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U.S. to Relax Certain Curbs On North Korea

Modest Trade, Travel Steps
 Are Designed to Support
 Seoul's Effort for Thaw

By ROBERT S. GREENBERGER

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 WASHINGTON—The Reagan administration said it will relax certain trade and travel restrictions in an attempt to coax North Korea out of diplomatic isolation and toward normal relations with South Korea and other nations.

The State Department said the modest steps, which had been expected, were in support of the effort begun last summer by South Korean President Roh Tae Woo to end 35 years of hostile relations with Seoul's neighbor to the north. Department spokesman Charles Redman noted that President Roh has called on South Korea's allies to join the effort to persuade North Korea to "abandon its longstanding policies of confrontation and violence."

In announcing the steps, Mr. Redman said the U.S. won't remove North Korea from its list of states that sponsor or are engaged in terrorism, and he said the U.S. will be watching carefully for a "positive, constructive response" from Pyongyang. He emphasized that more far-reaching measures, such as reducing U.S. troops in South Korea, were "very, very far downstream."

'Unofficial' Visits Encouraged

In yesterday's announcement, the U.S. said it will: ease visa restrictions to encourage "unofficial, non-government visits" from North Koreans in such areas as academics, sports and culture; review financial regulations, such as the limits on how much money U.S. citizens can spend in North Korea, in an effort to make group travel and exchanges easier; and review commercial regulations to permit exports to North Korea of certain humanitarian goods, such as food and medicine.

Further, the U.S. again will permit its diplomats to engage in discussions with North Korean officials in "neutral settings." Twice before—in September 1983 and March 1987—the U.S. relaxed its restrictions on these diplomatic meetings, and each time the effort was aborted by a North Korean terrorist act.

Even if commercial restrictions are relaxed further, U.S. companies aren't likely to rush to do business in North Korea. North Korea is one of the world's poorest countries and its economy one of the most backward.

Call for End to 'Propaganda'

Mr. Redman listed several actions that North Korea could take to show a "posi-

itive, constructive response." He said these would include making progress in various efforts to reduce tensions with South Korea, and ending "vicious anti-American propaganda."

He also mentioned returning the remains of American soldiers missing in action from the Korean conflict, which took place from 1950 to 1953. Mr. Redman said North Korea has admitted holding the remains of five soldiers from the conflict. In addition, he said North Korea could provide "credible assurances" that it has abandoned its terrorist practices.