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COUNTRY North Korea

REPORT

SUBJECT Control of Local Restaurants and
Other Service Facilities in P'yongyang

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Attached is an unedited 10-page translation on the control of local restaurants and other service facilities in P'yongyang.

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Subject: Control of Local Restaurants and
Other Service Facilities in P'yongyang

1. History:

The Social Food Supply Office under the Commerce Management Bureau of the P'yongyang-si People's Committee, the forerunner of the Social Food Supply & Convenience Facilities Management Department (SFS/CFMD), had controlled the restaurants in P'yongyang-si until the end of 1958. The Commerce Management Bureau was, however, reorganized in January 1959 into the Commerce Management General Bureau in accordance with a decision of the Korean Labor Party (KLP) Central Committee plenary meeting held in June 1958, and the Industrial Products Management Bureau, the Foodstuff Management Bureau and the Social Food Supply & Convenience Facilities Management Bureau were established under the general bureau. The SFS/CFMD was created under the Social Food Supply & Convenience Facilities Management Bureau to control all the local restaurants as well as other convenience facilities in P'yongyang, such as hotels, public bath houses, beauty parlors, tailor shops, laundries, pawnshops, etc., through the commerce department of each district (kuyŏk) people's committee in the city. Exempt, however, from the control of the SFS/CFMD were those restaurants directly operated by the armed forces, Light Industrial Commission, Ministry of Fisheries, and various enterprises, and the International Hotel and Ongnu-gwan Restaurant, which were frequented by foreigners and high-ranking government officials and were, therefore, controlled directly by the Social Food Supply & Convenience Facilities Management Bureau of the Ministry of Commerce.

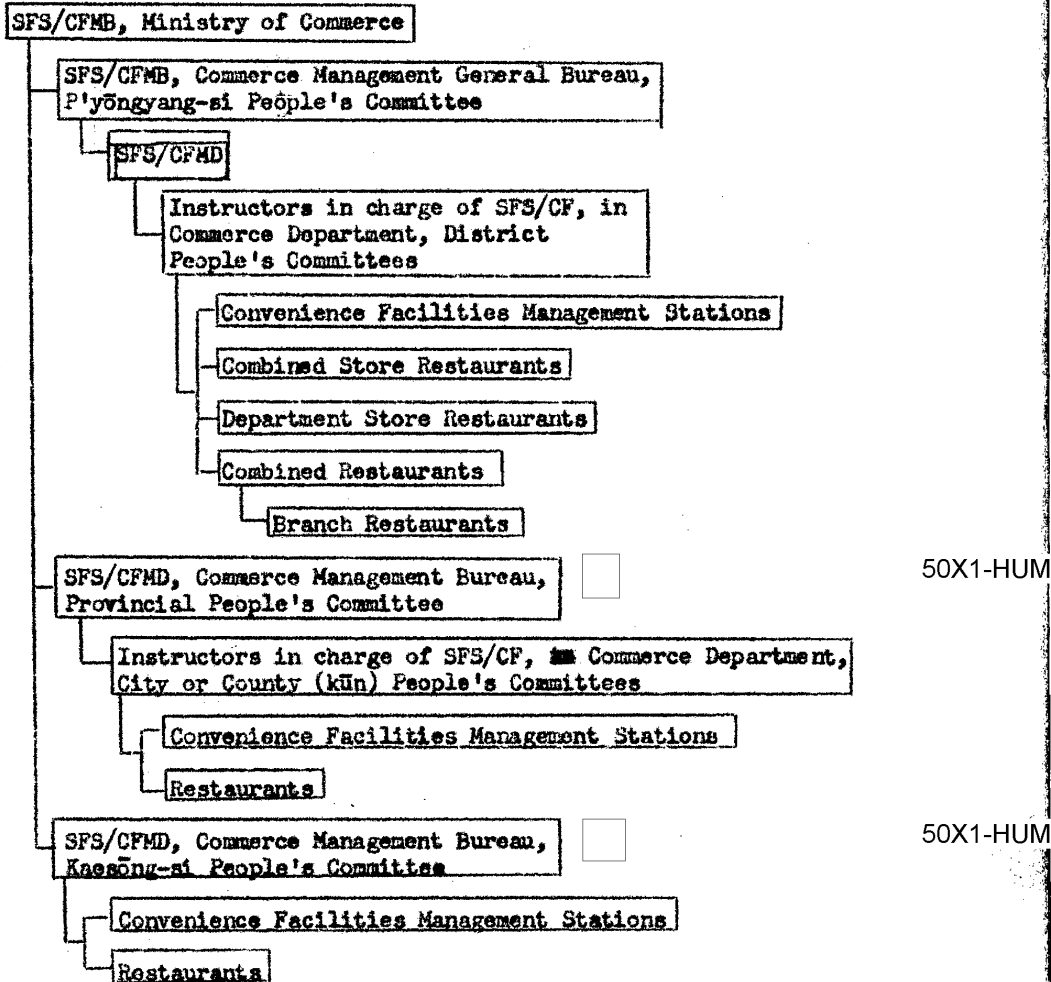
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2. Organization and Functions:

The diagram below shows the organizational setup and chain of command of the SFS/CFMD and its parallel organizations:



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a. Commerce Management General Bureau: The Commerce Management General Bureau of the P'yŏngyang-si People's Committee had under it the Social Food Supply & Convenience Facilities Management Bureau, Foodstuff Management Bureau, Industrial Products Management Bureau, Planning Department, Staff Department, Finance & Bookkeeping Department, Organization Department, Construction Department, Price Department, Transportation Department, Instructor-in-charge-of-Petitions, and Confidential Documents Officer. The Foodstuff Management Bureau and the Industrial Products Management Bureau respectively operated in each district a wholesale station, through which they distributed goods to the various enterprises under the control of the general bureau.

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b. Social Food Supply & Convenience Facilities Management Bureau:

The Social Food Supply & Convenience Facilities Management Bureau had two instructors under the immediate control of the bureau-chief, who were respectively in charge of the planning and the finance and accounting of the bureau.

c. Social Food Supply & Convenience Facilities Management Department:

The staff of the SFS/CFMD consisted of one department-chief, one deputy department-chief, four instructors respectively in charge of "social food supply" (restaurants), supply of raw materials, organization, and sanitation & service, and several instructors in charge of convenience facilities. The so-called "social food supply" works carried out by this department were to provide a smooth management of the restaurants for the convenience of customers by supervising and controlling the restaurants and by giving technical and sanitary training to the restaurant workers. Though this department normally carried out its works through instructors (in charge of social food supply and convenience facilities) in respective district people's committee commerce department, its own instructors were often called upon, ~~through the help of managers in the district commerce departments~~ to give ~~a direct~~ ^{intensive} guidance, ~~to the combined~~ ^{directly} restaurants.

- 1) Organization Instructor: The organization instructor was responsible for planning the distribution of restaurants in the city, and for giving technical guidance to the restaurants with regard to their equipment, and for providing them with the necessary equipment supplied by the government such as the dishwasher, rice-washing machine, noodle-making machine, electric pot, dish conveyer, elevator, ice-cream freezer, popsicle freezer, and others.
- 2) Food Supply Instructor: The food supply instructor was responsible for the training and technical guidance of cooks, placing particular emphasis on serving greater variety of dishes and improving their quality. At present, the NK cooks were graded: nutrition technician, assistant nutrition technician, grade-I cook, grade-II cook, grade-III

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cook, and non-grade cook. Throughout NK, there were only 10 nutrition technicians (one in Kaesŏng-si and the rest in P'yŏngyang-si) and 18 assistant nutrition technicians. The most famous of the ten nutrition technicians was YI Pok-kun (nta) (female, born circa 1913), an author of a book on cookery, which was being used by the P'yŏngyang Commerce College as a textbook. As of October 1961, she was a deputy manager of the Ongnu-gwan Restaurant in P'yŏngyang-si. In P'yŏngyang-si, there were about 160 grade-holding cooks, not counting about 20 Chinese cooks who had resided in P'yŏngyang-si since ~~from~~ the Japanese occupation days and who had passed the NK qualification examination for licensed cooks, and presently employed by the Chinese restaurants under the combined restaurants. Most NK cooks, however, lacked the scientific knowledge to prepare a menu dietetically, despite their long experience as cooks since before the Liberation. For this reason, this department regularly held classes about once a week to improve their techniques. The lecturers were usually instructors of the combined restaurants, mostly grad-III cooks or above, and occasionally the instructors from the department itself and those from the public Health Department of the P'yŏngyang-si People's Committee. Aside from this training, each grade-holding cook was assigned one or two non-grade cooks as apprentice^s. The qualification examination for license and promotion was held by the Social Food Supply & Convenience Facilities Management Bureau twice a year in spring and summer. This department was also making efforts to specialize the restaurants in order to attain a greater variety and better quality of the dishes they serve. To give a greater variety in the dishes, the cooks were urged to study a particular dish as their specialty for a specific period and report their results for examination by specialists. This plan, however, did not work as it was originally expected, owing to the short supply of raw materials.

- 3) Sanitation & Service Instructor: This instructor supervised all

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matters with relation to the sanitary conditions of the restaurants and the services they offered to the customers.

4) Material Supply Instructor: This instructor made requisition to the Commerce Management General Bureau of the P'yōngyang-si People's Committee via Social Food Supply & Convenience Facilities Management Bureau for supply of raw materials needed by the restaurants, on the basis of the P'yōngyang-si raw materials supply plan laid out in the overall NK People's Economic Plan, and notified the approved figures of supply to each combined restaurant, which in turn drew its supplies from the wholesale stations under the Foodstuff Management Bureau on the transfer account basis. However, the supplies issued by the general bureau were hardly sufficient to meet the actual requirement of the restaurants, and the combined restaurants had to make additional purchase of eggs, vegetables, and so forth at the farmers' market or from the agricultural cooperatives in P'yōngyang-si, though it was not very often that they could make such purchases as the food shortage was universal.

d. Combined Restaurants: In spite of its name, a combined restaurant was not a restaurant but an enterprise that controlled 5 to 8 restaurants (called "branch restaurants") under it on an independent accounting basis. In P'yōngyang-si, there were nine such combined restaurants, ranging from grade-III to grade-VI enterprises according to their size. They were the Yugyōng Combined Restaurant, the Noran Combined Restaurant, the Kyōngnim Combined Restaurant, the Chongno Combined Restaurant, the Yunhwanson Combined Restaurant, the Karuge Combined Restaurant, the Kirim Combined Restaurant, the Tongdaewon Combined Restaurant, and the Taesōng Combined Restaurant. At the time of their establishment, the government had provided them with 30 percent of their working capital but they were operated under the independent accounting system and had their own account with the bank. The staff of a combined restaurant consisted of a manager; two deputy managers (one in charge of production, and the other in charge of personnel affairs, doubling as cell leader of the KLP);

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a commerce department chief, who had under him two purchasing officers, two instructors, and three warehouse keepers; a chief bookkeeper, who was assisted by two bookkeepers and an administrative officer; a food supply instructor; an organization instructor; and a staff instructor. As already mentioned above, a combined restaurant was operated under the independent accounting system and therefore was authorized to operate a factory on the sideline to make up for its short supply.

- e. Branch Restaurants: All restaurants in P'yōngyang-si, which had been under the control of the Social Food Supply Office of the P'yōngyang-si People's Committee Commerce Management Bureau until the end of 1958, were placed under the combined restaurants in January 1959, when the latter were established. Normally, a branch restaurant was manned by a manager, a cook, a kitchen help, a waitress, and a cashier, though the number of kitchen helps and waitresses varied depending upon the size of a restaurant. Some of the branch restaurants, however, were placed under the actual control of a nearby department store restaurant or a combined store restaurant when they were removed too far from any combined restaurant. There were over one hundred branch restaurants of various kinds in P'yōngyang-si, namely, family restaurant, government employees' restaurant, general restaurant, vermicelli shop, Chinese restaurant, foreign restaurant, dog meat house, all-night restaurant, soft drink house, and so forth, situated either on the first floors of the apartment buildings or in other separate buildings. The number of customers who availed themselves of these restaurants were estimated at about 50,000, or about 5 percent of the estimated P'yōngyang-si population of 1 million people. 50X1-HUM

- 10) Family Restaurants: There were about eight family restaurants in P'yōngyang-si, which served meals to the couples working in double harness (husband & wife both working), working widows, and their dependents. The customers were required to pay in advance 15 to 18 wōn a month and submit their grain ration cards in order to obtain their meal tickets. The meals served at these restaurants usually

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consisted of a bowl of rice with other cereals, "kimch'i" (pickled vegetables), and occasionally, soup, but some families with children sometimes ordered extra side dishes, such as fried fish, pickles, vegetables, hot bean paste, etc., for which they were required to pay in cash.

- 2) Government Employees' Restaurants: There were nine government employees' restaurants in P'yŏngyang-si. These restaurants only served meals to the bachelor government officials with meal tickets, for which they paid 12 to 18^{won} per month. Their meals consisted of a bowl of rice with other cereals, soup, "kimch'i," bean curd, vegetables, salted fish, etc., and occasionally, sausage (à la coréenne) and petitocs.
- 3) General Restaurants: The large majority of the branch restaurants in P'yŏngyang-si ~~was~~ ^{WERE} the general restaurants whose customers were ordinary citizens. Besides the usual meals, these restaurants also sold drinks and their accompaniments.
- 4) Vermicelli Shops: There were about 20 vermicelli shops in P'yŏngyang-si, largest in number next to the general restaurants. Among the well-known shops, frequented mostly by officials of higher ranks, were the Kirim-gak, the 1st Vermicelli Shop, the Taedong-gang Vermicelli Shop; the Munhwa Restaurant, the Ch'ilŏng-mun Vermicelli Shop, the Sin'gyo Vermicelli Shop, the Tongsin Vermicelli Shop, the P'yŏngyang Vermicelli Shop, the Moranbong Vermicelli Shop.
- 5) Chinese Restaurants: There were six Chinese restaurants in P'yŏngyang-si. Until the end of 1959, these restaurants had been under the control of a combined Chinese restaurant, and their employees had been all Chinese from deputy managers on down, except for the managers who were Koreans. But in 1960, all of them were replaced with Koreans, except the cooks.
- 6) Foreign Restaurant: There was only one western-style restaurant under the control of this department, called the Ot'an Restaurant, located in Chungŏng-dong, Chung-guyŏk.

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- 7) Dog Meat House: There were four restaurants in P'yōngyang-si whose specialty was dog meat. These restaurants were very popular among the ordinary citizens.
- 8) All-night Restaurant: This restaurant, located in front of the P'yōngyang-si Railroad Station, opened all night for the travellers.
- 9) Soft Drink Houses: There were several stores in P'yōngyang-si that served soft drinks in summer and roast chestnuts and roast sweet potatoes in winter. Their main customers were students and children.

f. Restaurants attached to Combined Stores and Department Stores:

The restaurants attached to combined stores and department stores were also subject to the technical guidance of this department, though their management fell within the jurisdiction of the respective combined stores or department stores to which they were attached.

3. Food Prices:

The food prices in restaurants were calculated by adding service charges to the material cost: 15 percent in ordinary restaurants and 25 percent in some of the higher class restaurants, such as the Kirim-gak Restaurant, the Tongdaewŏn ~~Tongdaewŏn~~ Vermicelli Shop, the Sin'gyo Vermicelli Shop, and the 1st Vermicelli Shop. The following are the prices of ~~the~~ food served in various restaurants in P'yōngyang-si:

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|---|-------------------|
| a. "Chaengban" | 3 to 5 wŏn |
| (Seasoned meat in thin slices served on a tray with a small range to be cooked on the table.) | |
| b. Vermicelli soup | 30 chŏn to 1.5wŏn |
| c. Rib soup | 50 chŏn (0.5 wŏn) |
| d. Beef soup | 25 - 30 chŏn |
| e. Chop suey | 20 - 25 chŏn |
| f. "Udong" (Chinese noodle soup) | 30 - 50 chŏn |
| g. "Tsajang-myŏn" (Chinese spaghetti) | 30 - 50 chŏn |
| h. "T'angsuyuk" (a Chinese dish) | 1 won - 1.5 wŏn |
| i. Boiled meat dumplings | 1 won 50 chŏn |
| j. "Pibimpap" | 50 chŏn |
| (Boiled rice mixed with various seasoned vegetables) | |
| k. Dog meat soup | 50 chŏn - 1 wŏn |

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- l. Vegetables and meat stew 20 - 25 chōn
- m. Sukiyaki 1.5 wōn
- n. Sliced raw fish 20 - 30 chōn
- o. Ice cream 10 - 30 chōn

4. Female Labor:

The KLP Central Committee plenary meeting held in June 1958 resolved to replace some of the male workers in the field of commerce with able female workers as a part of its efforts to strengthen the commercial and financial branches. As a start, about 100 women in responsible posts of various organizations, including chairmen and staff officials of various county Democratic Women's League committees, were recruited for three-month training in bookkeeping. Upon completion of the training in January 1959, the whole staff of the SFS/CFMD and the heads of the combined restaurants, branch restaurants and various stores under the department were replaced by them. The chief of the SFS/CFMD was replaced by a KO Chōn-cha (nta), former chief of the Education Department of the Central Democratic Women's League Committee, and the deputy department-chief, by a former department-chief of the Central Committee of the Consumers' Cooperatives Alliance. However, these two were subsequently replaced again by males in October 1959 as a result of a KLP Central Committee inspection which found them not only inferior to males in carrying out their work, which required great skill and capability as an executive, but also negligent of their duty. As a result, KO was demoted to a laundress in a laundry shop in P'yōngyang-si and the latter to an instructor of the department.

5. Bottlenecks:


Few restaurants in NK managed well enough to make both ends meet, owing largely to the shortage of supply of materials, the ~~ration~~ rationing of staple food, and most of all the narrow margin of profit. The only time they could make any profit at all was when they drew supplies from the wholesale stations of the Foodstuff Management Bureau, because they allowed some extras to be thrown in to the supply to make up for the certain loss from, for example, nipping off dead leaves from vegetables, which the restaurants

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seldom did. The restaurants in P'yōngyang-si were frequently interrupted of their regular business by visiting groups of local officials who dined at the restaurants, while they were attending various meetings in the city, almost invariably ordering the varmicelli soup, because it cost only 20 chŏn per bowl at party reduction and were payable in coupons.



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