

INFORMATION REPORT

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- 1. On 10 March 1950 open market prices in North Korea were in the following ratio to statutory prices:

| Commodities   | Prices in North Korean Won |        |
|---|----------------------------|--------|
|   | Statutory                  | Market |
| Rice, best, per large mal (about half a bushel)                     | 80                         | 460    |
| lower quality, per large mal  | 70                         | 360    |
| Red beans, per large mal  | 70                         | 380    |
| Cotton fabric, per yard   | 30                         | 170    |
| Soviet-made cotton cloth (18 inches wider than the local), per yard |                            | 230    |
| Woolen cloth, per three yards                                       | 1,500                      | 9,000  |

- 2. When the stock of streptomycin at the People's Hospital in Wonsan (127-26, 39-30) ran low, the hospital authorities took up a collection of gold and silver among the patients for purchase of a new supply. The collected funds were entrusted to the wife of an employee of the Yonchon (127-04, 38-06) Department of Interior, who was to make the purchase. She went to South Korea about 1 January 1950 and purchased both a considerable amount of streptomycin (exact quantity unstated) and some dyestuffs at Choksong-myon (125-56, 37-58), Yangju County (Gun), at the rate of 11,000 South Korean won per momme\* of gold and 180 South Korean won per momme of silver. Since these rates compared very favorably with the North Korean won rate of 2,500 per momme of gold and 30 per momme of silver, members of the local Department of Interior office were reported to be planning to smuggle gold and silver over the border into South Korea to obtain the higher exchange.

- 3. In February 1950, there was a rumor circulating in Pyongyang that a currency reform could be expected in the near future. Since the residents were already having difficulties with the high prices of many commodities, the rumor caused some disturbance.

\* Comment. A momme is equal to 3.75 grams.

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