

China Ends Cuban Rice, Sugar Pact

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Castro Also Reveals Crop Target Won't Be Met This Year

By Isaac Flores

HAVANA, Jan. 2 (AP) Prime Minister Fidel Castro disclosed today that Communist China had broken its rice-for-sugar agreement and would neither send Cuba rice this year nor buy Cuban sugar.

This could have dire consequences for Cuba's economy. Castro also said the country will fail to meet its sugar-growing target this year.

"Temporary setbacks" in agricultural production and lack of imports would not affect the "revolutionary ardor" of the Cuban people, he said.

Bitter Toward U.S.

"The last nation that will make peace with imperialism will be ours," he told a huge crowd in Revolutionary Plaza, "because the Yankee imperialists have offended, injured, humiliated, harassed and threatened us as they have no other country. There is no country that hates them as we do." There has been talks of a limited rapprochement.

As the crowd, celebrating the seventh anniversary of Castro's rule, cheered he added:

"What we profoundly desire is that all would be united in hatred of that enemy."

Most of his speech was gloomy. He lamented that what he thought was a long-term agreement with Red China turned out not to be. Under it Cuba sent China two tons of sugar for each ton of rice received.

"I thought this was a long-term proposition," Castro said, "but the other party did not understand it thus" and limited the agreement to one

year.

Unsold Sugar

He said Red China had also informed Cuba it could not accept the full 800,000 tons of sugar he thought was safely sold.

"Now we find we have only half the rice we had in 1964," he said. "We did not grow more rice ourselves because we were concentrating on other agricultural products."

Because of the lack of Cu-

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ban production and the cutoff of Chinese imports, Castro said, there would be much less rice available to the people. Rice is a staple of the Cuban diet.

[From Georgetown, Reuters reported that British Guiana has approached Cuba seeking to resume the lucrative rice trade that broke off following the defeat at the polls in December, 1964, of Marxist Cheddi Jagan. Because of a sharp rise in production, British Guiana faces the problem of marketing its surplus.]

As for sugar, Castro admitted "we shall not reach our goal" of 6.5 million tons, but added "we shall have a high yield if we carry out our plans." [He blamed bad weather for the shortfall, Reuters reported.]

Sugar is the mainstay of Cuba's economy, supplying 80 per cent of its foreign exchange.

Blames Blockade

Castro blamed his economic problems on the commercial blockade imposed by the United States and the countries of Latin America.

Although China broke the sugar-rice agreement, Communist chief Mao Te-tung cabled Castro that a "proud friendship" existed between the two countries.

Castro said China had to cut off rice exports because of aid to North Vietnam, a drop in production there and the need for reserves "in case China is attacked."

[Castro said the 1964 ar-

angement was beneficial to China, Reuters noted, but he added, "we do not ask them to rectify. We accept the economic and strategic reasons they put forward. For Vietnam we are prepared to give even our blood, which is worth more than sugar.]"

Conference Opens Today

The Chinese cable did not mention the opening here Monday of a conference of Asian, African and Latin American leftists dedicated to combatting the United States. There were 500 delegates to the conference in the crowd today. There has been much speculation about the extent to which the Sino-Soviet dis-

pute would deminate the conference.

A Soviet cable did praise the conference which to some seemed to bear out pre-conference predictions that most delegates favored the Kremlin.

Although Castro talked of economic difficulties and the sugar failure in particular, Soviet leaders sent him a cable of congratulations because:

"This past year has been a year of new triumphs in the construction of a socialist society, in economic gains . . . and in the increase in well-being of the people."

Arms Equipment Shown

Chief entertainment for the celebration was a parade of Soviet-supplied military equipment.

The half-hour parade was believed the shortest since Castro seized power. His speech also was short, but far-ranging.

He said the thousands of Cubans who have applied to leave via the current airlift have lost their jobs.

"Those who have to wait months or years to leave can thank their friends, the Yankees," he said, adding that the United States had restricted the number of daily flights.

Castro said it was Cuba's policy to fire those persons who sign up to go out. Those fired will be offered farm work, he said.