EXECUTIVE BRANCH, AND THAT KOREA RAN RISK OF OFFENDING OTHER CONGRESSMEN WHO WERE FAVORABLY DISPOSED TOWARD KOREA AND WHOSE SUPPORT WE COUNTED UPON. ARMACOST CALLED UPON OH TO ACCEPT LETTER. OH RESPONDED THAT, ALTHOUGH HE HAD BEEN TOLD THERE WAS SUCH A LETTER, HE DID NOT KNOW THAT MOFA WOULD REFUSE TO ACCEPT IT AND ASKED WHETHER THERE HAD BEEN SOME EXPLANATION. ARMACOST QUOTED MOFA REASONING FROM REFTEL AND, AFTER BEING ASSURED THAT DELIVERY OF CONGRESSIONAL LETTERS WAS NORMAL PRACTICE OF
STATE DEPARTMENT. OH SAID HE WOULD CONVEY U.S. CONCERNS TO SEOUL AND SEEK AN EXPLANATION. HE PROMISED TO BE IN TOUCH WITHIN A FEW DAYS.

3. COMMENT. OH WAS EXCEEDINGLY UNCOMFORTABLE DURING INTERVIEW. IN VIEW OF THE UNHEALTHY PRECEDENT WE FELT IT IMPORTANT TO MAKE A STIFF PROTEST. MUSKIE
TEXT OF TELEGRAM SEUL 008917

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CONFIDENTIAL SECTION 02 OF 02 SEUL 008917

"ALTHOUGH IT IS DIFFICULT TO QUANTIFY, THESE ECONOMIC ILLS
HAVE UNDOUBTEDLY BEEN EXACERBATED SOMEWHAT BY RECENT
POLITICAL PROBLEMS. EXPORT GROWTH WAS NEGATIVE IN REAL
TERMS LAST YEAR AND IS WELL BELOW ITS RECENT HISTORICAL
TREND THIS YEAR. INVESTMENTS HAVE FALLEN SHARPLY, AND
BOTH SECTORS HAVE SUFFERED FROM THE PSYCHOLOGICAL EFFECTS
OF POLITICAL DISRUPTIONS. BEYOND THAT, WE ASSUME THAT
DISRUPTIONS HAVE OCCURRED IN THE ECONOMY BECAUSE OF
DECREASED EFFICIENCY IN BOTH GOVERNMENT AND PRIVATE
SECTORS CAUSED BY HIGH-LEVEL PERSONNEL CHANGES AND CIVIL
DISORDERS. LATEST INDICATORS POINT TO CONTINUING SERIOUS
PROBLEMS IN THE ECONOMY. ALTHOUGH THERE ARE DEFINITE SIGNS
INFLATIONARY PRESSURES ARE ABATING. IT MAY TAKE SOME TIME
BEFORE THE ECONOMY REGAINS ITS PREVIOUS MOMENTUM; TO A
LARGE EXTENT THESE WILL DEPEND ON THE INTERNATIONAL ENERGY
SITUATION AND THE MAINTENANCE OF AN OPEN TRADING SYSTEM
AS WELL AS A STABILIZATION OF THE DOMESTIC POLITICAL
PROCESS. IN THE MEANTIME, WIDESPREAD CIVIL DISORDER, LONG-TERM
ECONOMIC PROSPECTS REMAIN GOOD."

6. WITH REGARD TO ANSWER 9, COMUSKOREA OFFERS A CHANGE TO
MORE ACCORDINGLY DESCRIBE THE RESERVE ROLES OF THE MARINE
AND 20TH DIVISION UNITS. THE LAST SENTENCE SHOULD BE
REPLACED BY THE FOLLOWING: QUOTE: THE MARINE ELEMENTS
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ARE PART OF THE RESERVE FORCES OF THE COMBINED COMMAND,
AND THE 20TH DIVISION SERVES AS A RESERVE OF A FORWARD
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ARMY." GLEYSTEEN