

Two weeks ago Fidel Castro invited 25 U.S. publications to send reporters to the huge 26th of July festivities which celebrate Castro's first attack on the regime of ex-dictator Fulgencio Batista. The invitations were clearly part of Castro's current campaign to persuade the U.S. to abandon its hostility toward him. Convinced that no significant step toward coexistence between Cuba and the U.S. is possible unless it is first made acceptable to U.S. public opinion, Castro hoped that if a score of U.S. newsmen saw half a million people frantically cheering his regime, their reports would help to convince U.S. readers that his revolution is truly popular in Cuba. With full awareness of the Cuban leader's motives, 22 of the 25 publications he approached decided to accept the invitation. NEWSWEEK sent Associate Editor John Gerassi, a longtime student of Latin America. Below are his first impressions of Castro's Cuba.



Associated Press

Report From Cuba: Passion for Seed Potatoes

The Cuban Foreign Ministry makes a particular point of sending someone to José Martí airport to greet all foreign visitors. My man was a fat, sweating little *habanero* named Oscar who arrived late because he did not expect the Cubana Airlines plane from Mexico City to arrive on time. Like many of the Cubans on the plane which had brought me down, Oscar was soon asking whether there was any prospect that the U.S. would accept Castro's recent proposal (NEWSWEEK, July 20) that the U.S. and Cuba agree to coexist.

The first view that one gets of Cuba as one drives the 15 miles from the airport to Havana is not especially impressive. The houses, though comfortable, are unpretentious, the numerous factories, like small workshops. Every now and then one sees neat rows of Russian, Czech, or Chinese farm machinery. And inevitably, every 10 yards, there is a huge poster, either of Castro shouting, "If they force war on us we will fight," or posters appealing to the people to join the July 26 celebration. Soon Cuba's "ads" become as much a part of the scenery as those along any U.S. highway.

Black Market: One quickly learns that in Cuba there is a black market. In Havana, where it flourishes most actively, a pack of U.S. cigarettes brings \$5; a fifth of Johnnie Walker, \$60 to \$100; a 5-pound cut of prime beef, \$50. Surprisingly enough, it is not only the rich who can buy such luxury items. The reason is simple—there is no unemployment in Cuba. Minimum wages, which are gradually being enforced, are \$78.50 a month after taxes. All apartment houses and just about everything else are nationalized and the government charges only 10 per cent of total family income for rent. As a result, Cubans at all levels have money to spend.

But few goods are available. Food on

the *libreta* (ration book) is cheap but limited to \$6 per person per week. Clothing is also not too expensive, and all medical service is free. And since Cubans by temperament hate to save, they have become avid customers for whatever is available. As a result, the government then gets back all the money by making appliances extremely dear. (A table radio, for example, costs \$200 at the nationalized Woolworth.) The restaurants, too, are expensive—a decent meal without liquor requires \$12.

With its profits, the government is paying off the owners whose property was nationalized. Indemnification has nothing to do with property values; land, for example, is paid off at the rate of \$15 per 34 acres, the maximum payment being \$200 a month per person for ten years. No matter how much their property was worth, former building or store owners can receive a maximum of only \$600 monthly for ten years.

Since it is not difficult to live on \$600

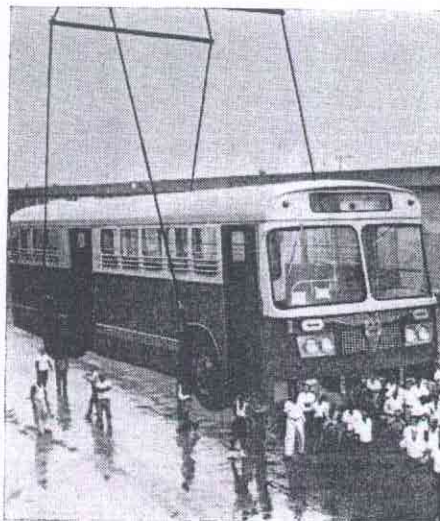
a month, the indemnification procedure, ironically, has created a leisure class. Though most of the big land and property owners have fled, there are an estimated 100,000 people out of a total population of 6.8 million who can now afford not to work. Added to the 350,000 citizens who left Castro's Cuba, such a reduction of the work force was bound to create serious problems for a nation eager to industrialize.

Dilemmas: But perhaps Cuba's greatest problems are the lack of organization, the lack of distribution, and the lack of coordination. The cause for these dilemmas goes back to the 1959 revolution itself. When Castro achieved power, he decided to break Cuba's economic dependence on the U.S. and this meant diversification of the one-crop, sugar economy. Sugar was downgraded and industry upgraded, but as Cuba had no raw materials, the country once again became dependent on foreign imports—this time from the U.S.S.R.

Meanwhile, Castro's decision to centralize and nationalize the economy, Communist-style, meant that ultimately Castro himself would have to make all the decisions. When economic disaster began to loom, Castro changed his policy—this time advocating a return to Cuba's concentration on sugar producing and also a decentralized government structure. Even yet, however, on all crucial matters, decisions must still come from the center—the national directorate, of which Castro is first secretary.

Castro himself is a highly deceptive man. He can speak for four hours with emotional verve and, on the surface, is a creature of passion and ebullient charm. But, at bottom, he is cold and extremely thorough.

Like all pragmatists, his main interest is economic. At a diplomatic reception last week, he displayed this obsession



A British bus arrives in Cuba

THE AMERICAS

when an eager salesman from the Netherlands collared him and tried to interest him in buying seed potatoes. While the disconcerted diplomats looked on, Castro engaged in an intensive discussion with the salesman.

Castro believes that socialism will permit the economy to grow at a fast pace, but beyond that he is always ready to change tactics. A few years ago he thought that tight links to the Eastern bloc would help the process. He was wrong and knows it and that is one reason for his recent effort to repair relations with the U.S.

But for all his pragmatism, Fidel Castro can't achieve the impossible. The economy is stumbling badly. This is not because Cuba is producing less. Nor is it, as is sometimes alleged, because of the lack of parts or vehicles for transportation. (Cuba's mechanics, who by now must be among the world's most ingenious, manage to keep crucial vehicles running by fashioning spare parts out of anything from tin cans to bits of fenders. And just last week the first sixteen buses from Britain's Leyland Motors, Ltd., arrived.) The crux of the problem is that a Marxist revolution like Cuba's, which destroys institutions, eliminates elites, and breaks traditions, cannot replace what it has destroyed and push on to new heights in a matter of a few years as Castro originally thought.