



DPRK MARKET CLOSURE REPORTS DEEMED RUMOR

North Korea's main wholesale market, in Pyongyang, was temporarily closed for just over a week during mid-April, but it has reportedly been open and operating normally since then. It was rumored, and reported here, that the Pyongyang Wholesale Market was shut down in mid-June. There was a report that officials felt the market had grown too large, and there was a plan to divide it into East and West Markets. However, reports of these plans have now been deemed nothing more than rumor.

A source in Kangdong-gun stated that there has been much talk of closing markets since the beginning of the year, but that no measures have been enforced and everything is operating normally. Another source reported that many traders are traveling to and from Sinuiju and Pyongyang, and that their numbers have been growing since the onset of summer. While rumors still abound regarding market closures, the source noted that there is significantly less talk of such measures compared to earlier in the year.

In January, North Korean authorities released a statement indicating that general markets would be transformed into farmers' markets, and only open once every ten days. However, six months has already passed, and there has been no action taken. There have been no measures to transform even some of the largest markets, in Hyeryong, Hyesan, Musan and Sinuiju. That said, it is always possible that the North Korean authorities proceed with plans to close or transform the markets.



The majority of North Koreans trading in the markets do not believe the authorities could easily carry out market-closing measures. Due to the likelihood of large-scale civil revolts, the regime must come up with an alternative to the markets if it intends to close or transform them. The current food issues faced by the North make it impossible to close markets. In addition, transforming general markets into farmers' markets would force residents to buy daily necessities and other manufactured products at department stores or government-run shops, but these shops have nothing in stock. Furthermore, preventing residents from selling in the markets makes it more difficult for them to acquire the food necessary to sustain themselves and their families. The number of empty stalls in markets appears to be slowly increasing, but a complete shutdown of the market would likely lead to protests.