

# Cheap and green: Pyongyang upgrades its mass transit system

By Eric Talmadge  
The Associated Press

**P**YONGYANG, North Korea — Pyongyang is upgrading its overcrowded mass transit system with brand new subway cars, trams, and busses in a campaign meant to show that leader Kim Jong Un is raising the country's standard of living.

The long-overdue improvements, while still modest, are a welcome change for the North Korean capital's roughly 3 million residents, who have few options to get to work or school each day.

First came new, high-tech subway cars and electric trolleybuses — each announced by the media with photos of Kim personally conducting the final inspection tours. Now, officials say three new electric trams are running daily routes across Pyongyang.

Transport officials say the capacity of the new trams is about 300, sitting and standing. Passengers must buy tickets in shops beforehand and put them in a ticket box when they get on. The flat fare is a dirt cheap 5 won (around one-sixteenth of a cent) for any tram, trolleybus, subway, or regular bus ride on the public transport system. The Pyongyang Metro has a ticket-card system and the Public Transportation Bureau is considering introducing something similar on the roads as well.

Privately owned cars are scarce in Pyongyang. Taxis are increasingly common but costly for most people. Factory or official-use vehicles are an alternative, when available, as are bicycles. Motorized bikes imported from



China are popular, while scooters and motorcycles are rare.

The subway, with elaborate stations inspired by those in Soviet Moscow and dug deep enough to survive a nuclear attack, runs at three- to five-minute intervals, depending on the hour. Officials say it transports about 400,000 passengers on weekdays. But its two lines, with 17 stations, operate only on the western side of the Taedong River, which runs through the center of the city.

"The subway is very important transportation for our people," subway guide Kim Yong Ryon said in a recent interview with The Associated Press. "There are plans to build train stations on the east side of the river, but nothing has started yet."

The lack of passenger cars on

Pyongyang's roads has benefits. Traffic jams are uncommon and, compared to Beijing or Seoul, the city has refreshingly clean, crisp air. Electric trams, which run on rails, and electric trolleybuses, which have wheels, are relatively green transport options.

But mass transit in Pyongyang can be slow and uncomfortable.

The tram system, in particular, is among the most crowded in the world.

Swarms of commuters cramming into trams are a common sight during the morning rush hour, which is from about 6:00 to 8:30. Getting across town can take about an hour.

Pyongyang's tram system has four lines. In typical North Korean fashion, one is devoted to taking passengers to and from the mausoleum where the bodies of

**TRANSIT TRANSITION.** People queue up to board a tram in Pyongyang, North Korea. Pyongyang is upgrading its overcrowded mass transit system with brand new subway cars, trams, and busses in a campaign meant to show leader Kim Jong Un is raising the country's standard of living. (AP Photo/Dita Alangkar)

national founder Kim Il Sung and his son, Kim Jong Il, lie in state.

The city's red-and-white trams look familiar to many eastern Europeans. In 2008, the North bought 20 used trams made by the Tatra company, which produced hundreds of them when Prague was still the capital of socialist Czechoslovakia.

North Korea squeezes every last inch out of its fleet.

Red stars are awarded for every 50,000 kilometers (31,000 miles) driven without an accident, and it's not unusual to see trams with long lines of red stars stenciled across their sides. One seen in operation in Pyongyang had 12 — that's 372,800 miles, or the equivalent of about 15 trips around the Earth's circumference.

Impossible as that might seem, the math works.

Ri Jae Hong, a representative of the Capital Public Transportation Bureau, told an AP television news crew that the main tram route, from Pyongyang Station in the central part of town to the Mangyongdae district, is 13 miles from end to end. He said a tram might do the full route there and back on average six times a day.

By that reckoning, it would take just over 198 days of actual driving to win that first red star.

Talmadge is The AP's Pyongyang bureau chief.

## China seizes \$1.5 billion in online lending crackdown

By Joe McDonald  
AP Business Writer

**B**EIJING — Chinese police have investigated 380 online lenders and frozen \$1.5 billion in assets following an avalanche of scandals in the huge but lightly regulated industry, the government announced.

Beijing allowed a private finance industry to flourish in order to supply credit to entrepreneurs and households that aren't served by the state-run banking system. But that threatens to become a liability for the ruling Communist Party after bankruptcies and fraud cases prompted protests and complaints of official indifference to small investors.

The police ministry said it launched the investigation because person-to-person, or P2P, lending was increasingly risky and rife with complaints about fraud, mismanagement, and waste.

The ministry gave no details of arrests but said more than 100 executives were being sought by investigators and some had fled abroad. It said authorities seized or froze 10 billion yuan (\$1.5 billion) but gave no indication how much might be returned to depositors.



Police say some lenders and investment vehicles were brazenly fraudulent, while others collapsed after inexperienced founders failed to manage risk.

The statement said P2P lenders were investigated for complaints including wasting money, reporting phony investment plans, and using illegal tactics to raise money.

Lending through online platforms grew by triple digits annually until 2017 when

regulators tightened controls.

Depositors lent 1.9 trillion yuan (\$280 billion) last year, but that was down by 50 percent from 2017, according to the Shenzhen Qiancheng Internet Finance Research Institute.

The outstanding loan balance stood at 1.2 trillion yuan (\$177 billion) at the end of 2018, down 25 percent from a year earlier, according to Diyi Wangdai, a website that reports on the industry.

**SHADY LENDING.** Women walk by a bank window panel displaying security markers on the latest 100 Yuan notes in Beijing. China's police ministry says it investigated 380 online lenders and froze \$1.5 billion in assets in a crackdown following an avalanche of scandals in the huge but lightly regulated industry. (AP Photo/Andy Wong)

P2P lenders are part of a privately run Chinese finance industry the national bank regulator estimated in 2015 had grown to \$1.5 trillion.

The internet has helped financial platforms attract money from financial novices with little knowledge of the risks involved.

Many lend to factories and retailers or invest in restaurants, car washes, and other businesses. But inexperience and poor risk control means a downturn in business conditions can bankrupt them.

Finance as a whole has come under tougher scrutiny after a 2015 plunge in stock prices led to accusations of insider trading and other offenses.

In one of China's biggest financial scams, authorities say depositors lost 50 billion yuan (\$7.7 billion) in online lender Ezubo before it was seized by regulators in 2015.

The founder and his brother were sentenced to life in prison in 2017.

## Don't expect to puff away at next year's Tokyo Olympics

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measure was seen as weak and excluded many bars and restaurants.

Tokyo's city government separately enacted tougher rules last year to protect people from secondhand smoke. All provisions kick in during the run-up to the Olympics.

Smoking is still allowed in small eateries and bars. They make up half of Japanese establishments, where it's common to see a customer eating with chopsticks in one hand and a cigarette in the other.

"Countering passive smoking has

long been a concern," Keiko Nakayama, a Tokyo city government health official, said in a statement to The Associated Press. "We would like to push for approving more anti-smoking measures so people stay healthy longer."

The city's smoking policy will be reviewed in five years. But more regulation will always face tough opposition despite the fact that smoking has declined in recent years.

The Japanese government has a large stake in tobacco. It owns a third of the stock and is the top investor in major cigarette company Japan

Tobacco Inc. The industry was a government monopoly until 1985, and is a huge source of tax revenue.

Smoking is cheap in Japan compared to other developed countries. A pack of Marlboro cigarettes costs about \$5. In London and New York it's about \$14, and in Sydney it's \$20.

According to World Health Organization data for 2015, 32.7 percent of Japanese males smoke, compared to 24.4 in the United States. The highest figures were East Timor (78.0) and Indonesia (74.9), and the lowest two were in Africa: Ethiopia (7.6) and Ghana (7.1).

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