

FLOOD DAMAGE DRIVES UP PRICES ACROSS THE DPRK

Prices throughout North Korea have been on the rise due to the further breakdown of distribution following heavy flooding. In particular, the cost of rice in some regions has skyrocketed to 1,400 DPRK won per kg. Much agricultural land was washed out in the central and southern regions, while drought conditions in the northern central areas led to harvests only two-thirds as large as last year. Because supplies are now being directed to cities in the flood-affected region, the harvest in this northern area is expected to be even smaller next year, causing prices to rise again. Because the cost of rice in Chungjin is high, food rations slated for the border region of North Hamkyung Province has been making its way into Chungjin markets. Traders are even selling local farming villages' emergency stores. While North Koreans living in mountainous areas raise some food to eat, those living in Chungjin and similar cities have nothing spare these distributed supplies, making their lives much more difficult.

According to a October 11 newsletter from the aid organization 'Good Friends', the food situation within the military is also worsening. Rations to soldiers in the North Hamkyung Province were reduced by 20 percent, while many army bases throughout the country reportedly received no rations at all. Problems concerning food shortages next year as well are the biggest concern for North Koreans throughout the country. The cost of rice is expected to climb to 2,000 DPRK won per kg next year, with rumors that corn prices will also rise to 1,000 DPRK won per kg. Food peddlers are not freely releasing grain to the market, and so it is rare to see any fall in prices. People are just living day to day, and now due to a sudden increase in grain prices, it is now much harder to maintain their livelihoods.

There is an exception to the price hikes, and that is in areas such as Yangduk and Kowon, flood-affected areas that, unlike Haeju, are not centers for rice production. In areas affected by flooding, thanks in part to gathering of food supplies from other regions, prices have suddenly dropped. Previously, the cost of rice was higher in these regions than in the rest of the country,

even before the summer floods. In other cities, rice cost between 1,100-1,400 DPRK won, while in Yangduk, it usually sold from 1,500-1,600 DPRK won, occasionally rising to 1,700 DPRK won. In the middle of August, following the floods, 130 people starved to death in a mineshaft in Kangwon Province, and since then regional government authorities have been focusing all manpower on distributing food to the flood-affected regions as their top priority. Subsequently, the cost of rice in the flooded areas has lowered, becoming the cheapest anywhere to buy rice. At the time of the floods, those most affected were substituting potatoes and corn as diet staples, but now with the fall harvest complete, and aid from South Korea and international organizations, recovery can begin.