

CONFIDENTIAL

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Communists Reiterate Demands for Extended Explanations: Peking promptly terms the NNRC decision to terminate the explanation sessions on 23 December a "malicious distortion" of the terms of reference and a "serious act of perfidy," but fails to add any new elements to its comment on the explanation issue. An editorial of the PEOPLE'S DAILY on 26 December repeats the familiar Chinese demand that the explanations be continued for a "full" 90-day period and places responsibility for the objectionable NNRC decision on "some members" of the Commission who have succumbed to American pressure. These members have "clearly failed" to shoulder their responsibility and are "committing an injustice" against the 20,000 prisoners deprived of their rightful opportunity to hear explanations, the daily asserts. Broadcasts from the Chinese radio claim that decisions affecting the withdrawal of Indian forces and the release of prisoners cannot be "unilateral" and allege that Arthur Dean as much as admitted this in his radio report to the American people.

Support for the Communist point of view is largely derived from the Polish-Czech statement to Communist press services reiterating opposition to the termination of the explanation sessions. The Polish and Czech delegates assert they can "never agree" to the "serious violation" of the terms of reference in the Armistice Agreement and call upon the Commission to take "immediate measures to continue the explanation period and compensate for the time lost as a result of American-South Korean sabotage. Peking also cites Prime Minister Nehru's statement of 23 December which asserts Indian troops have the duty to remain in Korea for at least 30 days longer. The Chinese, however fail to exploit the NNRC majority report released on 28 December calling for a review of the problem of prisoner disposition by both commands and criticizing U.N. handling of the explanation sessions.

References to the political conference and the recessed Panmunjom talks dwindle rapidly and broadcasts for the most part avoid making dire predictions concerning the fate of the Korean negotiations. Peking continues to claim that the Korean-Chinese side is "willing to agree to fair and reasonable terms" for holding a political conference, but continued Communist intransigence is suggested by repeated charges that the United States is sabotaging the talks for the purpose of "forcibly retaining" prisoners and avoiding discussion of the 27,000 prisoners released by South Korea in June. The Communists also denounce American claims that the political conference should discuss the prisoner issue only if it meets prior to 22 January.

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the armistice, enumerating in considerable detail the terms of the aid agreements. Kim attempts to interpret the aid as making possible the liquidation of the one-sided economic development that took place under the Japanese, and declares that the Korean economy from now on will process its own raw material and supply its own essential consumer goods. He acknowledges, however, the difficulties facing the Koreans and indicates that Korea will consolidate its ties with the Soviet-bloc economy and will rely on the "democratic market" to provide those items which are "difficult" for Korea to produce.

Pyeongyang broadcasts take the occasion of the Assembly session to reemphasize the "democratic" nature of the North Korean Government and of the Assembly, "true supreme organ of the sovereignty of the people." At the same time, the Communist regime announces the abolition of obligations for unpaid taxes in kind and other grain obligations to the State incurred before 1952-- obligations admittedly uncollectible as a result of the wartime dislocation and destruction. The announced discontinuation of compulsory State purchases of meat seems intended as an incentive to cattle raising, a goal of the post-armistice period.

Kim Reassures Koreans on Economic Progress: A major address by Kim Il Sung on 21 December highlights the sixth session of the Supreme People's Assembly, the first held since February 1950. The North Korean Premier devotes particular attention to the program of foreign assistance developed since

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