

EXCLUSIVE

Ex-KCIA Director Testifies Before Congress On Korea Scandal

The Korea influence-peddling scandal was once again placed on the front pages of the nation's press with the appearance on June 22 of the former Director of the Korean Central Intelligence Agency (KCIA) Kim Hyong Wook before the Congressional Subcommittee on International Organizations of the House International Relations Committee. Kim's testimony before the committee, which is carrying out an 18-month investigation of Korea-U.S. relations, was billed in advance and played in the press afterwards as a major development in the Korea scandal. For the first time, the line goes, a major KCIA figure with personal access to KCIA activities, testified about the Korean bribery operations on Capitol Hill.

The intent of the committee, or at least its chairman Rep. Donald Fraser (D-Minn) who is a longtime and active opponent of the South Korean government of President Park Chung Hee, was clear from the start. Fraser's major objective, as he made clear in his opening statement at the hearings, was to prove that certain persons, particularly Korean businessman Tong Sun Park, who have been identified as carrying out influence-buying activities in Congress, were acting as agents of the KCIA and the Korean government. Proof of Tong Sun Park's relationship to the KCIA is absolutely essential to any attempt to carry the scandal beyond its present level; the crux of the charges is that favors on behalf of the Korean government were being bought in Congress.

No matter what the major U.S. press may have reported, any eyewitness to the hearings (as this writer was) who is at all familiar with the tortured path of the Korea scandal must conclude that the Fraser committee failed in its objective. While there is no question that KCIA ex-chief General Kim's testimony is extremely revealing and even damaging to the Korean government, nothing that he said provided absolute proof of their sponsorship of the influence-peddling scheme. On the contrary, Kim's testimony was the most revealing evidence to date that Tong Sun Park and others were largely acting on their own initiative and for their own benefit.

The Case of Tong Sun Park: Hustler Supreme

Tong Sun Park was the centerpiece of the hearings and the picture that emerged of him was consistent with other descriptions: a hustling, unscrupulous 'businessman' who attempted to parlay certain personal connections to persons of influence in both Korea and Washington, DC into a personal fortune. Fraser's intent was obvious from the beginning. After reading a prepared statement, Kim was first questioned by Fraser,

who after some preliminary questions about the nature of the KCIA's responsibilities and operations, set in to establish the basis for proving Tong Sun Park's agency.

Fraser inquired: "Does the KCIA make use of people who are not fulltime employees of the agency?"; "Are there people who perform special missions for the KCIA"; "Is there a general term for such people" — with Kim answering only "Yes" to the first two and "no" to the last. At that point the questioning was directed to Kim's knowledge of Tong Sun Park, from which emerged a fascinating and revealing story.

Kim testified that he first met Tong Sun Park in 1966. The occasion for that meeting was prompted by a letter he received from the Korean Ambassador in the U.S. at that time who wrote saying that Park was spreading rumors around Washington that he was the Ambassador and was related to President Park. The Ambassador termed this "dangerous conduct" and requested that KCIA Director Kim remedy the situation. Subsequently, Park came to Seoul and Kim had an investigation of him carried out. Park was interrogated and he denied spreading rumors he was the Ambassador but did admit to telling people "he was of the same clan" as President Park. After one day of interrogation he was released.

Kim then related his first meeting with Park. He was invited to a dinner at the house of the then-Prime Minister Chong Il Kwon and much to his surprise found Park there. It became clear Tong Sun Park had a personal relationship with Prime Minister Chong, for Kim testified that the Prime Minister talked to him after Park's release and told him Park was a "longtime acquaintance" and "not such a bad guy" and "requested my assistance" to Park.

Subsequent to this meeting, as Kim related at some length, Tong Sun Park came to him and volunteered to "perform certain tasks and services." Specifically Kim said Park told him he had "many acquaintances in the U.S." and "would perform any duties that could be given him." Kim's response at that time — 1966 — was: "I didn't see any use of him...I told him I would assist him if he needed it," an offer that obviously was a consequence of pressure placed by Prime Minister Chong.

Park's next request for assistance, one which made the headlines in the press accounts of the hearings, was for backing in starting the exclusive Georgetown Club, which became a meeting place for all sorts of Capitol Hill and other Washington bigwigs. At the request of the Prime Minister, KCIA Director Kim arranged for some \$3 million in Korean government foreign exchange deposits in U.S. banks to be made available to Park as collateral for a loan he needed to start the club. While the committee members questioned Kim about the Club in

an attempt to get him to say that it was backed specifically for the purpose of influence-peddling operations, Kim consistently denied such a connection, terming the backing a "personal favor" at the Prime Minister's request. Kim did say that Park told him that he intended to become a figure like Mrs. Anna Chennault, the famous pro-Taiwan figure in Washington social and political circles — an admission that once again says more about Park than the Korean government.

The Georgetown Club loan was followed by a request to Kim from Park, at a point his funds were running low, to exchange some \$100,000 in Korean currency he inherited

from his family into dollars. This was done on the black market in Korea and transferred through Korean government channels — the diplomatic pouch — to Park.

The highlight of Kim's revelations about Park, however, concerned his Congressional connections. The hardest evidence of this is Park's involvement with two Congressmen in securing contracts on the sale of rice from the U.S. under a U.S. government program (PL480), to Korea. Some time in the late 1960s, Park arrived in Seoul with the two Congressmen — who were unnamed in the public session but reliable sources have named as former Congressmen Richard Hanna from

'My View Of The Present Status Of Korea-U.S. Relations'

The following are excerpts from the lengthy written statement made by former KCIA Director Kim Hyung Wook before the Subcommittee on International Organizations of the House International Relations Committee on June 22, 1977. The excerpts concern his comments on Carter's Korea policy and his proposals for U.S. policy which are of interest and worthy of consideration by others:

I believe that you all know that strategically Korea is the point of decisive significance in the balance of power in North East Asia. The Korean peninsula touches the boundaries of communist China and Russia and faces Japan across the sea. It is the only place in the world where the so-called four great powers — the U.S., Japan, China and Russia — all have important interests.

Although I am in basic agreement with President Carter's concern for human rights, I do not agree with his proposals to withdraw American troops from Korea. I believe that President Carter's decision to withdraw troops from Korea is a manifestation of the American public's hatred of President Park's rule which has resulted from its movement toward dictatorship which I have discussed above.

Finally, *in my judgment the proposal to withdraw American troops was greatly influenced by the disclosure of the Tongsun Park bribery scandal.* The series of developments has at least in part been stimulated by President Park's irresponsible and arrogant assertions on several occasions that he can manage Korea's defense without United States' help. I disagree strongly with President Park's contentions. I support the position taken by Major John Singlaub that the withdrawal of United States troops from Korea will lead to a war. My position is based upon extremely reliable information and upon my own evaluation of the state of affairs as an intelligence specialist who served as the Director of the KCIA for the longest period of time of any man...

As a Korean nationalist, I do not mind the eventual withdrawal of U.S. forces from Korea but I favor the withdrawal of nuclear weapons from the Korean peninsula now. I do not feel we should take a chance on creating a great tragedy by using nuclear weapons to iron out the lesser tragedies of national division and confrontation. Any nuclear attack would undoubtedly and inevitably lead to reprisals. The South Korean population, being much larger than the North Korean population, would face far more tragic consequences from the use of nuclear weapons. This is the principal reason why I support the withdrawal of U.S. nuclear weapons from South Korea.

However, before the U.S. troops are withdrawn from Korea, I urge that the following preconditions should be fulfilled:

- (1) The ground work should be laid for the restoration of peace and stability to the region (e.g. a 4 power guarantee);
- (2) An non-aggression treaty must be signed between the South and the North;
- (3) Both North and South Korea should be admitted to the United Nations simultaneously;
- (4) For the sake of military balance between North and South Korea, the South Korean army should be modernized and should improve its training; and
- (5) South and North Korea should reopen the talks for peaceful reunification.

At this point in time I do not feel that any of the preconditions have been met. The withdrawal of American troops from Korea prior to making plans for the satisfaction of these preconditions would have the effect of making South Korea a second Vietnam.

I feel it is nonsense if the United States thinks that it will deter a North Korean attack while U.S. ground forces are in the process of withdrawal. U.S. ground forces are the most formidable deterrent to Kim Il Sung. I do not believe that Kim Il Sung would take the American warning or threat of counter-attack at its face value.

California and Cornelius Gallagher from New Jersey. They came to Kim and requested his assistance in securing a contract, with the two Congressmen offering to assist in promoting Congressional funding for the modernization of the Korean army.

Kim testified that his next contact came after he resigned as KCIA Director in 1969, in 1971 when he was then a member of the Korean National Assembly. At that time a battle royal was taking place between two different groupings for the contract on all the rice sales, then a considerable amount. On one side was Tong Sun Park and Lee Hu Rak, the Director of the KCIA at that time and a man identified in certain intelligence circles as extremely close to U.S. intelligence agencies. On the other side was President Park's Security Chief Park Chong Kyu and his associate, one Kang Sun Tae, who had managed to secure the contracts.

Kim testified that Tong Sun Park came to him and "asked my assistance in resolving this confusion." Park's request was interestingly motivated: he produced a list of some 15-20 Congressmen who, he said "I have to do favors" for and indicated that if he didn't get the contract, he couldn't do the favors. What the favors were for was never clear and Kim did not say. He did say, and this has been made much of, that he asked Park where he got the list and was told from KCIA Director Lee Hu Rak. Kim was asked if he could remember any of the names but replied that American names were "too diverse" and he couldn't tell the difference. At any rate, Kim claimed to have mediated the affair and got the contract turned over to Park.

This then was the substance of Kim's allegations. In his written testimony Kim stated categorically: "While I was Director of the KCIA, Tong Sun Park was definitely not an employee on the payroll."

Further questioning at the hearings touched on other alleged Korean lobbyists who are supposedly acting for the government, including another Korean businessman Han Cho Kim and the Unification Church of Rev. Moon and his associates. In the case of Han Cho Kim, Kim testified, on the basis of his sources within the KCIA contacted since Kim came to the U.S. in 1973, Han Cho Kim had been given some \$600,000 in two lots during 1975 to replace Tong Sun Park and that he had been in contact with the KCIA both through their agents in Washington and in Seoul. But he added significantly that Han Cho Kim had probably only spent \$100,000 of that, for unspecified purposes, and pocketed the rest for himself. All of this is also from sources and not Kim's direct knowledge.

As for the Unification Church, Kim made it clear it had nothing to do with the Korean government with the exception of certain supposed anti-communist activities aided by the government and not directly connected to the Church. As for Moon, Kim called him a "phony evangelist" of whom he had not even heard until his arrival in the U.S. in 1973. The two Republican representatives on the Committee, Derwinski and Dooling, made this question a major part of their questioning of Kim in order to clearly establish that his alleged connection did not exist.

What Was Kim Hyong Wook There For?

The question arises what Kim was appearing for. Kim, who was Director of the KCIA from 1963-69, has been

living in exile in the U.S. since 1973. He left Korea at that time because, as he stated, he was "in grave danger" for having opposed President Park's policies of consolidation of his rule in the period between 1969 and 1972, when the Constitution was revised giving him a legal basis for virtual lifetime rule of the country. Kim himself was an original member of the core group of Korean Army officers which carried out the 1961 military coup which brought President Park to power. However, Kim had been in quiet exile and not an outspoken opponent of the government until now, although it was revealed in the press that he has been cooperating with U.S. investigations of the Korean scandal for at least two years.

There is some question that Kim may be involved with elements of the U.S. Central Intelligence Agency and others — including Carter's National Security Council — in trying to force an overthrow of President Park. Informed observers believe that Kim is in touch with circles within Korea who have this objective, an hypothesis Kim inadvertently confirmed. Under questioning from Representative Rosenthal on the committee, Kim did reveal that he had been in touch with U.S. CIA officials since coming to this country although he claimed no such contact was currently going on, a doubtful claim given his own background and the importance of his present activities.

However, it is entirely possible that Kim's motivation is precisely what he publicly said — a motivation that was entirely underplayed or omitted in press coverage. Kim devoted some one-third of this written statement to an attack on President Carter's policy of withdrawal of U.S. troops from South Korea and made clear he believed that the scandal played a major role in setting that policy into motion. Hence Kim portrayed his appearance as an effort to clear up the scandal and oppose the troop withdrawal. Kim also threw in support for "human rights" in Korea but in context simply called for President Park's removal.

While Kim's motivations may be under question, certainly by the South Korean government which has previously attacked him harshly for his statements to the U.S. press, what he said is credible. Certainly there is no denying the activities of Tong Sun Park — but it is entirely another thing to portray those as part of some systematic effort at Capitol Hill bribery by the South Korean government. Rather as Kim's testimony made clear, it is a case of a completely scurrilous hustler out for himself and selling the Koreans, at least in part, on his ability to influence people in Washington.

The Koreans, who cannot be said to have been entirely naive about Tong Sun Park's activities, have in no way been proved to have encouraged some large illegal operation. Their attempts to gain a hearing for their interests is hardly more shocking than the activities of any number of other governments in Washington or for that matter other Washington lobbies and certainly is minor league compared to the efforts, including Congressional campaign contributions and so on, mounted by the Zionist lobby.

One interesting and continuous note in Kim's testimony was his corrections of various press accounts of the scandal, including an interview with him that appeared in the *New York Times*. One famous press

story is of a supposed meeting in Blue House, the Korean version of the White House, attended by President Park, Tong Sun Park, and Lee Hu Rak — a meeting which, according to which paper you read, was bugged by U.S. intelligence agencies.

At this meeting, which is supposed to have taken place in 1970, the influence-peddling scheme was discussed and authorized. Kim was asked if he had any knowledge of the meeting or if he confirmed — as the *Times* quoted him — that U.S. intelligence agencies had informers in the Blue House, or bugged it.

Kim's response was a blow, unreported, to the *New York Times*. He said that President Park "would not discuss in detail with others such an operation" nor would anyone bring that before Park. Perhaps, he said, "Tong Sun Park made a courtesy call on the President" but that would have been the only contact between the two.

As for bugging, while Kim somewhat unconvincingly

denied such things would take place, it did "conjecture" that U.S. intelligence informers may be in place around the President or in the Security Guard, whose head he previously named as a U.S. agent.

As a final note in this report perhaps the most startling thing Kim said was his testimony on the kidnaping in 1973 of South Korean opposition leader Kim Dae Jung from Japan to Korea by agents of the KCIA. While it is beyond the scope of this report to go into the detailed version of this event supplied by Kim, his allegations of Japanese police foreknowledge of a KCIA operation mounted against Kim Dae Jung are already front page news in Japan and likely to prove quite troublesome for the Liberal Democratic Party government of Premier Takeo Fukuda which is facing elections for the Upper House of the parliament on July 10. If anything Kim's statements on this may prove far more damaging than anything else he said regarding Congress and friends.

— Daniel Snider