

1) ON GIVING PRIORITY TO THE DEVELOPMENT OF HEAVY INDUSTRY, A LEADING SECTOR OF THE NATIONAL ECONOMY

We must, first of all, make every effort to resolve the pressing problems of electricity.

Owing to a long spell of drought since last autumn, almost all reservoirs for power stations are empty. This being the case, the best way of meeting the demand of the national economy for electricity is to operate thermal power plants without mishap. The Pyongyang Thermal Power Plant has a generating capacity of 500,000 kw; it should be kept in good order to prevent any accident and be operating at full capacity by the rainy season.

Special attention must also be paid to minimizing the amount of electricity lost in transmission.

Hydro-power stations should maintain those generators which are now at a standstill for lack of water, in order to operate them at full capacity when it rains.

If we make the best use of thermal power plants for the moment, and bring hydro-power stations to full capacity in the rainy season, we will be able to meet the needs of the national economy for power and to reach the generated electricity target of the Seven-Year Plan this year, once we work expeditiously.

The power industry should speed up the construction of the Sodusu Power Station. The completion of this project will help meet the demands for electricity. Therefore, we must not allow this project to be undertaken in an indifferent manner as of now, but ensure that the state makes more investments and further efforts so as to complete it in one or two years.

In addition, small-scale hydro-power stations should be built everywhere. We must erect a power station in every place able to generate

over 500 kva. But, where this amount of power is not attained, we need not build it. We must therefore set up many power plants with a generating capacity of over 500 kva, 1,000 kva, 2,000 kva, 3,000 kva and 5,000 kva.

True, the construction of many small-scale hydro-power stations costs more than that of large ones. But, as small power stations are dispersed in different places, they will not suffer as much damage in a war as big ones and will be of greater benefit.

Many a small thermal power station must also be constructed. It is necessary to build these stations in places where there are coal mines and big factories. In Tokchon, for example, where an automobile plant and many other big plants are found, and large coal deposits are in the vicinity, it would be a good idea to build a small thermal power plant.

Turbines for those small thermo-power plants should not be imported but produced at home. If the Tae'an Electrical Machinery Plant and other machine factories determine to conduct this operation, it is perfectly possible to manufacture steam turbines. I think that, in fact, it is not so difficult to produce small ones. Even if it is a difficult task, you should take up the challenge with a firm determination. If you are overawed, you will never solve the problem.

We have a valuable experience. When we tried to manufacture lorries for the first time, those who did not believe in our strength sneered at us, saying we knew nothing about any machine. However, we succeeded at last in producing lorries. Even when we planned to build tractors, some people argued about its uselessness, alleging that foreign countries would not provide its blueprints, that we were lacking in ability and that even its production would not pay. Nevertheless, we eventually succeeded in this attempt by our own efforts and we presently see our own tractors ploughing paddy and dry fields, carrying loads and doing various other operations. With a strong sense of purpose we produced excavators and many other new types of machines.

The officials in the machine-building industry intended to make hydraulic turbines with a capacity of even 50,000 kva; why, then, can they not manufacture steam ones? I think that the manufacture of steam turbines is not something beyond us. You should try first to build 5,000-

kva turbines or smaller ones and then those of 10,000 kva and larger ones. These will do.

Boilers, too, should be locally manufactured. The machine-building industry should launch a drive to manufacture 50-ton or 60-ton-capacity boilers. Only then can we erect many thermal power stations by our own efforts.

To continue. Coal production should be increased rapidly.

Since demand for coal keeps growing, its output should be increased continuously.

In coal production the greatest efforts must be made to excavate high calorific coal. Our shortage of high calorific coal at present hinders a great deal the development of industry. Additional investments should be made and a range of facilities provided for the Kogonwon, Ryongdung and Anju Coal Mines and others which produce high calorific coal, in order to increase their output quickly.

It is especially important that both the coal and mining industries continue to maintain the three principles—giving priority to geological prospecting, detailed and working ones in particular, promoting the technical revolution and intensifying scientific research.

I would like to stress once again the need for sustained technical revolution.

After the overthrow of the exploiting classes and the carrying out of the socialist revolution, the communists are confronted with an important task—to forge ahead with the technical revolution so as to free the people from burdensome labour, gradually obliterate distinctions between heavy and light labour, between mental and physical labour and make the people work with ease while enjoying a prosperous and civilized life.

More difficult and onerous work remains in the mining industry than in any other sectors. Therefore, it is more urgently required to carry out the technical revolution in this field than anywhere else.

The senior officials, Party members and working people engaged in the mining industry should work hard to press ahead with the technical revolution in coal and ore mines.

There is neither a master nor doctor of mechanical engineering in the

Anju Coal Mine. All the same the workers and technicians there pooled their efforts to make such an excellent machine as a drum coal cutter. This enabled them to mine coal several times more efficiently than before without blasting. You cannot carry out the technical revolution if you are possessed by conservatism rather than work as earnestly as they do.

All the senior officials and Party members of mines should follow the example of the Anju Coal Mine and spur on the advance for technical innovation.

I was told that a wider area of land gets damaged as the output of coal increases rapidly in the Anju Coal Mine. It is advisable to establish land reclamation stations as the Cholsan Ore Mine did in the past, so that coal mining is immediately followed by reclaiming land.

Next, the mining industry should be further developed.

It is vital that we conduct good surveys, give priority to tunnelling and carry out the technical revolution in accordance with our Party's policy, so as to excavate a larger quantity of underground resources.

Only when we advance the mining industry and excavate underground resources in greater quantities can we feed our developing industries with abundant raw materials and earn a greater amount of foreign currency. At present we need a great deal of this currency as never before since we are striving to advance all industries including the chemical, machine-building and metallurgical industries to a higher plane. Therefore, we are faced with a very urgent task of obtaining a large sum of foreign currency.

Nonferrous metals constitute one of the most important sources of foreign currency in our country. As plenty of our manufactured goods have not yet penetrated the capitalist markets, nonferrous metals form a major source of foreign currency; our country can export them to the capitalist markets. Therefore, the development of the nonferrous mining industry has a great bearing on the earning of foreign currency.

Our country is very rich in nonferrous metal resources. We should rapidly develop the mining industry and thereby excavate large quantities of nonferrous minerals and earn a larger amount of foreign currency.

Foreign currency enables us to buy what we need. At present not only

socialist countries but also capitalist countries want to trade with our country. Therefore, if we mine a large quantity of nonferrous minerals to earn 10 million pounds more of foreign currency per year, we can import many necessary machine-building, chemical and other plants.

We are going to build a petroleum refinery in our country. But this alone is not of much avail. There must be plants which can produce synthetic fibres such as nylon and Orlon, as well as many other chemicals, by using raw materials to be obtained in oil processing. If we excavate immense quantities of nonferrous minerals and earn a larger sum of foreign currency, we can buy these plants necessary for the people's lives.

It is of cardinal importance that a large quantity of gold is mined.

Some comrades argue that we need not hurry to mine gold. They should not speak in this way. We must mine and sell as much gold as possible to meet our needs. It serves no purpose if it were to remain underground.

The workers of the Songhung Mine resolved to boost the output of nonferrous minerals for this year by almost four times as against the previous years. This is very good. They are admirably carrying their resolution into practice. Two platoons have already fulfilled this year's production quota with credit. I propose to extend congratulations, in the name of this plenary meeting of the Party Central Committee, to the Songhung miners who splendidly carried out this year's quota in three and a half months.

The Party Central Committee and the Cabinet should actively support the resolve made by the workers of the Songhung Mine and provide them with all conditions so that they can meet their commitment.

In addition to gold, lead and zinc should be excavated in larger quantities.

The Songchon Mine determined to increase its production sharply from this year as against the previous time. This is laudable. I was informed that in the mine five platoons have already carried out their annual quota. It is advisable to offer them the congratulations of the plenary meeting of the Party Central Committee.

The Komdok Mine should also make efforts to produce a larger

amount of ore. The corrupt elements who infiltrated the Party once told the miners to slow down operations even though a large amount of ore would not be excavated. As a result, they did not work hard to produce ore and failed to meet the ore production quotas given by the Party.

We have no ground whatsoever not to develop the economy quickly. We are not yet as well-off as others and have not reunified the country. Worse still, the Americans try to pounce on us. In these circumstances we must work with all our might to produce and build more, so as to make our country rich and strong as soon as possible. How can you neglect working just because corrupt elements told you to produce little? This is a harmful practice which hampers the advance of our revolution. You must clearly realize what a great loss was caused to our economic construction by the harmful doings of such elements who wormed into the Party.

The Komdok Mine decided to excavate much ore last year in compliance with the intentions of the Party. The mine should not rest content but make steady efforts to augment its output.

Geological prospecting should be strengthened to increase the production of nonferrous metals. The people engaged in this sector should make great efforts to survey for nonferrous minerals and thus secure lots of ore deposits. They should also strive to locate minerals which our country presently lacks.

Geological surveys should be conducted in a nationwide movement in order to detect a larger quantity of underground resources. It is a good idea to widely enlist primary and middle school children in this work.

New mineral deposits can be discovered if the masses direct their efforts to this end. We had much difficulty for lack of nickel when we carried out the Five-Year Plan. As nickel was needed to make acid-proof pipes for the building of a chemical factory, we asked a foreign country for it time and again. But they insisted on a transaction in gold. As a result, we began to prospect for nickel and discovered a large amount of nickel ore. If prospecting is conducted briskly we can locate other kinds of nonferrous minerals which our country still failed to.

Next, the production of magnesia clinker should be zealously encouraged.

We have to import crude oil every year. In order to pay for it, we should expand sources of foreign currency by developing machine-building and other industries, but it is more important to encourage the production of magnesia clinker the raw materials for which abound in our country and which we can sell in bulk.

If we solve the problem of improving its quality our magnesia clinker would be quickly bought at foreign markets. Our officials have tried to raise its quality for years but have so far failed to do so. If this problem is not settled despite their efforts, we should import a plant to effect this as soon as possible.

We should take steps to process black lead. Our country abounds in this and if it is processed finely it would be a great source of foreign currency.

Further, I will refer to iron production briefly.

Our important strategic policy for iron production is to develop the iron industry on the basis of domestic coal.

Developing industry by using our own raw materials and fuel is the policy our Party has consistently pursued in socialist economic construction. Our Party has long emphasized that any branch of industry should be at least 70 per cent reliant on local raw materials and fuels, and has advanced a clear-cut policy of increasing the independence of the iron industry in particular. Due to irresponsibility on the part of officials, however, the Party's policy has not yet been carried through. Some officials only give lip service to making this industry Juche-oriented, but, in fact, do not strive to turn out iron by using our own fuels, only relying on foreign coking coal.

No one should consider it inconceivable to smelt with our own fuels. Our country has no coking coal but instead is rich in anthracite and other high calorific coal. Vigorous research work will enable us to produce iron even by using our domestic coal. It is not a law that only coking coal be used in the production of iron.

From time immemorial our forefathers smelted iron to make pots to cook rice, braziers and various other ironware. At that time they never

used coking coal to smelt iron in a blast furnace. Although they had neither blast furnace nor coking coal, they smelted iron using local fuels.

According to old people in Pungsan, Ryanggang Province, formerly Hong Bom Do and other men of the Righteous Volunteers' Army excavated iron ore in that area and smelted it to manufacture matchlocks and iron bullets by themselves and fought the Japanese invaders.

Of course, at that time there was neither coking coal nor blast furnace. The first blast furnace in our country was built 50 years ago at most. But our forefathers probably began to smelt iron several thousand years before.

The method of producing iron using coking coal spread across the world because in those countries having such coal capitalism developed and the Industrial Revolution was carried out earlier. If the feudal rulers in our country had not idled their time away but carried out an industrial revolution earlier, a modern iron-making method suited to our specific conditions would have been invented. Our country began to develop much earlier than Japan, and our culture infiltrated Japan. This notwithstanding, at the end of the Li dynasty, the corrupt feudal rulers ruined the country. They loafed their time away, drinking wine, while Japan developed capitalist industry after the "Meiji Restoration". As a result, Korea lagged behind others in economic and technical progress and, in the long run, our country was seized by the Japanese imperialists.

However, now that the people have taken power and the firm economic foundations of the country have been laid, why cannot we solve the matter of producing iron with our own fuels? The point is that senior economic officials and scientists do not work in a revolutionary way to carry through the Party's policy and that they neglect research instead of holding to a firm Juche stand but merely grope after alien experiments. Scientists do not try to discover new things by their own efforts but plagiarize research. In this way they can neither develop science and technology nor resolve sophisticated technical problems in economic construction. This does not mean that foreign books should not be read. Of course, you should read foreigners' books and learn from them. Nevertheless you should not imitate blindly what is alien from our specific

features but learn what is suited to them and necessary for developing our national economy.

If we had not looked for foreign coking coal immediately after liberation but worked hard to produce iron using our coal, we would have innovated a suitable iron-making process. As we adopted the less difficult means of smelting iron with imported coking coal, we have so far failed to inaugurate the Juche-oriented iron-making method.

True, we may import or export raw materials to other countries on the principle of filling each other's needs. However, we should not depend entirely on other countries in raw materials for any industrial branch but import a limited amount, while relying mainly on ours. Only then can we continue to develop industry without great difficulty, even in the event of failing to import raw materials.

We must lay a solid foundation of the iron industry based on local fuels as soon as possible.

We should ensure that a number of medium-sized blast furnaces are built in line with our Party's policy to produce pig iron by using our own coal.

We stepped up the building of such blast furnaces from last autumn and have already completed four of them at the Hwanghae Iron Works and two at the Kim Chaek Iron Works. Our experience proves that these projects are not simple tasks. However difficult we should not give up the building of medium-sized blast furnaces. In the future, we should continue to accelerate these projects so that we can keep on producing iron even when we run out of coking coal.

In addition, a granulated iron works should be built quickly in the western region.

Granulated iron can be produced by using anthracite and dust ore rich in our country, and the equipment for a granulated iron works be turned out by our own efforts. Speeding up the project for this works is of great significance not only in settling the pressing problem of iron production but also in increasing the independence of our metallurgical industry.

We should immediately start to draw up its blueprint and undertake

the project of a granulated iron works with eight revolving furnaces, so as to complete it by next year. Then this works will be able to produce 250,000-300,000 tons of granulated iron. If a small amount of scrap iron is given, we can obtain 400,000 tons of steel.

It is desirable to set up this works near the Kangson Steel Plant. It is adjacent to the Kangso Coal Mine with a deposit of tens of millions of tons, and, at some distance, there are the Unryul, Chaeryong and Hasong Mines where large quantities of dust ore are available. This provides very favourable conditions for obtaining fuel and raw materials.

It will be a good idea that the works be so large as to immediately house eight revolving furnaces and 4-5 furnaces more in the future. Also, researchers should be mobilized to zealously study how to introduce the continuous-steel-making method.

Since granulated iron cannot be fed into the open-hearth furnace but to the electric furnace only, a handicap to the steel-making process is the consumption of much electricity. Nevertheless, since we have no coking coal, we must continue to develop the production of granulated iron.

While laying the foundation for producing iron with local fuels, we should strive to produce more pig iron by using the available coke.

To this end, those branches which use coke should be encouraged to rely on local fuels as much as possible, while coke should be exclusively used for iron production. The managers and chief secretaries of Party organizations of large factories and enterprises are all present here. Upon returning home, you should discuss at length with Party members and workers the possibilities for using local coal instead of coke in your operations.

Iron works should redouble their efforts to lower the level of coke consumption.

They still consume too much coke. Since we import coking coal, we must, by all means, use less than other countries. Nevertheless, in our iron works the standard of coke consumption per ton of pig iron is rather higher than foreign countries.

For a reduced consumption of coke, iron works should be supplied with high-quality iron ore. People in the mining industry this year have

resolved to excavate far more iron ore than that scheduled in the state plan. It is, of course, very good. What is more important, however, is that the required quality of iron ore is ensured. However much iron ore may be excavated, it is of no use if its quality is low. Iron works should dress the iron ore provided before smelting it. If you cannot screen it with machines at the sifting plant, you should do this even by hand, so as to feed high-quality iron ore to the blast furnaces without fail. This is a means to producing more and better iron, while consuming little coke. This is a matter which senior officials can solve only by keeping the masses ready for action and efficiently organizing operations.

The Kim Chaek Iron Works which does not deal with lump ore should increase the production capacity of its sintering shop and improve the quality of sintered ore so as to consume a small quantity of coke.

While striving to economize in coke, strenuous efforts should be made to increase the mixture ratio of domestic coal in the production of coke. Coal mines should send a large amount of high-quality coal, which is poor in ash content and high in calories, to iron works to increase its mixture ratio in the production of coke.

We have so far imported gas coal but in the future we should use domestic coal instead. Our country has various kinds of high calorific coal. If heating furnaces and generators are redesigned on the basis of the properties of these types of coal, it will be possible to feed local coal into these installations. I was told that the Songjin Steel Plant converted all its heating furnaces so as to use domestic coal. It is somewhat belated but a good thing all the same. Other plants should follow its example and redesign their heating furnaces and generators so as to use our own coal. In this way, imported gas coal must be substituted exclusively by domestic coal.

We should make great efforts in steel production.

At present pig iron is in very short supply. Therefore, it is a very urgent task in ensuring steel production to economize in the use of pig iron to the maximum.

Machine-building factories should take the lead in this endeavour. They are wasting a large amount of precious pig iron now. They use too

much molten iron even to cast tiny parts, only to waste most of it. From now on, effective political work should be conducted among machine builders so that such a practice is discontinued.

We must wage a zealous mass drive to collect scrap iron. If we collect a great quantity of scrap iron we can produce a lot of steel, without using much pig iron. This drive cannot be successful if we confine it to the workers in the metallurgical industry. Machine factories and all other factories and enterprises must press chips and not discard but collect every piece of scrap iron and send these to the foundries. We must enlist in the scrap-iron collecting drive not only the manpower at the factories and enterprises but also the men of the People's Army, public security personnel, Women's Union members and, if need be, everyone else. The Party organizations at all levels must organize this drive so as to collect more than one million tons of scrap iron across the nation to help to produce steel.

We are presently confronted with a militant task of developing the machine-building industry to a higher level; this was stressed at the national meeting of machine-industry workers held last year and spelt out in the Ten-Point Political Programme of the Government of the Republic.

The machine-building industry must concentrate, above all, on the production of heavy trucks, excavators, tractors and ships and other heavy machinery and equipment.

We need large quantities of a wide range of heavy machines and equipment to reclaim tideland, open iron and ore mines and conquer the sea. The demands for such machines and equipment are greater than ever before.

The demand for heavy trucks, for instance, is very great. We must put the production of ten-ton trucks on a regular basis as quickly as possible and increase their production capacity.

We must build up the production centres of highly precise and efficient machines, in addition to heavy machines.

Yesterday I saw the lathe "Kusong-3" made by the Kusong Machine-Tool Factory, which has a very high precision and speed. At present we export 2,000 machine tools of this kind every year, which are in great

demand by the foreign market. In the future, we must work harder to produce highly efficient and precise machine tools in larger quantities so as to sell them to other countries and send more of them to our factories.

The machine-building industry must gradually switch over to the production of complete sets of factory equipment, while developing the production of heavy and precision machines. We must manufacture, first, equipment for granulated iron works and cement factories on our own and, on the basis of this experience, produce the complete range of equipment for other factories. Our country produces great quantities of steel and a firm infrastructure for the machine-building industry exists. Why, then, should we buy machines and equipment from other countries with foreign currency? The machine-building industry should buckle down to produce complete sets of factory equipment. Thus we will be able to raise our machine-building industry to a higher level in the near future.

We should work hard to economize in steel in the machine-building industry.

Machines manufactured by some factories at present are unwieldy and unattractive because of shortcomings in their design. We also waste a great deal of steel in the process of their production. We do not apply press and stamp-forging methods and as a result, in many instances we cut away far too much steel. We do not use drawn steel pipe but bore steel bar when steel pipe is needed. This results in the wastage of great quantities of steel. It is said that as much as 300 kg of a 500 kg material is expended in processing a crankshaft. This means that more than half the amount of steel is wasted. Nevertheless, we throw away even such chips, instead of thinking of recasting them.

None of us are grieved over such reckless waste of steel which workers toiled to produce. This is an expression of our officials' lack of the Party spirit, the working-class spirit and the popular spirit.

Of course, such waste is not confined to the machine-building industry alone. This practice is to be found in the chemical and textile industries and all other branches of the national economy. In the past we even opened an anti-waste exhibition aimed at eradicating waste and

severely criticized such practices. But our officials are not yet awakened and wastage continues as ever.

If we work in this way we cannot improve our people's living standards. In fact, if we eradicate wasteful practices we will enable people to live much better. You must remember clearly that currently it is not because of any weakness in the foundations of industry nor due to any heavy military burdens that the people's living standards do not rise but as a consequence of prodigious waste. Of course, it is a fact that we shoulder heavy military burdens. Once we reunify the country, reduce the size of the army and moderate our military expenses, our people will come to enjoy an even higher standard of living than at present. But this is not the issue. If our officials run our economy well and eradicate wasteful practices, we will be able to improve the people's living conditions beyond what they are at present, while increasing our defence capability and carrying out many projects for extended reproduction.

All sectors of the national economy should intensify the struggle against waste and the machine-building industry must come to the fore.

There are now many machine factories in our country and the machine-building industry uses most of the locally produced steel. Therefore, if we economize in steel in the machine-building industry we will be able to use the steel saved to build more houses, produce more everyday necessities for the people and manufacture many more trucks and tractors. If we economize on the steel we do at present waste, and sell it, we can gain a large sum of foreign currency; if we manufacture machines with this for export we can earn much more.

The Minister of Machine Industry No. 1 said that they would save 13,000 tons of pig iron and 33,000 tons of rolled steel in his industrial sector this year. This estimate to me seems too low. There are a great deal of reserves yet to be tapped in this sector. No one knows exactly how much iron and steel are currently wasted in this sector. Officials of the machine-building industry must again study this matter in depth and tap even more reserves.

If we enlist Party members and working people in studying this matter carefully and take necessary measures, we will be able to find out much more to be saved.

All the credit for the great potential for increased production, recently discovered in the machine-building industry, is due to the workers. At a time when workers are zealous to explore the potentialities for increased production in response to the Party's appeal, senior officials must not be conservative and passive.

The machine-building industry should not be satisfied with what it has so far explored but work harder to eliminate the waste of steel and economize on it. Thus it must aim to make two machines with the steel needed for one and three or four machines with the steel used for two. Through this struggle we must not only exploit the latent reserves for production but inculcate in the workers the virtue of valuing and handling carefully the people's wealth and of running the national economy well.

We should develop the cement industry so as to sell more cement to foreign countries.

If we have a surplus of cement we will be able to sell as much as we wish on foreign markets. If only we more than double our export of cement as against the present level we can solve a big problem; if we sell 3 million tons of cement in future we will be able to pay for our imported oil needs with the income from that sale alone.

We must pay for goods imported in large quantities like oil with the income from the sale of goods we can export in plenty. It is not wise to export textiles and canned fruits as we do now, to pay for such goods. We cannot in fact raise the people's living standards by doing so. Therefore, we must strive to develop industries like the cement industry which can carry out mass-production using our country's abundant natural resources. Cement is needed in large quantities not only for earning foreign currency but also for socialist economic construction. Cement is used for a good many purposes, including the building of factories, the paving of roads, the embankment of rivers, and needless to say in defence building.

Immense quantities of cement are needed in tideland reclamation. At present officials in this sector say that if we set up the tideland reclamation management bureau and laboratory they will reclaim 10,000 hectares of tideland a year and 100,000 hectares within 10 years. If we are to advance in this operation we need a lot of cement. We must develop the cement

industry more rapidly by exploiting the immense limestone and anthracite deposits of our country.

The major potential for increasing cement production lies in the efficient utilization of the existing equipment. We can obtain great reserves only by improving the quality of firebricks as mentioned when we discussed the question of building-materials industry at the plenary meeting of the Party Central Committee last year and as stressed in the report of the current meeting. It has been reported that the Sunghori Cement Factory improved the quality of firebricks to prolong the service life of the calcinatories three times over, which is a great success. Other cement factories should follow suit.

While raising the utilization rate of the existing cement production equipment, we must significantly increase the cement production capacity. We must manufacture cement production equipment at our own machine factories, and import some.

2) ON IMPROVING THE QUALITY OF CONSUMER GOODS AND EXPANDING THEIR RANGE AND INCREASING THE OUTPUT OF SEAFOOD RAPIDLY

The main task facing light industry is the improvement of the quality of products and the expansion of the range. Light industry should improve the quality of textiles, shoes and other consumer goods, and sharply increase the production of cloth, shoes and other goods for winter use.

Light industry should rapidly improve the quality of shoes.

We have worked hard for a long time to achieve this, but the results are not yet satisfactory.

At present, it is a more important task for workers in shoe factories to produce durable and attractive shoes rather than to put stress on greater quantity alone. If we continue to make low-quality shoes as we do now, we cannot satisfy the demand for shoes, even though we consume a large