

DPRK EXPECTING BUMPER CROP THIS FALL

It appears that many in North Korea are expecting an exceptionally large increase in this year's harvest. According to a report issued on September 30 by Daily NK, a South Korean organization working for North Korean human rights, rice and corn market traders and those involved in food distribution are saying that grain harvests this year are significantly larger than last year, that by the end of the harvest season in November, North Korea's food shortage crisis will be considerably eased, and that the price of rice will stabilize as well.

A source involved in China-North Korea trade at a company in Shenyang was quoted on the 30th as saying, "[North Korean] rice traders are expecting this year's food production to be considerably improved compared to last year," and, "This year, with no large natural disasters, rice paddies and crop fields are doing well, and crop production will probably be much greater than last year."

In a related matter, one North Korean insider reported, "With the [North Korean] food situation, no one is doing as well as the wholesalers," and, "As the fall harvest season has come, traders have come by farms in each province and reported that rice and corn harvests are very good."

The source went on to say, "This year, farming was not difficult, so as autumn passes, the market price of rice looks likely to fall. The price of corn will fall even faster, hitting the 1000 won per kilogram level by mid October." In fact, by the end of this year's fall harvest, the price of food is expected to return to pre-shock levels. Currently, rice is selling for 2200 won and corn for 1300 won per kilogram in North Korean markets.

The reason harvests are expected to be more abundant this year is that the North has not suffered from flooding, as it had for the past several years in a row. Therefore, the government has called on the people to take care not to let any grain go to waste as harvesting is already in full swing in Hwanghae and South Pyongan provinces.

North Korean food wholesalers have become the suppliers of rice for markets since the government ceased to ration foodstuffs. They now contract with farms, paying in advance of harvest seasons so that the farms can use the funds to purchase fuel and other supplies necessary for preparing and transporting the food.

Because these traders personally visit the farms to predict harvests and set prices, the information is considered to be relatively accurate. These traders were also the first to predict the jump in prices earlier this year, warning of shortages even before last year's fall harvest.