

Havana Is Talking About

The Profit Motive

By Lionel Martin
Reuters

Havana

IN ITS DRIVE to improve agricultural output, the Cuban government is appealing to the profit motive among farm workers.

President Fidel Castro is encouraging the expansion of farm cooperatives by emphasizing the high earnings their workers command.

When Castro asked a group of cooperative members near Havana the other day how much more they earn now compared with their days as private farmers, they shouted in unison: "Double!"

In 1975, there were only 43 farm cooperatives in Cuba. After especially rapid growth in the last two years there are now more than 1250.

Farm cooperatives and private farms together account for about one-fifth of cultivated land.



To encourage farmers to join together in cooperatives and to seek the amalgamation of small cooperatives, the government is offering incentives such as low-interest loans, the availability of scarce building materials for housing and expert technical advice.

Castro was enthusiastic about Cuba's 1981 farm output.

The tobacco crop, 82 percent of which comes from private farms and cooperatives, was a record, he said, and was free from the blue mold that destroyed 90 percent of the leaf in the previous harvest.

He also spoke about the flood of vegetables that appeared in Havana's markets this spring after almost two decades of short supply. Almost 70 percent of Cuba's vegetables are grown on private or cooperative farms.

The important sugar industry, although still recovering from last year's cane-rust blight, expects a reasonably good crop.

Although better organization has been an important factor in increased farm productivity, few here would deny that monetary incentives have been the essential ingredient.

Since January, farmers have received higher prices for their produce and farm laborers extra wages for improved productivity.

Last year, free farmers' markets, where private farmers and cooperatives sell directly to the public, were legalized.

The sellers can sell produce only after they have met their contractual commitments to the state. This stipulation has been an added incentive for increased production.

The law of supply and demand reigns at the free farmers' markets, which have ensured additional food for the population and growing profits for the farmers.

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CUBA had 180,000 small private farmers in the early 1960s after post-revolutionary agrarian law reforms divided huge landholdings among thousands of former sharecroppers, tenant farmers and agricultural laborers.

Since then the number of small private farmers has fallen to 110,000 and is still declining.