

Cuba's Economic Planners Impeded by Uncertain

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HAVANA, Nov. 4—Seated in his air-conditioned office on the sixth floor of the Cuban Communist party headquarters, Carlos Rafael Rodriguez, one of the Government's principal economic planners, clasped his hands tightly in front of him and said:

"The most important thing about our economic situation is that we know now what we want and how we have to accomplish it."

In the seventh year of the revolution, the best that can be said about the Cuban economy, in the view of most independent observers, is that its directors have put behind them a great deal of unsuccessful, sometimes disastrous experimentation and are trying to manage the country's resources in more restrained and coherent ways.

The dark side of the picture is that, with these efforts toward better administration and better planning only starting, there is a continued question whether resources will continue to be available, even at their present restricted levels.

Disorganization has meant mistakes ranging from national disaster—the attempt to get away from sugar cultivation in the early years of the revolution—to countless smaller errors. It has meant shipping malanga, a starchy root plant, from Havana, where it is popular and scarce, to Oriente Province, where nobody will eat it.

It has meant piling up rent records and receipts at the Urban Reform Administration to the point where the whole rent system broke down and the Minister of Justice had to make an investigation.

It means that a man who has a key made may find the fit so bad that it will not open the lock and the metal so poor that it curls up during use.

The vast switchover in the economy from a capitalist to a Socialist system and the re-orientation of trade from West to East have resulted in curbing consumption of food, clothing and other personal articles.

The new consumption level, which is roughly stable, is lower in Havana and some other areas than it was before the revolution. In the countryside, it appears to vary from slightly higher to slightly lower.

Shortage of Medicine

On a nationwide basis, social

services—education and health—have become available on a more widely representative basis. But the departure of many doctors and teachers and the perennial shortage of medicine have restricted the practical, if not the symbolic, effect of this change.

As compared with a year ago, the food situation is roughly the same. Most items are rationed, but their availability varies widely from week to week.

This week the meat ration can generally be obtained, but starchy and leaf vegetables are scarce. Eggs, which came off rationing for a while, are again restricted. Bread is plentiful, and macaroni is in fair supply.

The vagaries of production and distribution often mean a feast or famine in some particular product.

Right now, Havana is deluged with grapefruit, frogs' legs and rabbits, although at a high price. But avocados, which for a while were virtually being given away, are unobtainable.

Clothing is tightly rationed, but Havana women make over old dresses, buy bits of cloth on the black market and manage to look well-dressed.

With the country's spare resources being channeled toward the acquisition of capital equipment and spare parts, the adequate but uninviting level of consumption is likely to continue for years, perhaps decades.

'I Have Enough to Eat'

How much this prospect will test internal morale is a grave question. A small farmer in Havana Province said not long ago:

"Certainly, I could grow more vegetables, but what for? I have enough to eat. And if I sold tell me, what would I find to buy in Havana?"

How to provide industrial workers with incentives to produce more is also a serious Cuban problem.

A visitor to the nickel-processing plant at Nicaro found the temperature in the 90's, the ventilators not working and fine metal dust covering everything. What is more, the workers had recently had a wage cut.

Both the question of where additional resources will come from and the Government's effort to make better use of what it has were touched on in an interview given last Sunday by Premier Fidel Castro.

Mr. Castro said the Govern-

Resources

ment doubted whether the goal of producing 6.5 million tons of sugar next year could be met.

He also announced a series of economic reforms, among them the abolition of the Finance Ministry and the dividing of its work between the National Bank and the central planning agency.

Over the last two years, Cuba has made a huge effort to subordinate other economic activities to the production of more sugar. The goal for 1970 is 10 million tons, nearly 3 million more than the previous record, set in prerevolutionary days.

To increase present grinding capacity by the required 30 per cent, Cuba is investing \$250 million in credits obtained from the Soviet Union and about 200 million pesos (listed as equivalent to \$200 million). These outlays are a staggering

drain on present and future financial resources.

Ordinary business is disrupted during the harvest season—December through May—while transportation and manpower are thrown in gathering the cane.

Food distribution is disrupted as a number of food staples, including tubers and vegetables, have their peak season just at the time that the railroad and the trucks are hauling sugar.

Factory and office workers are drawn out of their regular jobs into three or four weeks of cane-cutting.

Facing the prospect of a fourth successive year of volunteering for the harsh work, one senior Government official told a friend recently, "I get physically sick when I think of going back to the fields."

According to Mr. Castro, the doubts about next year's crop are caused by the dry weather and by the fact that not much new cane was planted. He said dry weather could cut the total by half a million tons.

In an outline of the Gov-

ernment's economic strategy. Mr. Rodriguez, whose principal task is long-range planning of foreign trade, said that every effort was being made to place all consumer goods imports with the Socialist-bloc countries to save dollars.

Cuba's dollar income—from Canada, Britain, Spain, Japan, Morocco and other countries—is to be reserved for the purchase of capital equipment and essential spare parts, according to Mr. Rodriguez.

Efforts have been made to obtain a seven-year credit from French companies for the purchase of a \$20 million sugar mill. But these are still in a nebulous stage.

The Government hopes to

build a fertilizer plant to produce one million tons of ammonium nitrate yearly. It is also planning to invest \$100 million in building up its merchant fleet to save dollar outflow in paying for transportation.

For these and other investments, even if financed by credits, a radical increase of Cuba's dollar income would be necessary.

Mr. Rodriguez said that no great increase in sugar sales could be expected in the near future.

The Government is counting on exporting 40,000 tons of beef by 1970, but experts say it is problematical whether the production of cattle can be stepped up that quickly.

According to both diplomatic and other sources here, including some officials, the Soviet Union has made it clear that no increase of assistance to Cuba can be expected above the present level. This, apart from the credits for sugar equipment, is sufficient to allow the economy to maintain its present minimal level but does not allow for much more.

It is perhaps the realization that not much help can be expected from abroad that has helped to spur the drive to make Government machinery work better.

A major overhaul of the foreign trade apparatus has been undertaken.

According to Mr. Rodriguez, shopping expeditions are now made by technicians working in the production units that will use the goods. As a result, he said, more suitable purchases are being made and at better prices.

Some agreements are apparently being renegotiated.

"We had been paying too much for many of these things," he said, "and not just in Western markets. We are now revising without our Socialist comrades the terms of some of the

purchases we have made from them."

In another effort to increase efficiency, the Government has made a drive to prune an excessive bureaucracy. According to Mr. Castro, more than 30,000 Government office workers are being separated from their jobs and sent to study "useful subjects."