The North Korean civilian population is suffering from a serious deterioration in living standards. The situation, which has been described as "catastrophic" by a Czechoslovakian diplomat in Pyongyang, apparently arises from the cumulative effect of ceaseless UN bombing, the necessity of partially supporting an army in excess of half a million, and the severe reduction in the agricultural population.

Major shortages have developed as a result of the near-total destruction of the embryonic North Korean consumer goods industry, particularly textile mills. Available, it is believed that the coming fall harvest will be smaller than the admittedly poor crop of 1950. Major factors contributing to such a shortage will be the lack of any appreciable amount of chemical fertilizers, serious flood conditions throughout much of North Korea, a lack of adequate seed, and the critical shortage of farm labor and farm animals. Despite the statement that there will be "enough to eat," other evidence points to the contrary. A recent internal propaganda campaign has been continuously urging North Korean farmers to make their "tax payments in kind" promptly.

The impact of the war has probably fallen inordinately heavily on the urban and industrial workers.

Some reports allege that acute inflation has raised the cost of food and remaining consumer goods as much as 700 percent over June, 1950 levels. Taxation is reported to be three times as burdensome as in the period before the war, and the forced purchase of defense bonds and lottery tickets to raise funds for military materials is reportedly common.
Disease is believed to pose a serious threat.

Current "anti-epidemic campaign" being waged by the North Korean government and by refugee reports that no hospital space is available for civilians.

A major cause of the serious condition of non-combatants in North Korea lies in the devastation of the transportation system. Largely inadequate to begin with due to its north-south orientation and its limited number of border points of entry, the rail system has been immobilized over large segments by UN bombing attacks, natural deterioration, and climatic conditions. The vast bulk of the cargo transported on available facilities, moreover, consists of essentially military supplies. Ammunition, ordnance and rations for the combat troops demand a far higher priority than relief goods. A significant amount of the remaining available manpower is believed to be occupied, furthermore, in a human supply capacity or in efforts to maintain the transportation system in a semblance of working order.

In striking contrast to the desperate situation believed to exist in the rear areas, stated on 6 October that all indications pointed to an "adequate" food, ammunition, and clothing supply among front line units. This "improved supply situation" will reduce the incidence of disease among the troops below last winter's high levels.

A critical internal problem will be facing Communist authorities during the coming winter months unless some means of alleviating the immediate needs of the urban and refugee North Korean population can be found. With the continued heavy logistical demands of the Communist field armies under either offensive or defensive conditions, it is difficult to see how the Communist authorities will be able to solve this pressing problem.