCE

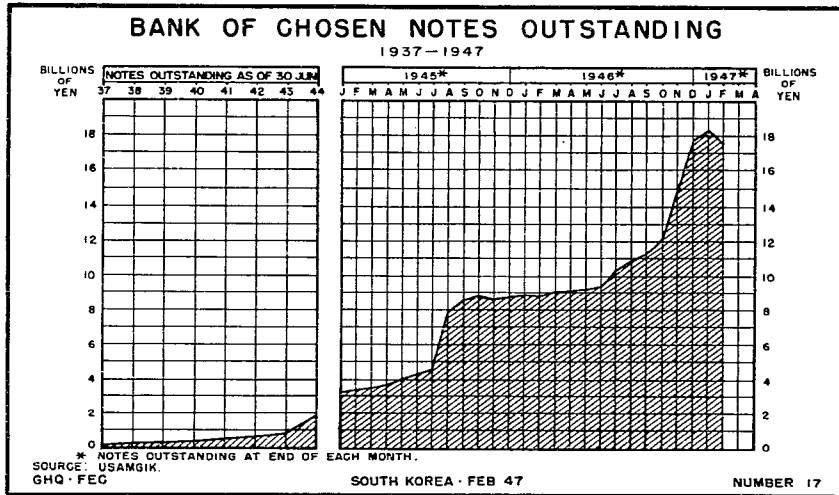
C O N T E N T S

	Paragraph
Finance	1
Government Monopolies	4
Property Control.	5
Imports and Exports	6
Transportation and Public Utilities	11
Communications.	20

FINANCE

Currency

1. Bank of Chosen notes outstanding on 28 February dropped to ¥ 17,689,196,182.90. This decrease of ¥ 588,417,315 during the month constituted the first reversal of the sharp upward trend which began in 1945.

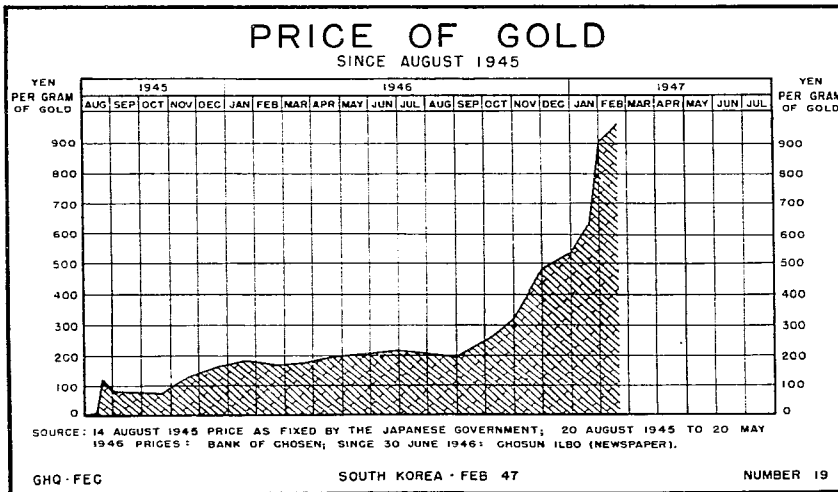
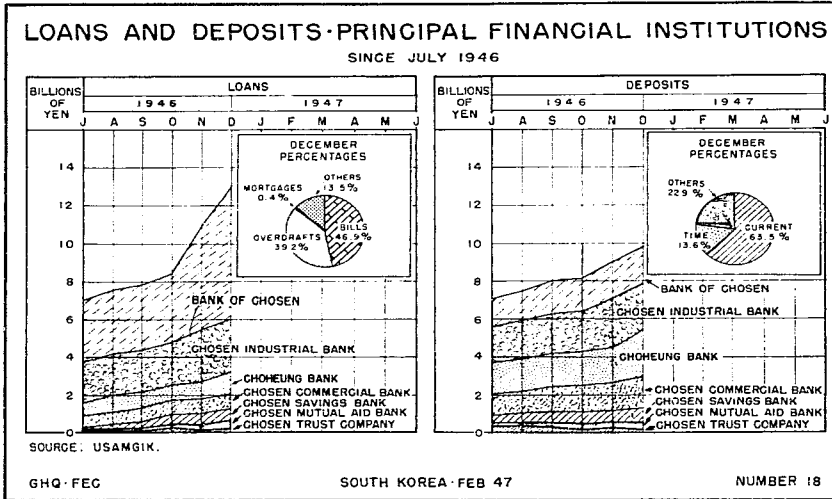


Financial Institutions

2. A marked increase was noted in loans and deposits of principal financial institutions during December, as shown in chart, top of next page.

Price of Gold

3. A slight increase occurred in the free-market price of gold between 25 January and 20 February. Note the second chart on the following page.

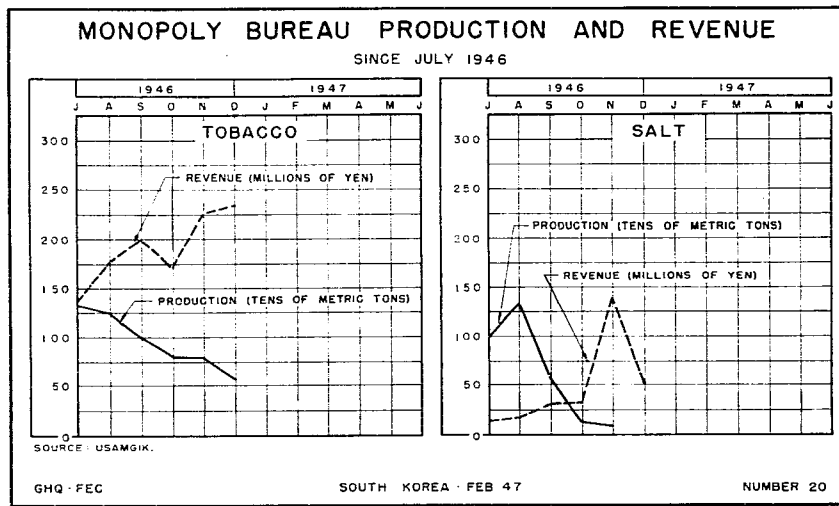


GOVERNMENT MONOPOLIES

Monopoly Bureau

4. During 1946 the activities of the Monopoly Bureau indicated a decrease in the production of salt and tobacco while a marked increase occurred in revenues from these commodities.

The Monopoly Bureau is the government agency controlling production, manufacture and distribution of salt, tobacco, ginseng and opium in accordance with the Monopoly Law and Regulations.



PROPERTY CONTROL

Materials Control Corporation

5. In February the Economic Section of the Department of Commerce processed 122 allocations of captured and abandoned Japanese property in the custody of the Materials Control Corporation.

Miscellaneous small stocks held by the Corporation were liquidated.

Materials were allocated to government departments to assist basic Korean industries.

IMPORTS AND EXPORTS

Trade Figures

6. The value of foreign trade dropped in January due in part to adverse climatic conditions in the Yellow Sea and ice jams in Korean ports.

VALUE OF IMPORTS AND EXPORTS (millions of yen)

	<u>Imports</u>	<u>Exports</u>
September	30.2	3.6
October	54.2	6.6
November	10.8	14.0
December	33.4	38.4 a/
January	12.5	14.9

a/ Approximate.

Trade with the Far East

7. Hongkong has been selected for a liaison office for the sale of Korean products in Far Eastern areas. The decision is regarded as an important development in the foreign-trade program of Korea. Samples of exportable goods are being collected for shipment to Hongkong for display purposes.

Trade with the United States

8. Negotiations continued with the U. S. Commercial Company for the sale of Korean products. Shipments of barley in January accounted for more than half of the imports of foodstuffs from the United States.

FOOD IMPORTS FROM UNITED STATES
(bushels)

	<u>December</u>	<u>January</u>
Wheat	573,330	57,333
Wheat flour	-	204,761
Barley	-	<u>286,665</u>
Total	573,330	548,759

Relief Supplies

9. Relief supplies received from the United States during February included Army surplus fatigue clothing, shoes, bathrobes, hats, sweaters and other articles of wearing apparel.

Restricted Open Port

10. Cheju City, Cheju-do, has been accorded the status of a restricted open port.

TRANSPORTATION AND PUBLIC UTILITIES

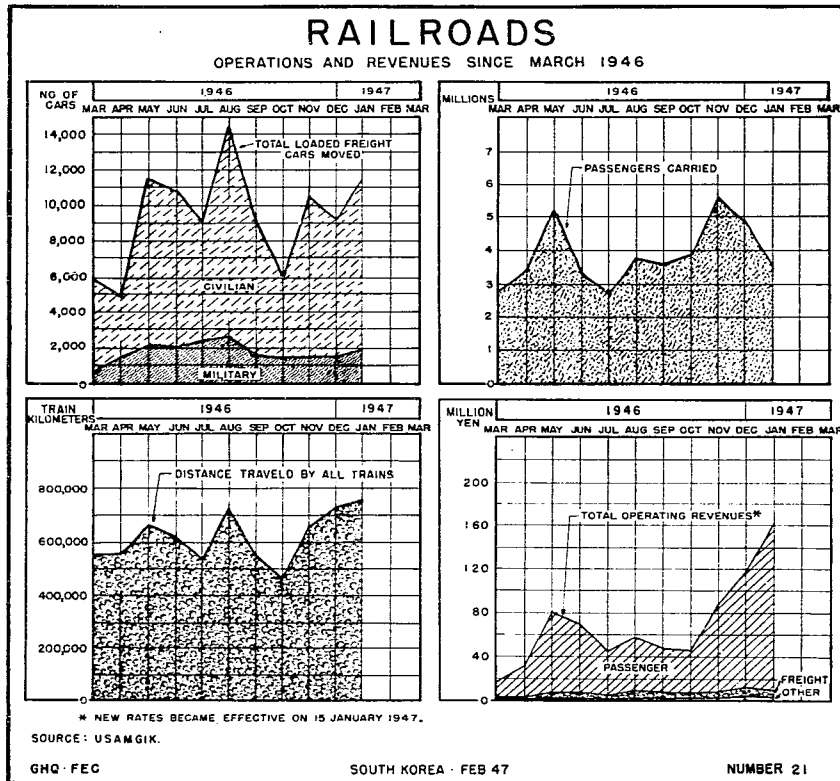
Rail Transportation

11. Absenteeism at the Seoul and Pusan locomotive assembly shops continued high.

12. During February prevailing low temperatures hampered rail and bridge construction.

13. A new timetable for South Korean railroads went into effect 1 February.

14. There was an increase from 734,884 train kilometers traveled in December to 756,353 kilometers in January. Total number of passengers carried decreased.



Motor Transportation

15. All motor vehicles other than U. S. Army vehicles and those owned by American personnel will be licensed under the Korean National License System.

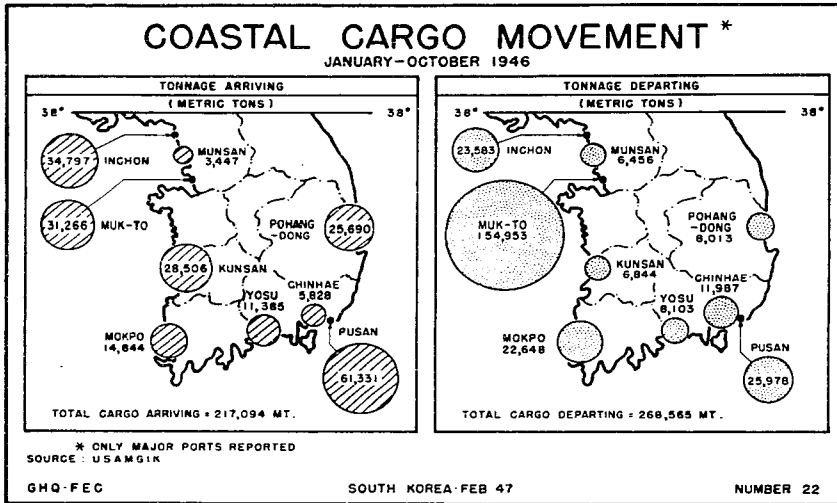
Motor vehicle license plates for 1947 were received by the Department of Police for issue from 1 February through 30 March.

16. On 1 February a meeting of all bus company managers was held to discuss a possible increase in bus fares. An investigation of rates and charges is being made.

Marine Transportation

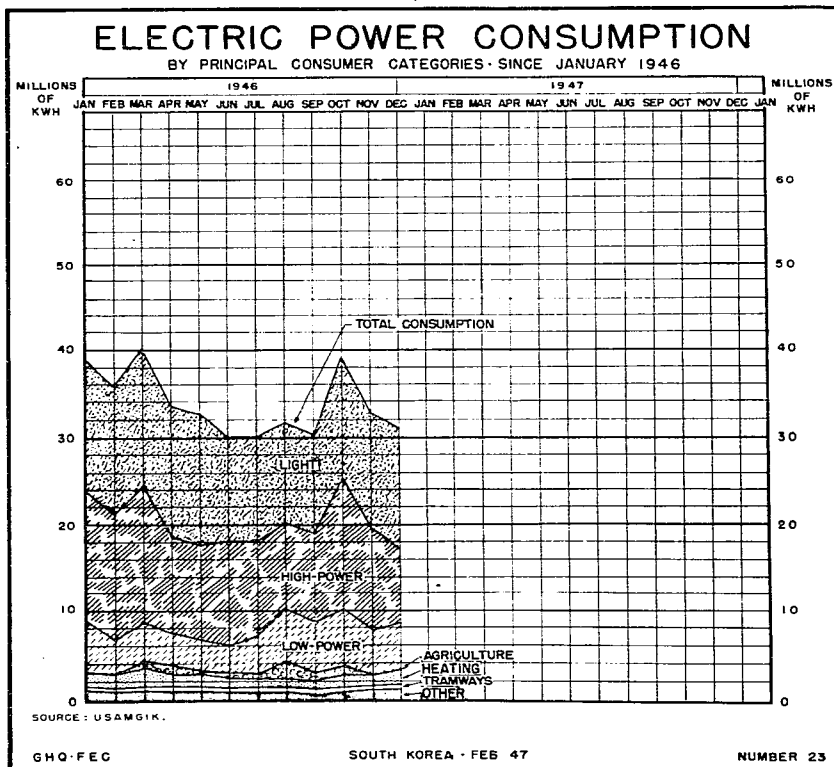
17. Construction is continuing on navigational aids with the cooperation of the Korean Coast Guard.

18. The following chart shows coastal cargo movement for nine major ports for the period January through October 1946.



Public Utilities

19. December consumption of electric power decreased to 30,911,264 kilowatt hours from the November figure of 32,719,000 kilowatt hours.



COMMUNICATIONS

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POSTAL SERVICES

International

20. Postal service between Korea and all other countries was announced on 25 February. Korean international postal obligations, including charges for transportation of mail from Korea on vessels of other than Korean registry, will be settled in United States dollars through such Korean dollar-balance trust fund as may be established with the approval of the Military Government.

21. Mail will be sent from Inchon and Pusan about twice monthly. Only the Korean, Chinese, English, French, Japanese, Portuguese, Russian or Spanish languages may be used.

22. There will be no registered, insured, special-delivery or collect-on-delivery mail.

Business, financial and commercial correspondence will be limited to ascertainment of facts and exchange of information except for transactions authorized by the Military Government.

23. The rate for letters is ¥ 10 for the first 20 grams and ¥ 6 for each additional 20 grams or fraction thereof. Total weight must not exceed two kilograms. The length, breadth and thickness combined must not exceed 90 centimeters, with 60 centimeters the greatest permissible length. When rolled, the length plus twice the diameter cannot exceed 100 centimeters; 80 centimeters is the maximum length.

Post cards will cost ¥ 6 each, and reply-paid cards ¥ 12. Permitted sizes are between 15x10.5 centimeters and 10x7 centimeters.

Commercial paper rates are ¥ 3 per each 50 grams or fraction thereof. The minimum charge is ¥ 10, the weight limit is two kilograms and permissible dimensions are the same as for letters.

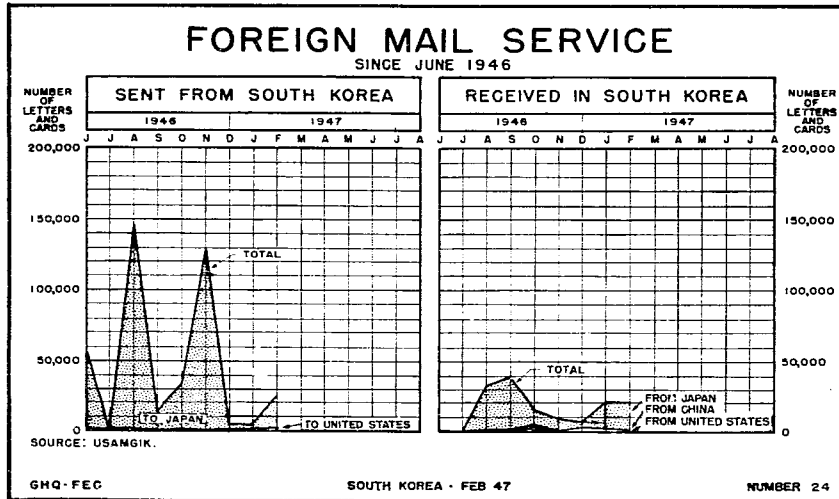
Printed matter rates are the same as for commercial paper except that there is no minimum charge and books may be mailed which weigh three kilograms per volume.

Braille rates are ¥ 2 per 100 grams, limit seven kilograms. Braille cards will bear the same rates as post cards.

Small packets will be sent only to countries willing to accept them at the rate of ¥ 5 per each 50 grams or fraction thereof. The maximum weight is one kilogram; maximum dimensions are the same as for letters.

Samples of merchandise up to 500 grams may be sent at the rate of ¥ 3 for each 50 grams or fraction thereof. The minimum charge is ¥ 5 and the maximum dimensions are the same as for letters.

24. Through 17 February South Korea received 13,134 ordinary letters and 19 registered letters from Japan and sent 350 letters and cards and 17 pieces of printed matter to the United States.



Interzone

25. The amount of mail exchanged between North and South Korea in January was the highest since October when mail exchanges were resumed after the cholera epidemic.

INTERZONE MAIL EXCHANGE

	From North Korea to South Korea			To North Korea from South Korea		
	Letters	Post Cards	Registered	Letters	Post Cards	Registered
January	9,189	2,926	1,452	24,174	6,914	1,443
8 February	3,169	769	358	13,179	3,295	545
22 February	3,310	600	492	8,119	2,890	598

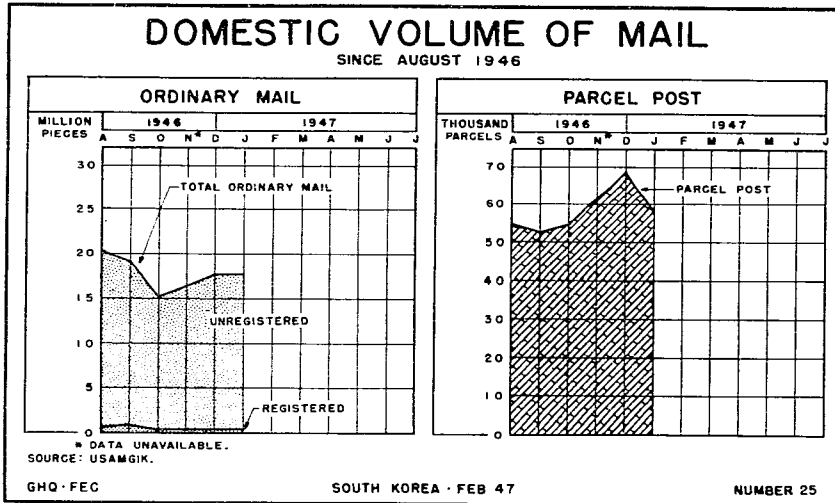
Domestic

26. During January post offices handled 17,151,029 ordinary letters, 488,409 registered letters and 58,355 parcels. Note the chart, top of facing page.

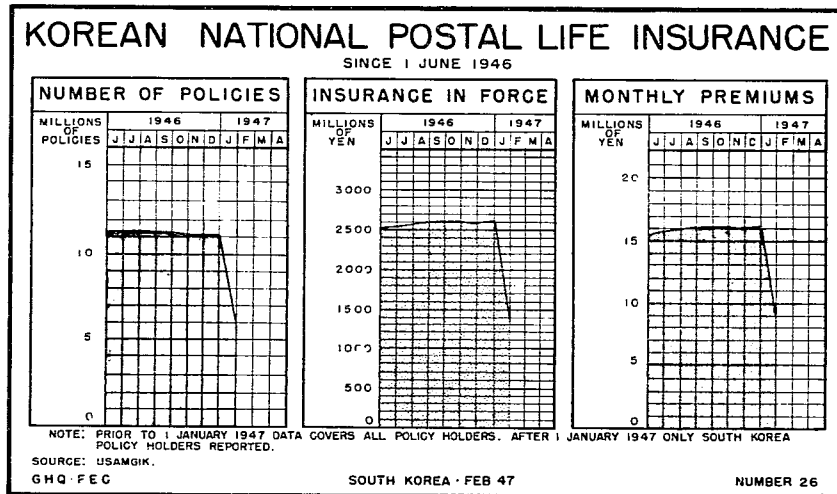
27. Stamp sales increased from ₩ 2,181,082.03 in December to ₩ 2,357,233.25 in January. During January the Department of Communications also received ₩ 156,663 in registry fees and ₩ 96,953.12 from the sale of post cards and other cash income.

Postal Life Insurance and Savings

28. The method of reporting of Korean National Life Insurance has been revised to eliminate policies held by Japanese and by Koreans living in North Korea. This segregation was delayed by decentralization of records and by the fact that many Koreans had been encouraged to assume Japanese names. Segregation is continuing on 458,730 policies which are now reported as lapsed policies but which include the backlog of unfinished work.



29. Income from insurance premium payments dropped from ¥ 5,170,474.07 in December to ¥ 53,984.30 in January. The great fluctuation was caused by the custom of paying insurance premiums at the end of the year with all other debts.

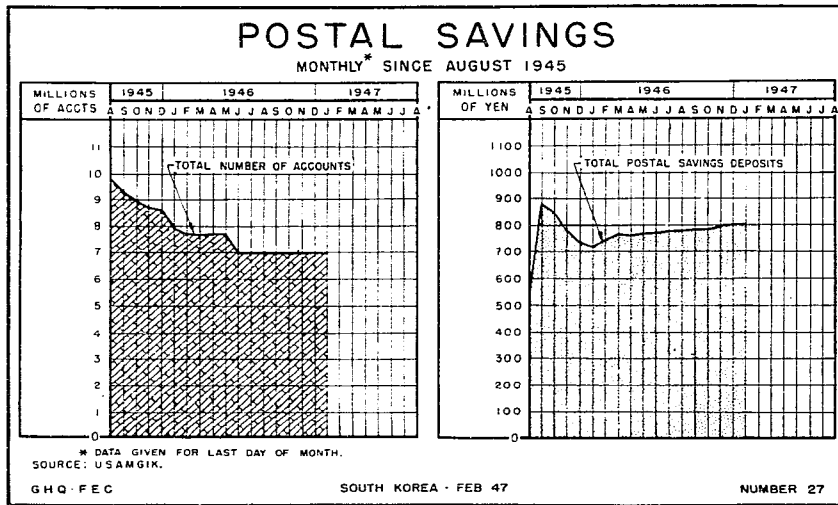


30. Postal Savings deposits increased slightly during January while the number of accounts decreased slightly, as shown in chart, top of following page.

31. The Korean Book Transfer Savings System is part of the Postal Savings System and operates as a postal savings checking account.

KOREAN BOOK TRANSFER SAVINGS SYSTEM

	<u>31 December</u>	<u>31 January</u>
Total deposits	¥ 57,142,524	¥ 71,336,750
Total number of accounts	52,737	52,323



WIRE AND RADIO

Wire

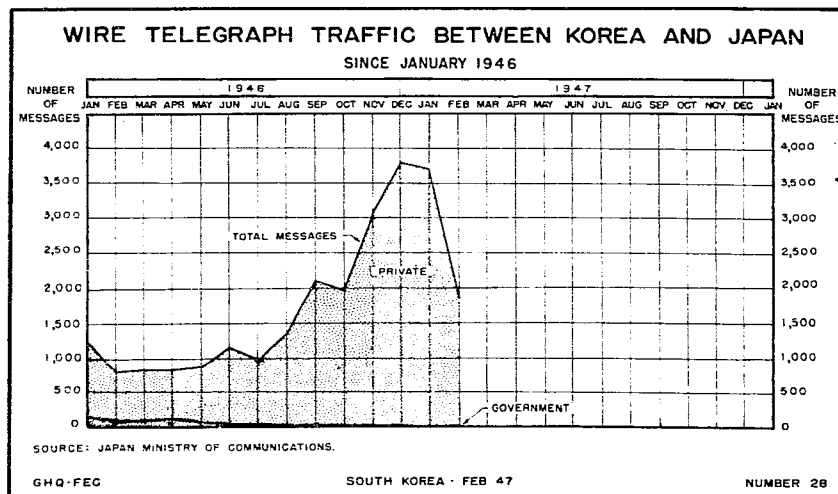
32. During January 132,640 telephone calls were placed in South Korea.

33. Domestic telegraph traffic dropped in January after the year-end rush.

DOMESTIC TELEGRAPH TRAFFIC

	<u>Sent</u>	<u>Received</u>	<u>Relay</u>
December	164,534	169,100	229,835
January	152,058	148,434	183,406

34. Total telegraph traffic to and from Japan decreased less than one percent during January because of the year-end rush and then dropped about 50 percent in February.



35. During the week ending 8 February an additional copper circuit was installed between Seoul and Chunchon.

Radio

36. On 4 February radio station JODK at Seoul was restored to its normal power of 50,000 watts.

EQUIPMENT AND SUPPLY

37. On 12 February two power-amplifier tubes arrived in Korea from the United States for the Korean Broadcasting System. On 19 February six selenium rectifiers and three modulation transformers arrived from Japan by air for the Korean Broadcasting System.

38. Reconditioning of the main frame of the Kwangha-moon exchange was completed during the first week of February.

PERSONNEL

39. The number of Department of Communications employees decreased from 19,249 on 31 December to 18,867 on 31 January.

