



Ji Zhengtai, the head of the Mansudae Art Museum, talks about paintings by a North Korean artist in the studio of a gallery in the 798 art district in Beijing. **REUTERS/Thomas Peter**

# Uncovering North Korean food and art

**BY SUE-LIN WONG, GISELDA VAGNONI, FANNY POTKIN, JAMES PEARSON AND SEUNG-WOO YEOM**

**OCTOBER 4 – NOVEMBER 3** DANDONG/ SEOUL

# White tiger, dark horse: North Korean art market heats up

BY SUE-LIN WONG, GISELDA VAGNONI AND  
FANNY POTKIN

SEPTEMBER 5 BEIJING

**S**eated beneath tall windows and dressed simply in singlets and trousers, North Korean painters are hard at work. The artists staple canvases to frames or copy idyllic landscapes from laptop computers. One wears headphones as he brushes a group of running horses onto his canvas.

The nine men have come to the Chinese border town of Dandong from Mansudae Art Studio, North Korea's largest

producer of art. There are many outlets like this along the border; they house some of the thousands of North Korean artists who cater to burgeoning demand for their work. "Chinese have begun collecting art, and North Korean art is much easier and cheaper for them to obtain," says Park Young-jeong, a research fellow at the Korea Culture and Tourism Institute, a Seoul-based organisation.

In recent years as countries have responded to North Korea's weapons tests with sanctions, Mansudae and other art studios have increasingly played a more controversial role – helping Pyongyang raise cash abroad. North Korea has long been punished for alleged underhand dealings in minerals, finance and arms; art was seen more as a channel for mutual understanding. That is changing.

Mansudae is run by the North Korean state. Its output ranges from statues of global leaders to propaganda posters, embroidery and more. It has built monuments and statues in at least 15 African countries, according to independent United Nations sanctions experts.

In a report in February, they said that a part of Mansudae called Mansudae Overseas Projects was a front for the North Korean state to cash in on military deals. As well as monumental statues, they found it built military installations such as a munitions factory and bases in Namibia.

A diplomat at the North Korean mission to the U.N. in Geneva said Mansudae had nothing to do with funding weapons manufacturing. No one from Mansudae could be reached.

The U.N. Security Council banned Mansudae's statue business in 2016. On Aug. 5, after Pyongyang conducted more weapons tests, the Security Council blacklisted Mansudae Art Studio, subjecting it to a global asset freeze and travel ban. Diplomats say this will prevent Mansudae from conducting business.

"With this listing, anything Mansudae produces – including paintings, other artwork, monuments, buildings, and other construction – cannot be bought and should be frozen per the asset freeze," said a U.N. Security Council



Choi Sang Kyun, head of Gallery Pyongyang, arranges North Korean propaganda posters that he collected, after an interview with Reuters in Seoul. **REUTERS/ Kim Hong-Ji**

diplomat, speaking on condition of anonymity.

In a further resolution on Sept. 11, the Security Council decided that all joint ventures with North Korean entities or individuals must be shut down within 120 days, or by mid-January.

Exactly what the measures mean for existing Mansudae art has yet to become clear. In Beijing's art district, a gallery called the Mansudae Art Gallery says it is the studio's official overseas gallery. Its head insists the sanctions do not apply to it and says they have had no impact on his business.

"Now more than ever we need avenues like art to create understanding between North Korea and the rest of the world," said Ji Zhengtai.

It is not possible to estimate the total value of Mansudae's dealings, but the Security Council diplomat said the business had earned tens of millions of dollars globally.

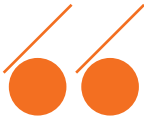
### **"WE DON'T DO POLITICS"**

Mansudaeartsudio.com, a website in Italy which calls itself Mansudae's "official website abroad," says the studio is "probably the largest art production centre in the world."

Mansudae's Pyongyang studio covers 120,000 sq m (nearly 30 acres), employs about 4,000 people including around 1,000 artists, and is divided into 13 creative groups, seven manufacturing plants and more than 50 supply departments, the website says.

The website is run by Pier Luigi Cecioni, who sells Mansudae works online and at fairs through what he calls an exclusive agreement with Mansudae Art Studio. He declined to say how much he sells, but in August after the sanctions on Mansudae Art Studio were announced, he told Reuters that the revenues go direct to the studio to pay for paints and equipment.





... the last thing I want is to have trouble with Italian or American authorities. I have strong contacts, especially with the Italian ones, and they help me to respect all the rules.



**Pier Luigi Cecioni**  
Runs  
Mansudaeartsudio.  
com

Cecioni said he sells works from his personal collection, most of them bought several years ago – before sanctions on Mansudae were announced. His website makes clear that any online purchase is made with his Italian company, not Mansudae. U.N. sanctions are not retroactive.

A panel of independent experts is charged with monitoring U.N. sanctions on North Korea. It reports violations and recommendations to the Security Council's North Korea sanctions committee. Its reports are confidential, but the committee traditionally publishes annual reports.

Hugh Griffiths, who heads the panel, declined to comment, saying “the matter is subject to an ongoing investigation.”

Cecioni said, “the last thing I want is to have trouble with Italian or American authorities. I have strong contacts, especially with the Italian ones, and they help me to respect all the rules.” An Italian foreign ministry source said it is customary to keep contact with everyone who has ties to countries under sanctions, to ensure they respect Italy's international commitments.

In September, Cecioni said that he had no plans to shut down his operation. “I consider it very important to let people know that ... North Koreans do not make only bombs but also art and are common people,” he said. He postponed an exhibition of propaganda posters he had planned for September in Treviso, but said this was because Mansudae's representatives told him they thought it unwise to showcase their anti-U.S. tone in the current climate.

Word of the sanctions has been slower to reach China. A circular from its Commerce Ministry announcing the start date of the measures which included Mansudae Art Studio does not name Mansudae. Asked why not, the ministry did not respond.

The Dandong centre works in partnership with Mansudae, said its manager, Gai Longji. Asked on the day the sanctions took effect if they were affecting business, he did not answer directly.

“We don't do politics,” he said. “We do art.” Liaoning Sanyi, the firm behind the centre, did not respond to a request for comment.

## WHITE TIGER

Reuters spoke to at least 30 experts – collectors, art historians, academics and people who have sold North Korean art globally. Many said the market for paintings is niche and amounts to little in terms of revenue compared with the billion-plus dollars North Korea has raised every year selling coal and other minerals abroad.

Even so, they say North Korean diplomats in Europe have been enthusiastic to promote art exhibitions with the simple aim of bringing in hard currency.

In China, demand has really taken off. Dandong is a popular attraction for tourists who come to peep at North Koreans over the Yalu River border. Busloads of tourists show up every morning. Visitors sample a North Korean speciality of noodles in cold soup, watch North Korean women sing and dance, and buy North Korean paintings.

Besides Mansudae, just about every ministry and almost all the local authorities in North Korea have an art studio, said Koen De Ceuster, a lecturer in Korean studies at Leiden University who has been studying North Korean art for over a decade. “There's studios all across the country,” he said.

Other prominent studio names include Paekho and the Central Arts Studio. Paekho, which means “white tiger” in Korean, is the biggest seller of popular paintings in Dandong, traders there said. Collectors who have dealt with Paekho say it is run by North Korea's military – Reuters could not independently establish this. Paekho's varied output includes propaganda posters calling for a nuclear-free world.

The Dandong centre that Reuters visited has hosted around 500 North Korean artists since 2014, manager Gai said. They stay for between six months and three years.

Many Dandong galleries house North Korean painters. Staff there said they have sold North Korean paintings for as much as \$100,000 to buyers around the world. Art experts agree the pieces can very occasionally fetch six-figure sums.

Not all the proceeds go to Pyongyang.



I still think there's huge latent demand for North Korean art in the Chinese market, that's only set to grow.



**Zhao Xiangchen**  
Chinese antiques dealer in the city of Yanji

Mark-ups can reach four or five times the dealer's purchase price, according to one Dandong dealer.

### LONG GAME

While the Security Council's Aug. 5 sanctions targeted only Mansudae, its September resolution on joint ventures also included restrictions on North Korean labour: This combination could hurt everyone in the art business, Dandong traders say.

But there are ways around the measures, they add. For instance, paintings from Mansudae could be sold under the name of an art studio that hasn't been sanctioned. Artists come to China under cultural exchange visas, not as workers. And two businessmen said paintings have long been accepted instead of cash in the barter deals that fuel the region's economy.

At the other end of the border from Dandong in the city of Yanji, Chinese antiques dealer Zhao Xiangchen said people usually roll up a couple of paintings and carry them quietly across the border to him.

His antiques stall was thick with dust as he camped in a vacant slot next door, selling the paintings online.

Since the sanctions were announced, Zhao said, Chinese customs have become more vigilant.

"But I'm playing the long game," he said. "I still think there's huge latent demand for North Korean art in the Chinese market, that's only set to grow." <sup>®</sup>

Sue-Lin Wong reported from Dandong, Beijing and Yanji, Giselda Vagnoni from Rome, Fanny Potkin from London; Additional reporting by Heekyong Yang in Seoul, Michelle Nichols and Barbara Goldberg in New York, Stephanie Nebehay in Geneva and the Beijing newsroom; Editing by Sara Ledwith

# Fake meat, free markets ease North Koreans' hunger

BY JAMES PEARSON AND SEUNG-WOO YEOM

NOVEMBER 3 SEOUL

**T**ake the dregs left from making soy bean oil, which usually go to feed the pigs. Press and roll them into a sandy-coloured paste. Stuff with rice, and top with chilli sauce. The dish's name, injogogi, means "man-made meat."

In North Korea for years it was a recipe for survival. Today it is a popular street food, traded alongside other goods and services on informal markets, known as jangmadang. Defectors say there are hundreds of these markets. The creation and informal trade

of injogogi and other foods offers a window into a barter economy that has kept North Korea afloat despite years of isolation, abuse and sanctions.

"Back in the day, people had injogogi to fill themselves up as a substitute for meat," said Cho Ui-sung, a North Korean who defected to the South in 2014. "Now people eat it for its taste."

North Korea was set up with backing from the Soviet Union as a socialist state. The Soviet collapse in 1991 crippled the North Korean economy and brought down its centralised food distribution system. As many as three million people died. Those who survived were forced to forage, barter and invent meals from whatever they found. Since people started to use their own initiative, studies indicate, person-to-person dealings have become the way millions of North Koreans procure basic necessities such as food and clothing.

But the prevalence of informal markets also makes it hard to understand the exact state of the North Korean economy. And this makes it hard to measure how badly sanctions, which do not apply to North Korean food imports, are hurting ordinary people.

Pyongyang has said the curbs threaten the survival of its children. Defectors say a poor corn harvest this year has made it hard for people in rural areas to feed themselves. The agencies who want to help find all this hard to measure.

Pyongyang says 70 percent of North Koreans still use the state's central distribution system as their main source of food, the same number of people that the U.N. estimates are "food insecure." The system consistently provides lower food rations than the government's daily target, according to U.N. food agency the World Food Programme (WFP). The U.N. uses this information to call on member states to provide food aid for North Korea – \$76 million for "nutrition support" alone at its last request – of which it has received \$42 million.

But surveys and anecdotal evidence from defectors suggest private markets are the main source of supply for most North Koreans.

"It becomes sort of ridiculous to analyse



A photo illustration shows "Injogogi", a textured vegetable protein, at a North Korean food store run by North Korean defector Hong Eun-hye in Seoul.  
**REUTERS/Kim Hong-Ji**

food distribution in North Korea by focusing on an archaic system that's lost so much of its significance over the past couple of decades," said Benjamin Silberstein, an associate scholar at the Foreign Policy Research Institute who researches the North Korean economy.

The WFP and the U.N.'s other main food aid agency, the Food and Agricultural Organisation, said the U.N. relies on all available information and inputs, including official statistics. The agencies have a permanent office in Pyongyang and make regular visits to Public Distribution Centres, farms and occasionally markets in North Korea.

"We recognise that the data and their sources are limited but it's the best we have available at present," said the U.N. agencies in a joint statement, referring to the official North Korean government data.

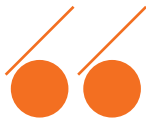
The agencies said they have seen no sign that more food than needed is delivered to

North Koreans. "The main issue ... is a monotonous diet – mainly rice/maize, kimchi and bean paste – lacking in essential fats and protein," the statement said.

The North Korean diplomatic mission in Geneva did not respond to questions about how international sanctions might be harming food availability and whether U.N. aid agencies had access to markets in North Korea to assess the products on offer.

### **SAND EEL SAUCE**

Last year, North Korea's economy grew by 3.9 percent – its fastest in 17 years and faster than many developed economies, according to South Korea's central bank. It was helped largely by mining, market reforms, and dealings with China, its neighbour and now the world's largest economy. Reporters saw signs of chronic hunger in North Korea as recently



People who lived by the sea put shredded anchovies in the sauce; people living in the countryside used spicy peppers. I lived close by shore so I used shredded sand eels.



**Cho Ui-sung**  
North Korean who defected to the South in 2014.

as 2013, but people who have defected say the food supply has improved in recent years.

Eight defectors told Reuters they ate much the same thing as people in the South. Asked about the contents of their food cupboards, most said they were stocked with privately grown vegetables, locally made snacks and rice, or if they were poor, corn, which is a cheaper staple.

Younger and wealthier defectors say they had plenty of meat, although it was often seasonal because electric power is too erratic to power fridges. Pork is common, but defectors also talked of eating dog meat, rabbit, and badger.

Even so, on average North Koreans are less well nourished than their Southern neighbours. The WFP says around one in four children have grown less tall than their South Korean counterparts. A study from 2009 said pre-school children in the North were up to 13 cm (5 inches) shorter and up to 7 kg (15 pounds) lighter than those brought up in the South.

The North's Public Distribution System (PDS) stipulates that 70 percent of people receive ration coupons to spend at state distribution shops. The other 30 percent are farmers who are not eligible for rations because they grow their own vegetables in private plots. According to the WFP, the PDS had been reinstated by 2006.

Defectors say Kim Jong Un, who came to power in 2011, also quietly loosened the rules on private trade.

Some markets, known as "grasshopper markets" for the speed with which traders set up and take down the stalls, are still illegal. But there are also officially sanctioned markets, where traders are free to buy and sell provided they pay stall fees to the state.

Inventions like injogogi are among foods traded on these stalls. It is low in calories but rich in protein and fibre, to help muscle growth and keep hunger at bay, said Lee Ae-ran, a chef from the North Korean town of Hyesan who took a doctorate in nutrition in Seoul. "Because it contains so much protein, it's also very chewy," Lee said.

The sauce can be delicious, said Cho. "People who lived by the sea put shredded

anchovies in the sauce; people living in the countryside used spicy peppers. I lived close by shore so I used shredded sand eels."

The jangmadang are remotely monitored by a website called Daily NK, a Seoul-based operation staffed by North Korean defector journalists. It said in a report released this August that there are 387 officially sanctioned markets in the country, encompassing more than half a million stalls. Over 5 million people are either "directly or indirectly" reliant on the markets, "solidifying their place in North Korean society as an integral and irreversible means of survival," the report said.

In 2015, a survey of 1,017 defectors by Seoul University professor Byung-yeon Kim found that official channels such as the PDS accounted for just 23.5 percent of people's food intake. Around 61 percent of respondents said private markets were their most important source of food, and the remaining 15.5 percent came from self-cultivated crops.

So the official system may mean little to many North Koreans.

"WFP has consistently been asking (the North Korean government) to carry out a more detailed study on market activity and the role of markets in achieving household food security," a spokeswoman said.

## PIZZA IN PYONGYANG

As in other countries, North Korea's wealthy have choice. Residents of the capital can order up a pizza in one of Pyongyang's hundreds of restaurants, say regular visitors. Many of the eateries are operated by state-owned enterprises. Some used to cater only to tourists. Increasingly they now also collect dollars and euros from locals.

At a place people know as the "Italian on Kwangbok Street," for example, moneyed locals and western tourists alike can pick vongole pasta for \$3.50, or pepperoni pizzas for \$10, the menu says. This compares with \$0.30 for a kilo of corn or \$0.50 for a portion of injogogi in the markets.

Reuters was unable to determine how the



restaurant sources its ingredients such as pepperoni, although North Korea imports processed meats and cheeses from European countries and Southeast Asia – such imports are legal. Calls to the phone numbers on the menu failed and an operator for the Pyongyang switchboard said the numbers could not be connected to international lines.

As the economy in North Korea has changed, so have the tastes of a moneyed middle class keen to try new foods. Kim Jong Un has called for more domestically produced goods, according to state media, and there are more locally made sweets, snacks and candies. The country does not publish detailed import data but China's exports of sugar to North Korea in January to September this year ballooned to 44,725 tonnes, Chinese data shows. That is about half of all China's global sugar exports and compares with 1,236 tonnes in 2016 and 2,843 in 2015.

North Korea does not produce sugar. According to the International Sugar Organization, the North's sugar consumption is fairly steady at around 89,000-90,000 tonnes a year – a very modest amount per head. Each South Korean consumes about nine times more than that.

At the other end of the social scale, Chinese data shows corn exports to North Korea also jumped in the first nine months of this year, to nearly 50,000 tonnes, compared with just over 3,000 tonnes in the whole of 2016.


Daily NK reporters say they call secret sources in North Korea several times a week to get the market price of rice, corn, pork, fuels and the won currency – which is traded at around 8,100 to the dollar, as opposed to the official rate of around 100 to the dollar.

So far, their reports suggest, petrol and diesel prices have doubled since the most recent round of U.N. Security Council resolutions. The market price of rice and corn has increased less sharply. Reuters was not able to independently confirm their reports.

And there are other ways North Koreans can supplement their diets.

“My dad often received bribes,” said one

28-year-old defector who asked to be identified only by her surname, Kang, because when she moved out in late 2010 she left her father behind.

He was a high-ranking public official. The bribes he received included goat meat, dog meat and deer meat, she said. 

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