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15Dec97 CUBA: CASTRO FORESEES WORLD CRISIS WORSE THAN 1929.

By Lionel Martin

HAVANA, Dec 14 (Reuters) - Cuban President Fidel Castro has warned his parliament that "the world is on the brink of a crisis worse than that of 1929 caused by unscrupulous speculative practices and the globalization of the neo-liberal model."

Portions of Castro's remarks, made late on Saturday, were carried by Juventud Rebelde and Prensa Latina on Sunday.

"One of the key questions is whether the Japanese economy can resist what is happening in the (Asiatic) region," Castro said. "If this crisis hits Japan, the number two economy in the world, it is certain the world economy will not escape a serious crisis."

(In Tokyo, public attention was focused on Tuesday's scheduled release of a government plan to stabilize Japan's troubled economy.

(Japanese Prime Minister Ryutaro Hashimoto has pledged not to let Japan's financial and economic woes spark a world financial crisis.

The key element of the plan is expected to be the use of public funds to shore up the country's shaky banking and financial systems.)

The Cuban president said that "emerging economies, presented until recently as models of development, have witnessed their money and their stock markets collapse in hours, leaving them with virtually no monetary reserves."

(South Korea, with an estimated debt of \$171 billion, has received a \$57 billion International Monetary Fund bailout package, but

analysts have expressed concern about Seoul's ability to handle the debt even with the massive bailout.)

Castro denounced "the financial practices of big speculators who, without producing any commodities, take advantage of the economic weaknesses of less developed nations to earn million of dollars in financial or stock market operations, leading to the virtual bankruptcy of those countries".

"They are like wolves, attacking the weakest animals of the pack," he said.

In his closing speech to the parliamentary session, Castro said the Cuban economy has improved little by little since its hit rock bottom in the early 90s, while its adversaries have gone backward.

"We are advancing slowly, like a tortoise," Castro declared, "while the enemies of our ideas are beginning to go backward like a crab."

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