

PRIME MINISTER'S MEETING WITH THE PRESIDENT OF THE REPUBLIC OF  
KOREA AT 0900 HOURS ON TUESDAY 9 APRIL 1984 AT 10 DOWNING  
STREET

Present:

Prime Minister  
Foreign Secretary  
HM Ambassador, Seoul  
Mr C.D. Powell

President Chun Doo Huan  
Mr Lee Won Kyung  
The Korean Ambassador

Strategic and International Questions

The Prime Minister welcomed President Chun warmly as the first President of the Republic of Korea (ROK) to pay an official visit to the United Kingdom. There was great respect in the United Kingdom for Korea and an understanding for the problems created by the division of the country and the threat from North Korea. She invited the President to give an account of the ROK's viewpoint on the main problems of the region.

President Chun thanked the Prime Minister for her warm welcome. He had been deeply impressed by her speech at the dinner in his honour the previous night. The people of Korea were looking forward to the Prime Minister's forthcoming visit to their country. He would take advantage of the Prime Minister's invitation to give a general analysis of international problems.

President Chun continued that peace, both in Europe and in East Asia, was threatened by Soviet activities. In Europe, thanks to NATO and the existence of a nuclear balance, there seemed no imminent prospect of war. But in East Asia the Soviet Union enjoyed a clear military superiority in both nuclear and conventional weapons. The Korean Peninsular was of great strategic importance. The interests of the Soviet



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Union, China, Japan and the United States met there and sometimes collided. 1.5 million regular soldiers faced each other across a narrow strip of demilitarised territory. The Soviet Union wanted to control of the whole peninsular to give it access to the West Pacific, to encircle China, and to make its influence felt in South East Asia. This was not a new phenomenon but had been the ambition shared by Imperial Russia. There was evidence, however, that Mr. Gorbachev was intent on pursuing a very vigorous, indeed aggressive policy towards North East Asia.

It was important to understand the relative weight of South Korea and North Korea in this strategic scenario. South Korea had a population of 41 million and a GNP of US\$86 billion. Between 5 and 6 per cent of GNP went to defence and South Korea maintained 650,000 regular soldiers. North Korea's population was 19 million and its GNP only US\$15 billion. But it maintained a standing army of 880,000 and spent 24 per cent of its GNP on defence. Within that figure for defence spending only a very small proportion went on personnel costs and the great bulk could be devoted to equipment. The ROK, in contrast, had to spend 36 per cent of its military budget on personnel costs and had correspondingly less to spare for equipment. The result was that North Korea currently had the military edge. The ROK had only some 60 per cent of North Korea's military power. But if economic growth continued on its present pattern that proportion would increase to some 70 per cent by 1988, including the forces of the United States in the ROK; and to 70 per cent in terms of the ROK's own military strength alone by 1990. It was important to understand the implications of these figures. They meant that, from 1988 onwards, the likelihood of North Korea launching a military attack against the Republic would diminish. Equally, the period before then was a time of temptation for the North with a risk that they would take a desperate gamble while the Republic remained relatively weak. It also meant that there was little prospect of a serious dialogue between North and South Korea until the period 1988/90. Only when North Korea realised that military

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aggression was not a feasible option would such a dialogue stand a chance of success. A further danger was that North Korea might not fully appreciate the risks of another conflict. It would not be the same as the last Korean war. The nature of modern weapons and the involvement of outside powers would turn it into a major regional conflict.

President Chun continued that his predominant concern was to prevent another Korean war. This was his Government's priority and he hoped the United Kingdom would support them in the objective. In particular, he hoped that the United Kingdom would use its influence with the Soviet Union to dissuade North Korea from any rash adventures. He was in no doubt of the need to urge such restraint. Since Kim Il-Sung's visit to Moscow in 1984, the Russians had provided North Korea with a great deal of additional military equipment. North Korea also had a substantial stockpile of chemical weapons. The Soviet Union might regard North Korea as its proxy. But there was a risk that the tail would wag the dog. The mixture of North Korea's determination to absorb the South and wider Soviet strategic designs could be explosive. And a war in Korea would have implications for the security of Europe. The threat to peace in Korea was of vital concern to Europe. He therefore appealed to the West to show solidarity with the ROK, a solidarity which the United States had already demonstrated. The ROK felt itself part of the West and recognised that security interests in one part of the world could not be neatly insulated. For instance, when the United States had recently clashed with Libya in the Mediterranean, ROK forces had gone on to special alert.

The Prime Minister thanked President Chun for his broad strategic overview. She agreed generally with it. She had found his description of the problems of his own region very illuminating. She shared President Chun's assessment of Mr. Gorbachev with whom she had had two long talks. He was a total communist and believer in the communist system. His objective was not to change the system but to make it more efficient. He was particularly dangerous because he was more

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sophisticated than earlier Soviet leaders and knew how to manipulate public opinion in the West to his advantage. It was necessary to be very wary of his propaganda initiatives, for instance on arms control. He appeared determined to continue to push forward communism internationally. He had increased the number of Soviet troops in Afghanistan as well as the amount and sophistication of weapons supplied to Central America and Southern Africa. On the broad strategic plane it was important to continue to pursue policies which kept China and the Soviet Union divided. Our experience was that the Chinese saw NATO as a bastion against the Soviet Union. At the same time, the Soviet Union faced major internal economic problems which would be accentuated by falling oil prices. This would act as a restraint on new military adventures but would not prevent the Russians from stepping up subversion and trying to extend their influence through that route.

The Prime Minister said that she recognised the risk that North Korea might be tempted into starting a conflict and she agreed with President Chun that the prevention of war in Korea was of the utmost importance. The United Kingdom supported the ROK in the objective of preventing war and of preserving the freedom and independence of South Korea. She had been particularly struck by President Chun's statement about the extent of chemical weapons held by North Korea. We experienced similar problems with the Soviet Union in Europe, where the West had no credible response to the threat posed by chemical weapons. At the same time, the use of such weapons was spreading, for instance in the conflict between Iran and Iraq.

The Prime Minister said that there was only one point which she wanted to pursue further with President Chun and that was how far North Korea's international isolation was a factor in making it more aggressive towards the ROK. In Europe, we had pursued a policy of contacts with the East European governments which had enabled them to act with some small measure of independence from the Soviet Union. She



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wondered whether there was a case for similar efforts to break down North Korea's isolation. She was not for a moment suggesting that we should recognise North Korea. But some way had to be found to deal with the problem of its isolation.

President Chun said that he agreed that fear and isolation were dangerous. That was why the ROK had proposed that both North Korea and the ROK should join the United Nations simultaneously and pledge themselves to be bound by the United Nations Charter. Unfortunately North Korea refused to be bound by the Charter or to recognise the ROK's right to become a member of the United Nations. He saw a risk that any attempt to open up contacts with North Korea, at least until the ROK had further strengthened its security, would only embolden the North to pursue its aggressive policies. He had made a proposal that, together with joint accession of the two Koreas to the United Nations, there might be parallel steps in which Japan would recognise North Korea and China would recognise the ROK, with similar parallelism between the United States and the Soviet Union. But any unilateral step to recognise North Korea would, he repeated, only encourage them to pursue an even harder line. The Prime Minister said that she fully accepted that any step in that direction must be balanced by recognition of the ROK by the Soviet Union or China. It was vital to have symmetry.

President Chun urged the Prime Minister to do everything possible to support ROK membership of the United Nations. It was unjust for a country of the ROK's weight and importance in international affairs not to be a member. He recognised that the Soviet Union could exercise a veto and that the Chinese might do likewise, although he hoped that we might press the Chinese to say what advantage they had ever reaped from their diplomatic support for North Korea. The Foreign Secretary said that we had consistently supported the ROK's right to membership of the United Nations and he had regularly repeated this in his speeches at the General Assembly. The Prime Minister confirmed the United Kingdom's support for the ROK's objectives.

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International Economic Questions

The Prime Minister said that she and the President might deal briefly with international economic questions. We were anxious to see a new round of multilateral trade negotiations and it was vital that these should cover trade in services. She understood that the ROK shared this view. She would also be interested to know whether President Chun had any particular points to make about the forthcoming Economic Summit. The United Kingdom attached particular importance to measures to persuade Japan to open up its market and to increase the value of the yen.

President Chun said he would speak only very generally on this point on which he was not an expert. He judged economic systems and policies by their results. And on this basis there was no doubt that capitalism and free trade were superior. The ROK had benefited from Western assistance, for instance through the GSP and recognised the importance of open markets. He understood the political pressures facing a number of industrialised countries for greater protectionism. But his firm conclusion was that protectionism did not work in the long run. As regards oil prices, he would only observe that when the price of oil had touched US\$30 a barrel it had been murderous for developing countries such as the ROK. Equally, he recognised the importance of a stable international economic order. The ROK would support efforts to stabilise oil prices. He fully shared the Prime Minister's views on Japan. The value of the yen must rise if international trade was to be fair.

Bilateral Economic Issues

The Prime Minister said that the United Kingdom was anxious to have more substantial commercial relations with the ROK. The United Kingdom's firms had a great deal to offer particularly in the high technology field. We also wished to increase sales in the defence area. In this field we regarded



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Ferranti/Marconi's naval fire control system as a very important and significant contract. There appeared to be some problems in the way of concluding it but she hoped that these could be rapidly resolved.

President Chun said that he was not informed of the details of the contract or the precise state of the negotiations. But he could assure the Prime Minister that he would like to give her a gift because she deserved one. He would therefore ensure that we received an answer about this contract, which he hoped would be favourable, before he left London on 10 April. He would instruct Korean officials to lean over backwards to reach an agreement. He hoped the Prime Minister would issue similar instructions on the British side. The President concluded that it was the first time in his life that he had made a decision of this sort without knowing the details.

President Chun, in conclusion, referred to the 1988 Olympics in Seoul and expressed the hope that the United Kingdom would support the widest possible international participation in them.

The meeting ended at 1050.

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*From the Private Secretary*

9 April 1986

Dear Robert,

PRIME MINISTER'S MEETING WITH  
THE PRESIDENT OF THE REPUBLIC OF KOREA

I attach a record of the Prime Minister's meeting with President Chun.

I am copying this letter and enclosure to John Howe (Ministry of Defence), Rachel Lomax (HM Treasury), Michael Gilbertson (Department of Trade and Industry) and Michael Stark (Cabinet Office).

Yours sincerely,

(CHARLES POWELL)

R.N. Culshaw, Esq.,  
Foreign and Commonwealth Office.

JB