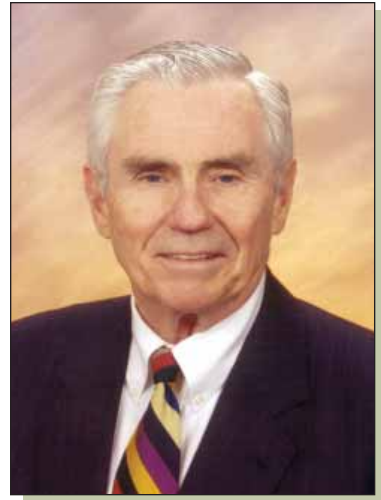


Letter from the president and chairman

The year 2003 brought with it unmistakable evidence of a gradual transformation of relations among the countries surrounding the Korean Peninsula, and between the two Koreas themselves, lending increasing credence to South Korea's aspiration to become the economic hub of Northeast Asia. With this heightened regional focus, China's influence increased markedly both in political and economic terms as South Korean trade with China surpassed that with the U.S. On the Korean Peninsula itself, contacts between South Korea and North Korea continued to grow both in scale and diversity. At the same time, new strains emerged in the U.S.-ROK. alliance, due to diverging perceptions of North Korea in Seoul and Washington, and anti-American sentiment in South Korea became more pronounced. The official dialogue between the U.S. and the DPRK was extremely limited, and questions relating to the development of nuclear weapons remained largely unaddressed and unanswered.



The programmatic activities of The Korea Society were reflective of these trends. The shift in South Korean economic relations with China was a frequent topic of discussion in our corporate affairs programs, while the significance and proper interpretation of the rising anti-American sentiment in South Korea was a major focus of our contemporary issues programs. Our contacts with members of the DPRK's mission to the United Nations also increased, and we helped arrange meetings with North Korean officials at Harvard University and the University of Georgia. At the same time, we continued our efforts to facilitate an on-going information technology exchange program between Syracuse University and Kim Chaek University of Technology in Pyongyang.

A highlight of the year was The Korea Society's annual dinner in May 2003, which honored President Roh Moo-hyun, on his first visit to the United States. The 2003 James A. Van Fleet Award recipient was General Ray Davis, USMC, who earned the Congressional Medal of Honor for conspicuous gallantry during the Korea War.

The meeting I attended in Qingdao, China, in early September—a "track two" version of the six-party talks—was clearly revealing of the state of play among the regional players. The core group at the meeting was composed of China, Russia and South Korea. Japan remained somewhat isolated for historical reasons, but seemed anxious to be more of a player (which it subsequently has become) by expanding its relations with North Korea. The North Korean delegation was not particularly strong, but tried to assure other participants that it was willing to give up its nuclear programs if the U.S. dropped its hostile policy, extended economic aid and removed long-standing sanctions. The U.S. delegation leader, a State Department official, was unable to give a positive response to this offer, except to say "North Korea does not have to do everything before we do anything." This statement, and the meeting as a whole, gave me the feeling that America is increasingly isolated in the six-party talks, an impression that has been confirmed by subsequent events.

All-in-all, 2003 was a year of momentous and exciting developments in the region, developments that gave substance to our programs and serve as a continuing stimulus as we move forward.

A handwritten signature in dark ink that reads "Donald P. Gregg".

Donald P. Gregg