

## **BICYCLE BUSINESS GROWING IN NORTH KOREA**

The Daily NK has reported that the use of bicycles for business and transportation around the city of Pyongyang is becoming more and more commonplace, with 7 out of 10 households owning a bike, despite the fact that the cost of a bicycle in the capital city has doubled in the last twelve months alone.

According to North Korean defectors, until the early part of the 21<sup>st</sup> century, bicycles were the most sought-after purchases, with only 30~40 percent of families able to buy them.

According to a source in Pyongyang, “If you go to a [market] these days, you’d see that people who sell or purchase goods mostly use bicycles,” adding, “With the exception of those houses with extremely difficult situations, most households have a bike.”

The source explained that the growing use of bicycles is not due to improvements in the lives of the people, but rather, due to a shift in mentality. In the past, someone wishing to purchase a bike would first have to save up money for it, while today they think they can borrow the money, even at high interest rates, and then repay the loan through business profits.

The Daily NK explains, “With the ubiquity of [market] trading and the increase in business competition, bicycles have become must-have items.”

In Sinuiju, as well, bicycles have become a necessity for traders. A source there reported, “In farmlands that are distant from the [market], bicycles are an important means of linking to city markets. The merchants can triple or quadruple their profit, compared with those that don’t

own bicycles.”

Most traders with bicycles take orders from those living in farming villages, fill the orders in city markets, then barter the items in the villages for vegetables and grains which they then turn around and sell in markets for a profit. Competition is stiff as traders follow price differences between the markets in order to squeeze out even a 100 won profit.