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# Cuban economy faces new tasks

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This January, as Cuba celebrates 14 years of revolutionary rule, the Cuban economy faces an arduous climb. The revolution has brought an adequate diet, full employment, social welfare and education to the Cuban people. These are established facts. Nor do objective observers deny the general feeling of the people's identity with their leaders and their revolution.

What cannot be denied either and Cuban leaders do not deny it, is that critical problems still face the economy, problems which put all the energies and reserves of the nation in tension.

There is a cautious optimism in the air regarding the economy. This is not due to any spectacular gains or great leaps forward. It emanates from the fact that Cuba in 1972 fulfilled its main, albeit moderate, economic goals. Among these goals as summed up by Cuban President Osvaldo Dorticos were:

- To increase industrial production (non-sugar).
- To increase the domestic marketing of farm products.
- To increase general agricultural production.
- More dynamic increases in construction.
- To restore tobacco to its pre-drought level.

The actual economic plan covered a much wider area than these five points. These goals, however, were an absolute minimum projection for the economy to continue on its way out of the doldrums of 1969 and 1970.

Although final statistics for 1972 are not yet available, evidence indicates that all five goals have been met successfully. On the basis of incomplete statistics it is certain that substantial increases over 1971 will be marked up. This will signify the continuation of a general upward trend begun in 1971 after several years in which economic achievement aside from the sugar, fishing and nickel industries reached a critically low level.

What were the reasons for the dramatic down-swing in 1969 and 1970? The best one-word explanation is "sugar."

Back in 1963 the Cuban government projected the audacious goal of producing 10 million metric tons of crude sugar in 1970, almost three million tons more than ever before and a good five million tons over the average yearly production.

As the end of the decade came into sight, all the resources of the nation were thrown into "the fight for the 10 million tons." Hundreds of millions of dollars were invested in renovating and expanding the sugar mills, in buying agricultural machines, trucks, chemical fertilizers and insecticides. Workers were diverted from non-sugar agricultural production and from industry.

As the harvest entered 1970 it became clear that it would be impossible to meet the 10 million goal. The problems were overwhelming—transportation, "bugs" in the newly installed machinery, the weather. In the end, eight and a half million tons of sugar were produced, the biggest harvest in Cuban history. However, the rest of the economy lay in a state of disarray.

In July 1970, Prime Minister Fidel Castro made a self-critical analysis of the situation. He lauded the persevering work of the people but "put forth, above all, our own responsibility."

Although the 1970 harvest fell short of its ambitious goal, the investments made in the industry were necessary for its long-term development.

Substantial investments in money and manpower have also been made in other spheres of the economy: electric power stations, hydraulic projects, textile mills, fishing, shoe manufacture, metal working, merchant marine, nickel, citrus and cattle. All these spheres are considered part of the correct strategy for Cuban development.

The years 1969 and 1970 were indicative of the failure of a short-term strategy. The sugar effort brought about a descending production curve in most other spheres of the economy (nickel and fishing were an exception).

In 1972, statistics that begin to tell the story were made available for the first time. Up until 1968, the gross social product (all material production in industry and agriculture in terms of value) rose steadily, from 6 billion pesos in 1962 to over 7.3 billion pesos in 1968. Within this total, industrial production rose from over 2.7 billion pesos in 1962 to over 3 billion in 1968.

Then came 1969 and 1970. Sugar production rose to new heights



but the rest of the economy plummeted downward. Industrial and non-sugar agricultural production fell far below the 1967-68 levels in both value and quantity. Cattle raising, a priority industry during most of the sixties, suffered a stunning blow; the number of cattle dropped from seven to five million. Milk production, 300 million liters in 1967, took such a dramatic downturn that it has taken until now to approximate the 1967 level.

The elimination of economic accounting and controls frequently led to exaggerations and misinterpretations of the economic reality. Problems were solved, catch as catch can, often without taking into account the overall repercussions. Cost accounting and productivity controls virtually disappeared. Goods and services passed from one governmental body to another with great statistical informality.

All this must be seen against the backdrop of a great popular upsurge of enthusiasm for meeting the 10 million ton goal. The exceptional identity between the Cuban leadership and the people never faltered. It was a leadership that showed itself willing to draw almost traumatizing conclusions, make self-criticisms and change policies when the time of reckoning came.

One of the first steps, in the words of President Dorticos, was to "reestablish the statistical controls and overcome the deterioration of statistical flow and discipline."

Since 1970, the reality of the labor force has hit Cuba with its full force. The fact is that the country's highly ambitious developmental plans surpassed the available supply of skilled and unskilled workers.

In mid-1970 there were almost 4.4 million able-bodied men and women of working age. In the active workforce, however, there were about 1.9 million men and a little over a half million women. An anti-vagrancy law for men was passed, which brought about 100,000 more men into the workforce.

The reserve of men for the workforce is considered exhausted. However, almost a million and a half women are not working outside their homes. There is a concerted drive on to bring these women into the workforce, but it will be a gradual process as traditional subjective restraints are eliminated and as more and more home chores are assimilated by social enterprises and institutions.

The man-woman power reality has obliged the Cubans to reduce expectations in the sugar industry in order to bolster up other sectors. Instead of allocating a half million workers for the sugar harvest, as it had done in 1970, it was necessary to conduct the sugar harvest with several thousand less workers.

But the more balanced approach given to other sectors of the economy meant a rise of 2 percent in gross production of material goods, including sugar in relation to 1970. If sugar is left out of the accounting, the rise in most industries amounted to 25 percent and even more. Nevertheless the drop in sugar production affected Cuban exports, which fell by some 200 million pesos (1 peso equals 1 dollar) between 1970 and 1971.

In 1972 there was a continuation of the previous year's trends, sugar down and production in the rest of the economy up. But the more balanced approach to the general economy also permitted the government to renew work on or terminate projects begun before the 10 million ton harvest, to make rational use of a vast number of imported machines and materials that had remained packed in crates or stored in warehouses during the 1970 harvest.

The growth of production in the non-sugar sphere was easily discernible. Food in public establishments improved noticeably throughout 1971 and 1972.

Light-industry production increases are reflected in the growing availability of certain products which had virtually disappeared from the stores, often simple but necessary products. Moreover, textiles, clothing, shoes, cosmetics and household conveniences are found in stock when the client arrives with his ration card. The rise in popular consumption of material goods will probably equal or surpass the 6 percent increase achieved between 1970 and 1971.

"Microbrigades," made up of workers released from their usual jobs to erect apartment buildings while their fellow workers fill in for them, were responsible for a sharp rise in housing construction. Approximately 30,000 microbrigade members were working on 1780 buildings with 27,181 apartments in November 1972.

In the year beginning September 1971, 44 "schools in the countryside," with a capacity for 500 students each, were completed. The curriculum at these free boarding schools includes three hours daily of productive work in the fields surrounding each school.



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