

## **DPRK LIGHT INDUSTRIAL PRODUCTION GROWS WITH ROK MATERIAL AID**

As South Korean materials used in light industry make their way to the North, some DPRK factories appear to returning to normal manufacturing operations. A source in North Korea recently reported, “Raw rubber, talcum (used for soap), perfumes, textiles, and other ROK raw materials made their way to a Sinuiju shoe factory and cosmetics factory, and production has returned to normal.”

South Korea is providing raw materials for light industry worth 80 million USD in return for mined goods from the Danchun and Kumduk areas of North Korea. According to the source, “9 containers of soap powder came to the soap department of the Sinuiju cosmetics factory. The factory is in full operation and most workers are reporting for work...Workers are receiving monthly wages and food rations, and [they] almost never come out to the traditional market.”

The workers at the Sinuiju cosmetics factory are mostly women, and up until now there were no materials or power, so there could be no production and business was off. However, since the middle of last November, as materials began to flow in, this factory was identified as a ‘special’ factory, power was turned back on, and the manufactured goods began to roll out. An inside source also reported that the goods have already begun to turn up on Sinuiju markets. “Sneakers began appearing in Sinuiju’s Chaeya and Chinsun Markets; The quality is good, and the residents have received them well ... The response seen is that it is thanks to the South Korean shoe materials that the quality is good. Chinese shoes are not able to compete, and are not selling well.”

The source went on to report that the scent of laundry detergent was nice, and that it was only being used to wash undergarments. “Everyone knows that the light industrial raw materials are from South Korea ...Everyone already knows that South Korea has flourished, so they publicly praise ROK goods.”

As production normalizes at the Sinuiju shoe factory, cosmetics factory, and other light industrial factories, factory workers are becoming objects of envy. Among residents, some worry about not being able to enter the factories, because in the factory, monthly wages and rations are received, and some products can be stolen and privately sold.

Goods now found in Sinuiju markets include some given to factory workers based on their piece rates, and some that are snuck out and find their way to vendors. However, in this first stage of production normalization, the North is not yet at a level at which large-scale rationing to the people is possible.