

Liberal Democratic Party (LDP) and the Park regime will become part of the "Koreagate," a scandal that would dwarf the "Lockheed scandal" in terms of devastating impact on the party's domestic popularity. Such a scandal could destroy the single most important political institution, the LDP, through which Japan's industrialists have operated in the post-war period.

Thus if the "Koreagate" is allowed to run its course, it could have perhaps fatal impact on the pro-development forces in the Asian region. The key to diffusing the scandal — the publication and widespread dissemination of the facts of the U.S. CIA infiltration of the KCIA, and the purpose of the scandal — is outlined in this article.

However, it is believed that Kim Jong Pil recently stopped over in Miami, following an extensive diplomatic tour throughout Latin America, where he chaired a meeting held to reorganize the activities of the KCIA in the United States. If this reorganization of the KCIA leads to a follow-through on the threats of Lee Chul-seung, the full details of the real story of the KCIA scandal, including the Rockefeller-Caltex efforts to sabotage "resource diplomacy," will quickly come to the fore.

#### *The Rise of Tanaka*

The rise of K. Tanaka to the Japanese Prime Ministership in the summer of 1972 marked a major turning point for Japanese-Korean relations, and for the Park regime as well. With Tanaka in power, virtually all of the major Zaibatsu planned huge heavy industry investments in South Korea, as that country was to play a major role in the Shigenha drive for independent sources of oil. The major investment emphasis was to be building up Korea's petrochemical and oil refinery capacity. Mitsui, Teijin, and Mitsubishi all planned the construction of oil refineries in South Korea, following the guidelines set by the unofficial headquarters of the Shigenha, the Ministry of International Trade and Industry. These investment plans were made formal at the March 1973 Japan-Korean Economic Cooperation conference, which was then followed up by visits of several delegations from the big-business federation Keidanren, which cooperated with the Koreans in revising the country's five-year plans. Japan-Korean cooperation for nuclear power development was also planned at this time.

These plans marked a dramatic shift in the form of economic cooperation between the two countries — away from the labor-intensive industries, especially textiles, that had dominated relations in the previous years, toward the serious industrialization of Korea. The new emphasis was clearly reflected in Korea's economic plans, which more than ever before emphasized heavy industry.

New political ties between Tanaka and the Park regime were developing at this time as well. Previous to the Tanaka regime, the Japanese "chains of command" into Korea were controlled by former Prime Minister N. Kishi, his protegee Fukuda, Katsuo Yatsugi, and other leaders of the "Japan-ROK (Republic of Korea) Friendship Society." These chains of command in turn helped Wall Street to keep Korea under its thumb. In the words of one commentator, with Tanaka in power the days of the Kishi-Fukuda networks in Korea "were numbered."

For Park the move toward Tanaka and the Shigenha faction was a significant (though not total) break with the U.S. CIA controlled groupings and other pro-U.S. factions within the country's ruling circles. At the time, the United States went to tremendous efforts to sabotage these growing Park-Tanaka ties, and pull Park back into line.

The most important of these efforts was the famous 1973 "Kim Dae Jung Affair," in which then-South Korean opposition leader Kim Dae Jung, who was living in exile in Japan, was kidnapped from his Tokyo hotel room and brought back to Korea. As planned, the Kim kidnapping threw relations between Japan and Korea into a crisis within days, as the KCIA was almost universally held responsible for the Entebbe-style action.

## Professional Plumbers Lead KCIA Probe

The subcommittee on International Organizations of the House International Affairs Committee is the inside-agency in the "KCIA scandal." Recently the subcommittee was handed powers to carry out an 18-month, "all encompassing" investigation into U.S.-Korean relations.

Better known as the "Fraser Committee" after its Chairman, Trilateral Commission member Donald Fraser (D-Minn), the subcommittee has been the meeting point for a coterie of liberals and think-tanks who were up to their necks in Watergating Richard Nixon. Much of the ammunition for the "Koreagate" is coming from these circles, which include most prominently the chain of think-tanks led by Morton Halperin, former Kissinger National Security Council staffer. From this circle come Anthony Lake, another former Kissinger NSC member and now Carter appointee to head the State Department Policy Planning staff, and Donald Ranard, a former State Department Korean desk officer and the source of many of the scandal allegations.

The subcommittee also has links with a Harvard University group of academics led by former U.S. Ambassador to Japan Edwin Reischauer and Professor Jerome Cohen. Both Ranard and Cohen will serve as advisors to the Fraser Committee.

The Fraser Committee has hired Michael Herschman to co-direct its investigation. Herschman is the former chief investigator for the Senate Watergate Committee, and more recently chief investigator for the Federal Elections Commission. Says Herschman, I've "attended numerous intelligence schools."

The House Ethics Committee will also soon probe charges that members of Congress accepted bribes from Korean agencies and representatives. Its chief investigator is Andrew Tartaglino. Tartaglino is currently the Justice Department's liaison to Interpol, the semi-private Rockefeller coordination center for international terrorism.