Miami University Economist: Cuba Experiencing Worst Economic Crisis Of Its History

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**by John Neagle**  
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According to economist Antonio Jorge of the University of Miami, Cuba is currently experiencing the worst economic crisis of its history. Jorge’s assessment of the Cuban economy was delivered Dec. 1 in Miami at an international conference titled, "Castro Contra la Perestroika." The forum was sponsored by the Miami-based newspaper, El Nuevo Herald. Jorge said that economic productivity has plummeted, agricultural output per capita is at its lowest level of the 1980s, the island’s light industries suffer from administrative inefficiency and shortages of raw materials, and since 1984 Cuba has registered trade deficits. Jorge stated that at present Cuban production costs run from 17 to 20 cents per pound of sugar. Meanwhile, the socialist bloc purchases Cuban sugar at three cents per pound. Next, the economist asserted that the Cuban government's commitment to centralization and five-year economic plans is inappropriate and disastrous for a small economy. Another serious mistake, said Jorge, was the orientation of Cuba's fledgling heavy industries toward serving "the regime's military interests via its so-called internationalist missions." According to Jorge, it costs Cuba between 17 and 20 cents to produce a pound of sugar, while the socialist bloc purchases sugar from Cuba for the equivalent of three cents. Jorge stated that the only means of avoiding economic catastrophe during the Soviet Union's gradual aid withdrawal is for the Cuban government to drop its preference for ideology in economic policy formation and centralized economic planning. In addition, he said, a change in "system" is necessary, or the introduction of market mechanisms to substitute for political decisions. Former director of Cuba's Ministry of Supply, Manuel Sanchez Perez, said Cuba cannot survive economically if the Soviet Union implements drastic aid cutbacks. He said that by 1991, Soviet oil shipments to Cuba will be reduced by 20%. Sanchez Perez left Cuba three years ago. (Basic data from Notimex, 12/01/89)

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