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NORTH KOREA: GUERRILLA FORCES HARASS ENEMY

Pyongyang's military communiques, which continue to make only brief references to the military situation, claim that the North Korean troops and the Chinese volunteers are successfully repulsing U.N. counterattacks on all fronts. Mention is made of the continuing "fierce fighting" in areas north of the 38th Parallel, with stress on the U.N. losses in men and materiel. Comment on guerrilla activities, relatively absent for several months, reports the intensification of such activities behind enemy lines.

Pyongyang's major propaganda effort is directed, as it has been at previous defensive periods, to the theme of "all for victory." Broadcasts urge farmers to produce more food, workers to increase production and soldiers to fight harder. The 25 June anniversary adds impetus to this plea. Statements express assurance that the Korean People's Armed Forces are "winning a great victory," and that the war is "decisively advantageous" to the Koreans, and a 10 June broadcast asserts that "it may be said that it will not be long to the final victory..." To counter complacency, however, broadcasts repeat that the enemy is not yet "completely annihilated," and in continuing their efforts the Koreans are asked to model themselves "after the great struggle of the Soviet people during the war."

<u>Support for Korea Worldwide</u>: In an apparent effort to counter feelings of isolation, Pyongyang identifies the Korean war with the struggle of colonial peoples everywhere and with the world-wide peace struggle. Repeated references are made to the strength and solidarity of the Soviet Union and to its support of North Korea. Gratification is also expressed for the aid received from China and the People's Democracies. NCNA dispatches report the campaign to raise funds for material for the front under way in the Republic of China.

Denunciation of American aggression continues and the U.S. is attacked for delaying peaceful decisions at the Deputy Foreign Ministers Conference, for rearming Japan and West Germany in preparation for another war, and for the use of bacteriological weapons and the commission of atrocities in Korea.

SOUTH KOREA: FINANCIAL DIFFICULTIES CREATE TENSION

Radio Pusan's statements on difficulties encountered in handling the national bond purchase coupons, income tax and toll tax violations, inflation problems and violations committed by government employees in finance work continue to express concern with the national crisis. Citizens are urged to cooperate in alleviating these domestic problems.

Broadcasts avoid any specific mention of the current military situation. The 25 June anniversary is to be marked with a program including a bondbuying week, an anti-espionage week and a movement to send comfort kits to U.N. troops. A 10 June broadcast indicates concern over a rumor that there may be a cease-fire on the 38th Parallel and asserts that "Marshall said that the 38th Parallel is a dead word" and that Van Fleet declared that it "does not exist."



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