



GOODFRIENDS



Weekly Newsletter No. 312/313 Hot Topics December 2009

[“Good Friends” aims to help the North Korean people from a humanistic point of view and publishes “North Korea Today” describing the way the North Korean people live as accurately as possible. We at Good Friends also hope to be a bridge between the North Korean people and the world.]

[Hot Topics No. 312]

Public Lecture, “Due to currency exchange measures, residents will report to work voluntarily without any coercion”

Nationwide Market Management Offices order the Merchants “Take away your goods.”

[Politics]

Presidents of 3 Major News Media Companies Fired or Transferred

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Rice Price in *Sinuiju* on Dec 7: 80 NK Won per 1.5 kg

Certificate of Exchange Issued for Extra Money in Excess of the Basic 100,000 Won
Each Household Submits 600,000 Won to the Head of Neighborhood Unit in *Sinuiju*

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Public Lecture, “Due to currency exchange measures, residents will report to work voluntarily without any coercion”

The staff of Central and Local Party are making public speeches saying that “From the first day of the New Year all residents will report to work voluntarily without any coercion.” It means that because the currency had been adjusted, if the wages are paid as programmed,

everybody will report to work. In addition, they added that, “The trading is momentarily stopped because the new currency is not circulating yet. Therefore the people should not bear grudges. There was no need for us to order suspension of the market operation. People automatically stopped trading.”

Nationwide Market Management Offices order the Merchants “Take away your goods.”

Trading is not stabilized yet because the new prices have not been determined. Under the situation the Market Management Office that had warehoused the trading goods informs the merchants to take away their goods as it became burdensome to store the goods when the trading is not active. It is based on the evaluation that there is going to be hardly any trading in December. The Market Management office emphasizes that they cannot be held responsible for any loss and re-emphasizes that each merchant should bear the responsibility. Similar situation is happening in every market management offices in cities and provinces all over the country.

[Politics]

Presidents of 3 Major News Media Companies Fired or Transferred

During the months of September and October, the presidents of the so-called three major news media companies, “Rodong Newspaper,” ‘Chosun Central Broadcasting Committee,’ ‘Chosun Central Telecommunication Company,’ had been either fired, removed or changed their title. Choi Chil Nam, managing editor of the Rodong Newspaper, had been relieved from his position to take the responsibility for the erroneous publication of No. 1 photo, and Kim Ki Ryong, president of the Chosun Central Telecommunication Company was appointed to fill the position. A Vice President was appointed for the position of the president of Chosun Central Telecommunication Company. Cha Seung Soo, Chairman of the Chosun Central Broadcasting Committee, was fired because advertisement of Daedong River Beer, Kaesong Koryo Ginsang, Quail Dish at Okryu-Kwan, etc., which was broadcast in TV and it became controversial. One official said, “The General expressed that in the socialist society, unlike the capitalist society, there is no competition among different merchandise and therefore advertisement is not necessary. It’s my understanding that Chairman Cha was fired to take the responsibility of the broadcasting accident.” Chairman Cha Seung Soo had been demoted as the Vice Chairman of the Chosun Writers Central Committee. As for the position of the Chairman, the Chosun Writers Central Committee, the First Department director was appointed.

[Hot Topics No. 312]

Destitute People Welcome Free 500 Won for Seed Money

In the midst of chaos caused by the currency change, some poor people rather welcome the new situation. First, it is not as hard to make old 10,000 Won as before by selling rice or corn because there are no state-set prices yet. Moreover, people with a lot of cash in old currency are asking poor people to exchange their excess old money on behalf of them and

share the new money. Above all, the government is going to distribute free money of 500 Won per person. People who had no money welcome it with an expectation of starting a new trading business by using it as the seed money. For those who neither had seed money for sales nor succeeded in farming, this is a great opportunity to get some seed money. However, other average people's predicament is continuing: many households ran out of food during currency exchange period, and many parents are worried and shedding tears because they cannot feed their children. Rumors say there will be food distribution soon, but many residents say they cannot make it until December 7th.

"We Cannot Trust Government Policy"

People who have been relatively well-off express their strong skepticism against the government's policy. Despite the Party's call saying, "Devote yourself and keep fighting off to ratchet up the livelihood of workers and farmers and make our country strong and prosperous", people think it is empty promise. They are doubtful of their government's capacity to procure enough food and necessities to ease people's hardship in their livelihood. If the prices do not get low enough for people to make living, there is no way people's lives could get better. Some mid-level officials anticipate increased criticism against the government from the people if the new prices are the same as or higher than before, making it harder for people to live by. If the level of discontent rises, people's morale for work would decrease further, and there will be more protests against the Party's control. On the other hand, poor people are not convinced of the rosy future, although they have some expectation for the government's promises of the 500 Won give-away and a large supply of necessities. They know they should wait and see until the new prices are announced. Those who made a fortune doing businesses want the status quo so that they can continue their way around the law by bribing or doing illegal activities and walk on the easy path they already have established. They are curious about how much the state shops and other public service stations would pay for the items they buy from private companies and businessmen. They are paying close attention to see if the state-run shops could beat the prices of the market.

Rice Price in *Sinuiju* on Dec 7: 80 NK Won per 1.5 kg

In the morning of Dec 7, the price of rice soared up to 80 NK Won for 1.5kg in *Sinuiju*, North *Pyongan* Province. This is a huge jump from 25 Won on the first day of currency exchange. Corn is 25 Won per kg, Pork 100Won per kg, Cigarette 20 Won per pack, US dollar 3,500 Won per 100 dollars if purchased at the bank, and 3,800 Won to private individuals. Train tickets got cheaper around 50 won on average. Now, an Economy seat to Pyongyang costs 430 won. The price of phone calls doubled and now cost 20 won per a call. Wholesalers say, "we are reluctant to call our business partners. We would rather wait for their calls because it is extremely expensive to make a phone call." The house rent and communication costs remain the same.

Certificate of Exchange Issued for Extra Money in Excess of the Basic 100,000 Won

On the third day of currency exchange heads of Neighborhood Unit are visiting each household and explain the rules of currency exchange because not much money was submitted for exchange. According to the rules of currency exchange personally owned 100,000 Won are exchanged at the ratio of 100 to 1, but a certificate of exchange are issued for the extra amount of 500,000 Won which will be exchanged at the ratio of 100 to 1 some time in the future. However, people are suspicious of the plan because no specific date was announced for the exchange of the certificate with the money. People's reaction shows that "The government never kept its promise before. So, we cannot trust them." The majority of people say that "I would rather pay 300,000 Won than turn in the deposit money." They received 1,000 Won in new currency after submitting 100,000 Won in old currency. They only received a certificate with a stamp for the extra money submitted and told to wait until further notice. The residents of *Pyungsung* South *Pyongan* Province say that they cannot deposit the money because the head of Neighborhood Unit and the official are not providing a clear answer as to "what amount will be exchanged at what ratio."

Each Household Submits 600,000 Won to the Head of Neighborhood Unit in *Sinuiju*
In *Sinuiju*, South *Pyongan* Province each household submitted 600,000 Won, which is the sum total of the basic exchange amount of 100,000 Won plus extra deposit amount of 500,000 Won. People were told that the extra bonus money of 500 Won will be paid after currency exchange gets completed, but that did not silence the anxiety of the people. The residents of *Sinuiju* will have to start their life with 1000 Won in new currency and the certificate of deposit, but they are so much worried about the future they can't even sleep at night, they say. In fact, they are trying to comfort each other by saying that everyone in the whole country would feel the same way since all the money saved through hard work became worthless overnight. The prevailing atmosphere is the pessimistic feeling that most people will end up spending all the money and become penniless even though there may be a few people may be able to make 10,000 Won at the end. The opinion that predicts that the income gap between the haves and have-nots will become widened even further even though the new start line placed everyone at the same position is also prevalent. Although the government created the leveling effect by lowering the income for everyone, people predict that the leveling effect won't last long because the income gap will be widened soon. People say that although they know that they will have to overcome this situation instead of complaining about it, all they get is a sigh out of frustration. 🌸



Good Friends: Center for Peace, Human Rights, and Refugees



Please become a good friend of the Good Friends

Good Friends– An International NGO for Peace, Human Rights and Refugees

Good Friends provides relief works for international refugees to become all lives' friends, peace movement to fundamentally resolve disputes and conflicts that human beings face, and human rights movement to protect human rights.

Good Friends has been providing information on food shortages in North Korea, raising funds for humanitarian assistance, dispatching activists to national border areas between China and DPRK and having them investigate local situations, and publishing reports on food shortages in North Korea.

Currently, Good Friends is making efforts to improve humanitarian and human rights situation of North Korean people and to inform this situation to the international community by:

- 1) Collecting information on food shortages, public health conditions, education, the basic necessities situations and inform humanitarian organizations so that they can support North Korean people effectively.
- 2) Reporting the current human rights situation in North Korea where rights duly protected by law are being violated; assessing incidents of human rights violations in the process of arrest, punishment, and imprisonment and informing international communities; and requesting that the North Korean Government act to improve human rights.
- 3) Investigating the current situations of North Korean refugees in China, and providing protections and aid for them and their children in particular.

For these purposes, Good Friends USA publishes the weekly newsletter North Korea Today (English edition) to inform the international public.

You can make a difference by donating to **Good Friends USA, Inc.** Contributions to the Good Friends USA, Inc. (a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code) are tax deductible.

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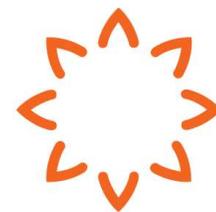
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