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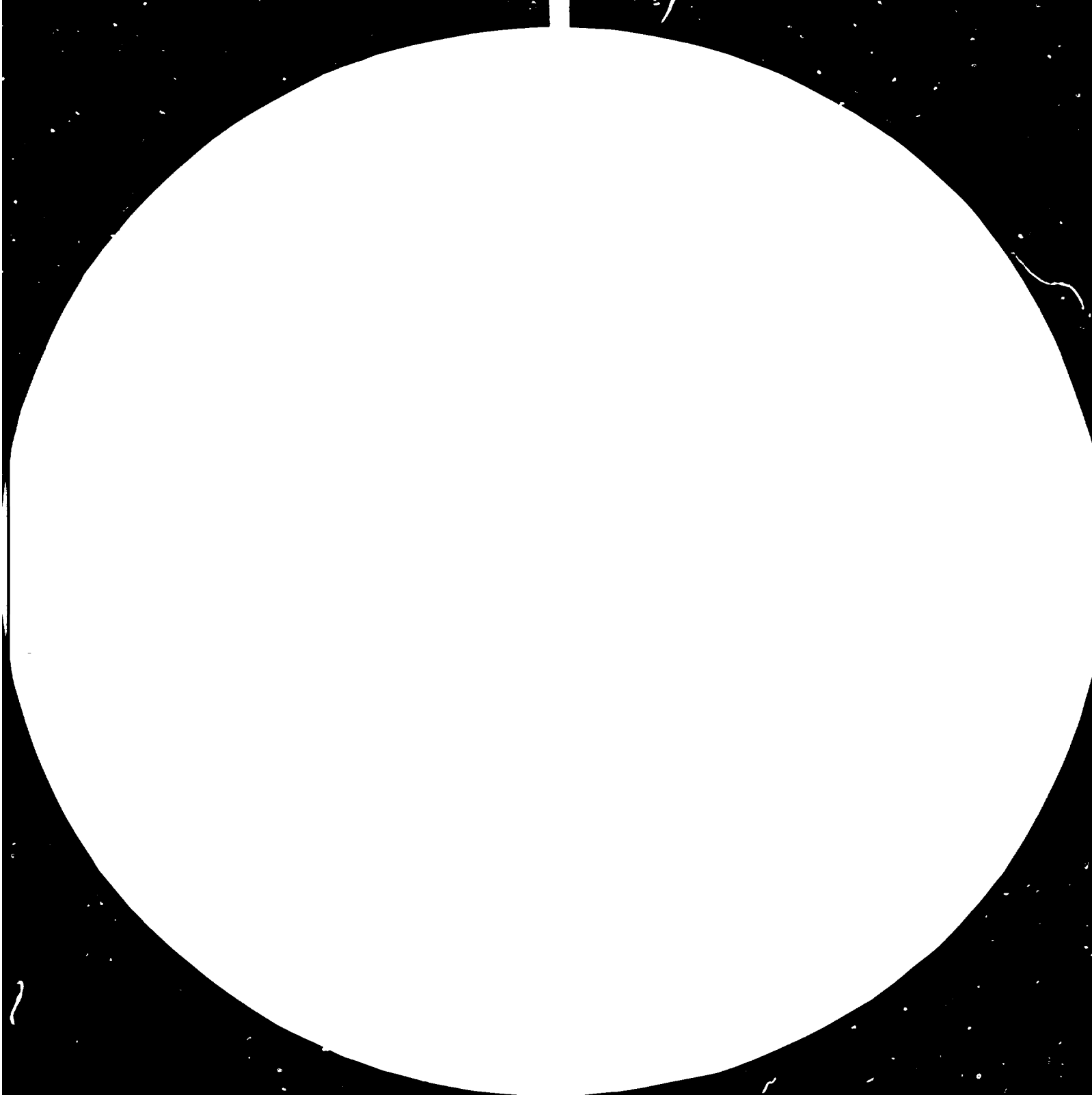
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MEASUREMENT OF VISUAL ACUITY USING A CHART

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COUNTRY BRIEF.

INDUSTRIAL DEVELOPMENT  
IN THE REPUBLIC OF CUBA\*

Prepared by the  
Regional and Country Studies Branch  
Division for Industrial Studies

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PREFACE

The country brief of the Republic of Cuba is based on documents, available at the UNIDO Headquarters. It attempts to give the general picture of the country's economic and industrial development.

As this brief is a desk study and no field survey has been undertaken, some of the data presented are not up-to-date.

The main aim of the brief is not to reach any final conclusions or recommendations but rather to provide the readers with additional information to be used in activities relating to technical assistance, industrial redeployment and investment promotion and co-operation.

It is envisaged that the brief will be modified over time as the internal statistical base is further refined and broadened, as the national information sources are developed further and as a feedback from the users will follow.

The views and comments contained in this document do not reflect those of the Government of the Republic of Cuba nor do they officially commit the United Nations Industrial Development Organization to any particular course of action.

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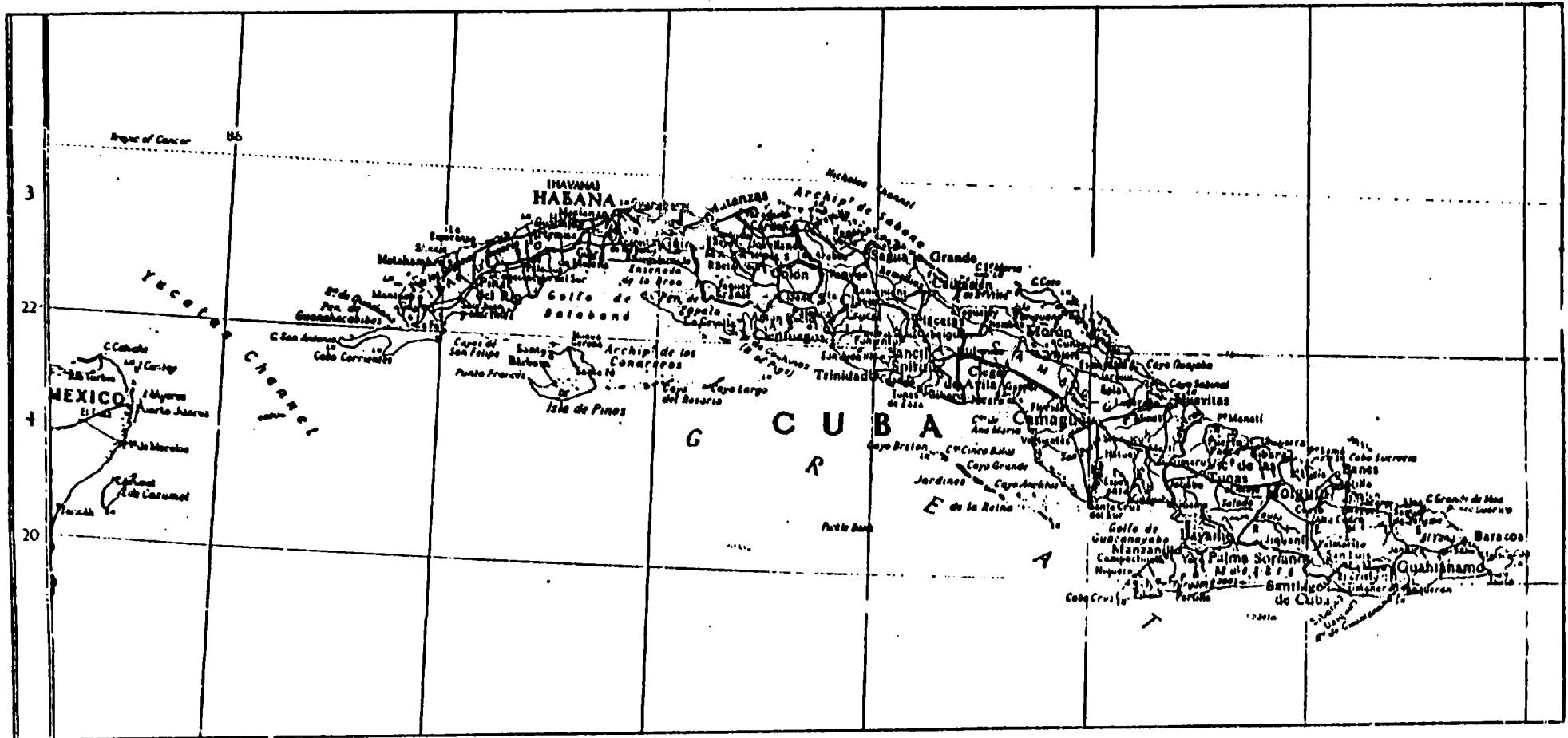
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EXPLANATORY NOTE

Totals in tables may not add precisely because of rounding. In tables, three dots (...) indicate that data are not available, and a dash (-) that they are not applicable.

The national currency is Peso. The US\$ exchange rate in 1977 was : US\$1 = 0,83 Peso.





## I. ECONOMIC BACKGROUND

The Republic of Cuba is located on an island at the entrance to the gulf of Mexico and covers an area of 110,922 square kilometers.

The estimated population of Cuba in 1978 was 9,739 million, 2.9 per cent of the total for the Latin American region (Table 1). The country accounted for 2.2 per cent of GDP originated in the region and 1.06 per cent of its gross capital formation. Cuba's ratio of labour force to population (29.46 per cent) was slightly below the average ratio of 31.55 per cent for the region, while the country's ratio of gross capital formation to GDP (12.52 per cent) was less than half the corresponding figure of 26.41 per cent for the developing countries of the region as a whole, excluding Cuba.

The most characteristic feature of economic development in Cuba is an extremely high ratio of exports and imports to GDP (47.3 per cent for exports and 50 per cent for imports). For the Latin American region as a whole, excluding Cuba, these ratios were 15.5 and 15.7 per cent respectively.

Table 1. General economic indicators, Cuba and Latin America, 1978

Indicator	Unit	Cuba	Latin <sup>a/</sup> America	Cuba Latin America
Population	mn	9,739	337.20	2.9
Labor force	mn	2.87	106.38	2.7
GDP	US \$ mn	2,500 <sup>b/</sup>	426,507	2.2
Gross capital formation	US \$ mn	1,190 <sup>c/</sup>	112,662	1.06
Export of goods and services	US \$ mn	4,544	66,083	6.8
Import of goods and services	US \$ mn	4,732	66,953	7.0
GDP per capita	US \$	275	1,265	77.0
Labor force / population	%	29.46	31.55	93.4
Gross capital formation / GDP	%	12.52	26.41	47.4
Exports / GDP	%	47.80	15.50	308.0
Imports / GDP		50.00	15.70	318.0

<sup>a/</sup> Countries included in the aggregation: Argentina, Barbados, Bolivia, Brazil, Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, El Salvador, Guatemala, Guyana, Haiti, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, Puerto Rico, Trinidad and Tobago, Uruguay, Venezuela

<sup>b/</sup> GNP: <sup>c/</sup> 1979

Sources: Industrial Data System, Regional and Country Studies Branch.

"Statistika". Statistical Yearbook, Member Countries of the Council for Mutual Economic Assistance, 1979, Moscow.

## II. THE MANUFACTURING SECTOR

### 1. Endowments for industrialization

Cuba possesses a wide range of minerals. In particular, the country has very large deposits of nickel (10 per cent of the world total). Nickel reserves of around 19 million tons of ore with 0.8-1.4 per cent nickel content make Cuba the fourth leading nickel producer in the world. Production is concentrated in the Oriente province.

There are also deposits of iron and copper ore, manganese, chromite, cobalt, gold and silver. Iron ore reserves are estimated at 7 billion tons of laterite and 100 million tons of magnetite and are being exploited on a small scale for local foundries. Similarly, the extraction of other minerals has so far been modest. Output of Cuba's mining industry is shown in Table A1 of the Annex.

The energy sector remains heavily dependent on imports. In 1979 Cuba purchased from the USSR alone more than 8 million tons of crude oil and mineral oil products. Although prices were considerably higher than those of the previous years, they were still below those on the world market. Since 1968, Cuba has discovered offshore oil reserves, and the country is producing a small but steadily increasing amount of crude oil. In 1979, domestic oil production amounted to 288,000 tons, and there are plans to push ahead more rapidly with oil and gas exploration in the coastal waters. With the assistance of the Soviet Union, the first nuclear power plant is under construction, while Cuba intends to make greater use of geothermic, solar and water energy. Installed capacity of all power stations in 1978 was 2,288 thousand kW (Table 2). There are no large rivers for the production of hydroelectric power on a large scale and, therefore, installed capacity of hydroelectric power stations remained stable at the level of around 45,000 kW.

Cuba has a road network of over 30,000 km, including the Central Highway, traversing the island for 1,200 km from Pinar del Río to Santiago de Cuba. In 1978, there were 5,325 km of public railways, owned by the National Railways. In addition, the large sugar estates have a narrow gauge network of 9,440 km of lines connecting them with the lines.

Table 2. Installed capacity of power stations, Cuba, 1970-78

(at year's end, thousand kW)

	1970	1975	1976	1977	1978
All power stations	886	1,677	1,705	1,858	2,288
Of which hydroelectric power stations	44.8	44.8	45.8	45.8	45.8

Source: "Statistika". Statistical Yearbook, Member Countries of the Council for Mutual Economic Assistance, 1972, Moscow.

In 1978, Cuba's labour force constituted 59 per cent of the total population (Table 3). The share of those engaged in agriculture decreased from 39 per cent in 1960 to 25 per cent in 1978. Over the same period the shares of labour force in industry and services increased from 22 and 39 per cent to 31 and 44 per cent respectively. During the last decade (1970-80) the country's labour force was growing at an annual rate of 2.0 per cent. The same trend is foreseen for the years up to 2000.

Table 3. Labour force, Cuba

Percentage of population of working age (15-65 years)		Percentage of labour force in						Average annual growth of labour force (per cent)		
		Agriculture		Industry		Services				
1960	1978	1960	1978	1960	1978	1960	1978	1960-70	1970-80	1980-2000
51	59	39	25	22	31	39	44	0.8	2.0	2.0

Source: The World Bank. World Development Report, 1980, Washington D.C., 1980.

## 2. Industrial objectives and strategy

Cuba's economic development strategy has undergone significant changes over the years. For example, under the industrial development programme initiated in 1963 many new industries were founded, but the emphasis on rapid industrialization was abandoned a year later in order to concentrate on the production of sugar and agricultural produce for export. However, after the failure in sugar production, attention was switched back to the industrial sector, and in particular to import-substitute industries. Economic planning of recent years still gives priority to expanding the industrial base.

In 1976 the Cuban government adopted a Five-Year Plan (1976-80) of economic development which set an average annual growth rate of 6 per cent. However, this target was not achieved. Slackening in growth is attributable partly to the drastic increase in the price of oil imports and the resultant shortage of energy. In the late 1970s planning reverted to an annual basis. The budgets for 1979, 1980 and 1981 are shown in Table 4. Priorities in these years remained unchanged, with about 42 per cent of state expenditure allocated to directly productive investment in industry and agriculture. Education and public health also have high priority, although its share dropped from 18.8 per cent in 1980 to 16.4 per cent in 1981.

The current Five-Year Plan (1981-85) aims to lessen the dependence of the economy of Cuba on the sugar sector and, while sugar will remain the country's major source in terms of exports, the industrial sector should account about 50 per cent of GNP by 1985. The new Plan attaches particular importance to the development of mining. Nickel production in particular is to be stepped up to 100,000 tons a year by 1985, although the 1980 output, estimated at 35,000 tons, has fallen well below the target of 46,000 tons. It is also planned to expand iron and steel sector capacity where production in 1980 probably reached 350,000 tons, to between 1.8 and 2.0 million tons by 1985 and the production capacity of the three available oil refineries are to be considerably increased from the present

**Table 4. Budgetary allocations by sector, Cuba, 1979-81**  
(value in million pesos, share in per cent)

	1979		1980		1981	
	value	share	value	share	value	share
Industry and agriculture	3,883.2	41.3	3,978.4	41.7	4,672.3	41.7
Housing and community services	398.4	4.2	363.7	3.8	412.1	3.7
Education and public health	1,684.8	17.9	1,800.2	18.8	1,843.3	16.4
Other social, cultural and scientific activities	1,242.2	13.2	1,315.1	13.8	1,434.6	12.8
Local government, state administration and justice	517.3	5.5	483.7	5.1	675.1	6.0
Defence and internal security	840.9	9.0	810.9	8.5	842.1	7.5
Other activities	451.1	4.8	443.4	4.6	777.5	6.9
Reserve	390.9	4.1	335.5	3.5	544.3	4.8
Total	9,408.8	100.0	9,530.9	100.0	11,201.3	100.0

**Source:** The Economist Intelligence Unit. Quarterly Economic Review of Cuba, Dominican Republic, Haiti, Puerto Rico, 1980-81, various issues.



120,000 barrels a day through modernization and the construction of a new plant. In addition, annual output by the fertilizer industry is to be stepped up from the present 1.3 million tons to 1.8 million tons in 1985.

Some other targets of the Plan are as follow: to achieve a higher rate of growth for exports versus imports; to develop non-sugar export earnings at a rate considerably higher than the forecast for the growth of total exports; to increase efficiency in energy consumption in all industrial branches.

### 3. Development of the manufacturing sector in the 1970s

Industrial activity in the 1970s was concentrated on sugar processing, the metal industry, mineral oil processing and the production of fertilizers, textiles, cement and foodstuffs. Based on domestic resources, the manufacture of basic materials and producer goods gained in importance.

The sugar sector continues to be the most dominant economic activity, with growing and processing sugar cane accounting for about 20 per cent of GNP. Sugar production increased from 6.3 million tons in 1975 to almost 8.0 million tons in 1979 (Table 5). Production of sugar currently accounts for around 7 per cent of the total world output. The sugar processing industry has undergone extensive modernization and at present Cuba has 150 sugar mills at its disposal and another 13 are to be built by 1985.

Considerable emphasis has been placed on the development of the construction industry. The last decade has seen a threefold increase in the annual output of cement, although the 1979 production figures, totalling 2.5 million tons, failed to reach plan projections. In 1978 the first stage of another cement plant at Mariel was completed. This cement works has an annual capacity of 700,000 tons. Upon completion it is to have an annual capacity of 1.4 million tons per annum.

Table 5. Output of industrial production, Cuba, 1975-79  
(selected products)

	1975	1976	1977	1978*	1979
Electricity (mln kWh)	4,888	6,583	11,091	7,695	8,461
Crude steel ('000 tons)	298.4	250.2	330.5	336.3	327.8
Corrugated steel bars ('000 tons)	242.6	229.6	292.4	292.6	313.5
Cement ('000 tons)	3,083	2,501	2,656	2,712	2,613
Motor gasoline ('000 tons)	947.1	909.4	833.3	886.7	872.0
Kerosene ('000 tons)	447.0	453.9	415.5	426.9	414.6
Paper ('000 tons)	63.0	71.7	62.9	69.5	...
Fertilizers ('000 tons)	741.1	802.8	863.1	945.5	1,745.6
Tyres ('000 units)	367.8	266.4	171.9	294.6	301.9
Cotton fabrics (mln sq. m)	137.5	134.1	148.9	154.4	148.6
Sugar ('000 tons)	6,314	6,156	6,485	7,351	7,992
Meat ('000 tons)	91.9	110	121	118	...
Leather footwear ('000 pairs)	15,513	15,979	12,448	14,800	13,759

\* Preliminary.

Sources: UN. Yearbook of Industrial Statistics, 1980.

"Statistika". Statistical Yearbook, Member Countries of the Council for Mutual Economic Assistance, 1979, Moscow.

Steel output having reached a peak of 330,500 tons in 1977, dropped to 327,800 tons in 1979. Preliminary work has begun on an integrated steel mill with an annual capacity of 1.3 million tons. The capacity of José Martí steel works in Havana is being boosted from 450,000 tons a year in 1980 to 600,000 tons in 1985, with a major expansion to 2.6 million tons by 1990 - meeting 90 per cent of Cuba's estimated requirements.

There has been considerable achievement in the fertilizer production, which increased from 741,000 tons in 1975 to 1,745,500 tons in 1979. The largest fertilizer plant, at Cienfuegos, is to be rebuilt. Its increased production will help to reduce the import of fertilizers, which are required in large amounts for the sugar cane fields.

The output of five tyre plants was 367 00 units in 1975, but subsequently fell to 301,900 units in 1979.

There is also a small shipbuilding industry, mainly concerned with supplying the fishing industry and producing up to 60 vessels per year. It is interesting to note, that Cuba is now the world's leading producer of ferro-cement boats.

Total value of manufacturing gross output over the period 1975-79 rose by 14 per cent and reached 5,695 million pesos in 1979 (Table 6). The share of food in total value of output remained practically unchanged and constituted more than one-third of the total. Textiles decreased share from 2.5 per cent in 1975 to 1.9 per cent in 1979, while share of wearing apparel increased from 3.2 to 3.9 per cent over the same period. The shares of industrial chemicals, as well as petroleum refineries and products of petroleum and coal dropped from 10.9 and 3.6 per cent to 9.8 and 7.4 per cent respectively over the same period.

Stable increase was registered in the share of fabricated metal products, machinery and transport equipment which rose from 5.3 per cent in 1975 to 11.2 per cent in 1979. Electrical machinery apparatus and supplies decreased its share from 1.7 to 1.3 per cent over the same period.

The shares of other sectors did not change to any significant degree.

Table 7 shows the growth of manufacturing value added and changes in its sectoral shares over the period 1970-79. The share of food fluctuated from the peak of 50.4 per cent in 1970 to the lowest level of 31.4 per cent in 1975. In 1979, it still accounted for 45.6 per cent of total MVA. Textiles accounted for 9.4 per cent in 1979 as compared with 6.9 per cent in 1970. There has been a rapid growth in the share of wearing apparel, which increased over the same period from 3.2 to 9.0 per cent.

The share of petroleum refineries increased from 6.8 to 8.8 per cent. The most significant development was seen in the sector producing fabricated metal products, except machinery and equipment where its share increased from 7.3 per cent in 1975 to 15.2 per cent in 1979. The shares of most other sectors in total MVA were characterized by an absence of definite trends.

#### 4. Main constraints on industrial development

The Cuban industry currently faces severe problems and among them the principal one is the low increase in productivity in almost all sectors, chiefly due to planning deficiencies. This lack of efficiency prompted the Government to decide on the introduction of a programme of economic reforms with encouragement of personal initiative and the decentralization of decision-making.

Moreover, the country's industrial development is dependent to a very great extent on the development of the agricultural sector which in recent years has recorded a substantial slowdown, mainly because of serious short falls in the sugar and tobacco harvest. The 1980 sugar crop was blighted by rust disease and sugar production has subsequently fallen short by 1 million tons of the 7.5 million tons target; blue mould disease affected 90 per cent of the tobacco crop. As a result, export contracts were cancelled and Cuba started to import tobacco to ensure that ration allocations could be met. A loss of US \$100 million in export earnings

was anticipated, and perhaps more importantly, 25,000 workers have had to be let off. In addition, African swine fever hit the province of Guantanamo and all pigs in the province had to be destroyed, which in turn means that production of meat has sharply decreased.

Other factors worsening Cuba's industrial development is the energy crisis which hit Cuba as hard as any other underdeveloped country. A critical present problem is also Cuba's worsening terms of trade, the rise in oil prices being incommensurate with meagre increases in world sugar prices.

Table 6. Manufacturing gross output, total and sectoral shares in total, Cuba, 1975-1979

(thousand pesos)

	1975		1976		1977		1978		1979	
	VALUE	SHARE	VALUE	SHARE	VALUE	SHARE	VALUE	SHARE	VALUE	SHARE
Food	1813100	36.3	1813100	35.4	1933200	37.6	2047100	36.9	2061600	36.2
Beverages and tobacco	401200	8.0	452800	8.9	423500	8.2	446300	8.0	440500	7.7
Textiles	126500	2.5	127500	2.5	113600	2.2	119000	2.1	110100	1.9
Wearing apparel, except footwear	160000	3.2	166700	3.3	192500	3.7	214200	3.9	220200	3.9
Leather, leather products and footwear	174600	2.7	142800	2.8	136000	2.6	160700	2.9	140400	2.6
Wood, wood products and furniture	131800	2.6	127600	2.5	130800	2.7	148800	2.7	140700	2.5
Paper and paper products	80900	1.6	88600	1.7	83400	1.6	84300	1.6	85600	1.5
Printing and publishing	85000	1.7	80600	1.7	95000	1.8	101200	1.8	110100	1.9
Industrial chemicals	545000	10.9	541500	10.6	460700	9.0	529600	9.5	558700	9.8
Petroleum refineries and products of petrol. and coal	420100	8.4	411400	8.0	403300	7.8	422500	7.8	422100	7.4
Glass and glass products	31300	0.6	29100	0.6	28100	0.5	35700	0.6	36700	0.6
Other non-metallic mineral products	274900	5.5	287700	5.6	307400	6.0	315400	5.7	310100	5.6
Iron, steel and non-ferrous metals	61800	1.2	61500	1.2	74000	1.4	77400	1.4	79500	1.4
Fabricated metal products, machinery, transport equipment	413700	8.3	470900	9.2	489300	9.5	553400	10.0	630200	11.2
Electrical machinery apparatus and supplies	82900	1.7	80900	1.6	63300	1.2	59500	1.1	73400	1.3
Other manufacturing	223400	4.5	225000	4.4	204200	4.0	232100	4.2	250900	4.5
TOTAL	4994200	100.0	5115700	100.0	5146300	100.0	5552200	100.0	5695200	100.0

Note: Values in pesos at current prices; shares in per cent.

Source: Industrial Data System, Regional and Country Studies Branch.

Table 7. Manufacturing value added, total and sectoral shares in total, Cuba, 1970-77  
(US thousand)

	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979
	VALUE/SHARE	VALUE/SHARE	VALUE/SHARE	VALUE/SHARE	VALUE/SHARE	VALUE/SHARE	VALUE/SHARE	VALUE/SHARE	VALUE/SHARE	VALUE/SHARE
Food	710340 58.4	659000 52.3	439400 33.8	505000 38.4	573400 36.3	507000 31.4	602000 31.5	640100 33.5	640200 33.1	600200 29.4
Beverages	4120 0.4	11700 0.9	15010 1.2	16720 1.2	14740 1.1	17000 1.0	15700 1.0	20710 1.1	21000 1.1	- -
Tobacco	155400 11.0	90000 7.4	110000 8.5	130000 9.4	134000 9.4	140000 7.3	120000 6.3	120000 6.3	130000 6.6	- -
Textiles	97370 4.0	134000 9.9	126500 9.7	130570 9.9	14447 0.4	147300 8.5	149020 8.6	140070 7.4	189000 9.4	141700 6.4
Wearing apparel, except footwear	45040 3.2	57020 4.4	70500 5.4	70440 5.4	87770 6.7	80000 5.1	101070 5.3	117000 6.1	131320 6.4	138200 6.6
Leather and leather products	8900 0.6	9322 0.7	8310 0.6	6200 0.4	6770 0.4	5000 0.3	6200 0.3	5900 0.3	7020 0.3	6030 0.4
Footwear	30030 2.6	42000 3.2	42000 3.3	43020 3.1	40000 2.7	40700 2.4	40070 2.6	40000 2.6	54000 2.7	60300 3.3
Wood and wood products	- -	- -	- -	- -	- -	3000 0.2	3000 0.2	3000 0.2	3000 0.2	3000 0.2
Furniture and fixtures	2000 0.2	3100 0.2	3020 0.2	2000 0.2	2000 0.2	2000 0.1	2000 0.1	2000 0.1	- -	- -
Textiles and paper products	2100 0.1	2400 0.2	2070 0.2	2070 0.2	3070 0.2	3100 0.2	3000 0.2	3000 0.2	3100 0.2	3000 0.2
Printing and publishing	- -	- -	- -	- -	- -	2300 0.1	2300 0.1	2300 0.1	2300 0.1	2300 0.1
Industrial chemicals	202007 14.4	200310 14.1	204030 15.4	271207 19.2	312000 19.5	303700 17.9	319200 16.7	304000 15.8	301000 14.2	- -
Petroleum refineries	90100 6.6	105000 8.2	112200 8.6	110000 8.1	124000 8.1	133000 7.0	120000 6.7	120000 6.7	120000 6.7	130000 6.6
Plutery, china and earthenware	4020 0.3	3700 0.3	3500 0.3	3000 0.2	3000 0.2	3000 0.2	3000 0.2	3000 0.2	3000 0.2	3000 0.2
Glass and glass products	4000 0.3	4700 0.4	3000 0.2	3000 0.2	4000 0.3	4000 0.3	4000 0.3	4000 0.3	4000 0.3	4000 0.3
Other non-metallic mineral products	11000 0.8	11700 0.9	6700 0.5	7000 0.5	7700 0.6	8000 0.5	10000 0.5	11000 0.6	11000 0.6	10170 0.7
Iron and steel	2000 0.2	2300 0.2	3500 0.3	4000 0.3	4000 0.3	5000 0.3	4000 0.3	4000 0.3	4000 0.3	- -
Non-ferrous metals	- -	- -	- -	- -	- -	2000 0.1	2000 0.1	2000 0.1	2000 0.1	2000 0.1
Fabricated metal products, except machinery and equip.	- -	- -	- -	- -	- -	14000 1.0	14000 1.0	14000 1.0	14000 1.0	14000 1.0
Other manufactures	- -	- -	- -	- -	- -	80000 4.4	80000 4.4	80000 4.4	80000 4.4	80000 4.4
TOTAL	1200070 100.0	1320000 100.0	1300317 100.0	1413000 100.0	1570370 100.0	1510 00 100.0	140000 100.0	150000 100.0	150000 100.0	150000 100.0

Note: Values in 1975 prices; shares in per cent.

Source: Industrial Statistics, Regional and Country Studies Branch.

### III. EXTERNAL TRADE

The total volume of Cuba's foreign trade recorded a six-fold increase between 1960 and 1978 and at the end of the period reached 6,299 million roubles (Table 8). Negative trade balance rose to 468 million roubles in 1977 but subsequently dropped to 105 million roubles in 1978, mainly as a result of price increases for the main export products, sugar and nickel.

Cuba's exports are almost all raw materials and processed products (non-food), raw materials for foodstuffs production and foodstuffs, the share of which increased from 83 per cent in 1970 to 93.5 per cent in 1978, while the share of fuel, mineral raw materials and metals decreased from 16.7 per cent to 5.1 per cent (Table 9). Sugar is by far the largest single export item, accounting for about 85 per cent of export earnings. It is followed by nickel, tobacco and fish.

Imports amounted in 1978 to 3,202 million roubles, mainly consisting of raw materials, petroleum, food, engineering and electrical machinery and transport equipment, and manufactured goods. Export and import of individual commodities over the period 1963-78 is given in Annex tables A2 and A3 respectively.

The socialist countries are the major trading partners. The total volume of Cuba's trade with this group of countries accounted for 82.3 per cent in 1978. Trade balance with socialist countries was in surplus, which, however, declined from US \$275 million in 1976 to US \$96 million in 1978 (Table 10). A large part of trade with the CMEA member countries is handled on a clearing basis. In 1978, goods worth of US \$7,634 million were exchanged between Cuba and the socialist countries.

Trade deficit with non-socialist countries dropped over the same period from US \$869 million to US \$284 million, mainly as a result of curtailing imports from these countries, in the light of negative trade balance with the West.



Table 8. Volume of foreign trade, Cuba, 1960-78

(at current prices; million roubles)

	1960	1965	1970	1975	1976	1977	1978
Foreign trade turnover	1069	1401	2124	5459	5258	5710	6299
Imports	522	779	1180	2802	2862	3089	3202
Exports	547	622	944	2657	2423	2621	3097
Balance	+ 25	- 157	- 236	- 145	- 439	- 468	- 105

Source: "Statistika". Statistical Yearbook, Member Countries of the Council for Mutual Economic Assistance, 1979, Moscow.

Table 9. Export trade structure, Cuba, 1970-78

(as per cent of total exports)

	1970	1975	1976	1977	1978
Machines, plant and vehicles	-	-	0.1	-	-
Fuel, mineral raw materials, metals	16.7	4.8	6.3	8.8	6.1
Raw materials and processed products (non-food), raw materials for foodstuffs production and foodstuffs	83.0	95.2	93.5	90.8	93.5
Industrial consumer goods	0.1	-	0.1	0.2	0.1
Chemicals, fertilizers, rubber, construction materials and other commodities	0.2	-	-	0.2	0.3

Source: "Statistika". Statistical Yearbook, Member Countries of the Council for Mutual Economic Assistance, 1979, Moscow.

Table 10. Direction of foreign trade, Cuba, 1976-78

(US\$ millions)

	1976	1977	1978
<u>Socialist countries</u>			
Soviet Union:			
Exports	1,998	2,602	3,320
Imports	1,818	2,341	3,083
Balance	+ 180	+ 261	+ 237
Eastern Europe:			
Exports	419	364	407
Imports	364	494	537
Balance	+ 55	- 130	- 130
Other socialist countries			
Exports	133	113	138
Imports	93	95	149
Balance	+ 40	+ 18	- 11
Trade balance with socialist countries	+ 275	+ 149	+ 96
<u>Non-socialist countries</u>			
EEC			
Exports	159	110	118
Imports	542	441	358
Balance	- 383	- 331	- 240
Other non-socialist countries			
Exports	575	480	561
Imports	1,061	955	605
Balance	- 486	- 475	- 44
Trade balance with non-socialist countries	- 869	- 806	- 284
Total trade balance	- 594	- 557	- 188

Source: Lloyis Bank. Economic Report, Cuba, 1980.

Tables A4 and A5 in the Annex provide data on the development of trade between Cuba and individual countries. The Soviet Union is the country's leading trading partner. In 1978, the share of the USSR in Cuba's total trade with socialist countries accounted for 95.7 per cent in imports and 95.6 per cent in exports. It should be noted that the prices paid by the Soviet Union for its sugar imports are higher than the world market level. The USSR has also ensured Cuba's oil requirements until 1985, at a price substantially below world prices.

Trade with non-socialist countries has developed significantly, particularly with Canada, Japan and Spain. Argentina and Mexico have also become important trading partners. The country is also engaged in one way trade, mainly as a sugar exporter, with Morocco, Iraq, Portugal, Yugoslavia and China.

#### IV. FOREIGN AID

Foreign aid plays an important role in the industrial development of Cuba. The country receives considerable technical aid funds from the USSR and other CMEA member countries. The Soviet Union continues to be a major donor country. Funds totalling more than US \$15 billion have been provided by the USSR to Cuba since 1960. The bilateral agreement signed between the two countries in October 1980 envisages considerably greater Soviet aid. According to this agreement Cuba has the right not to repay any of its accumulated debt with the USSR until 1986.

During the 1981-85 period the Soviet Union is to provide assistance in the construction of a 880 MW nuclear power station and a steel plant with a capacity of 1.3 million tons per year; it will also help to reconstruct the Havana - Santiago railway line and 34 sugar refineries, as well as continuing to provide Cuba with cheap oil and industrial products.

France has assisted Cuba in the development of sugar by-products. In October 1978 the first of five French-designed plants to manufacture yeast fodder for livestock began operations at a sugar mill in Ciego de Avila. France is also to build a cellulose paper plant at Jatibonico. The plant will have a daily capacity of 200 tons per day, and will use sugar cane bagasse as a raw material.

ANNEX

Table A1. Output of mining industry, Cuba, 1975-79

	1975	1976	1977	1978*	1979
Crude petroleum ('000 tons)	226	234	256	288	288
Natural gas (mln cu.m.)	17.3	21.0	17.8	10.6	17.5
Nickel ('000 tons)	37.3	37.0	36.8	34.8	32.3
Copper concentrates ('000 tons)	2.8	2.9	2.6	2.8	2.8
Chromium ('000 tons)	36.1	19.1	20.4	28.8	28.2
Salt ('000 tons)	156.8	150.1	128.6	130.6	122.5
Silica and sand ('000 cu. m)	4,341	4,278	...	...	4,496
Crushed stone ('000 cu. m)	8,919	9,247	...	...	10,500

\* Preliminary

Source: Europa Publications limited. The Europa Yearbook 1981, A World Survey, Vol. II, England, 1981.

Table A2. Exports of individual commodities,  
Cuba, 1963-78

	1963	1970	1974	1975	1977	1978
Nickel-cobalt concentrate <sup>1</sup> , thousand tons	20,4	35,6	34,0	30,9	44,1	37,1
Fish and shell-fish (fresh), thousand tons	0,4	13,1	23,7	17,7	19,7	37,3
Fish and shell-fish (packaged), thousand tons	0,0	1,4	0,3	0,4	...	1,1
Citrus fruits, thousand tons	6,7	27,0	56,0	59,7	83,6	141
Fruit and vegetables (packaged), thousand tons	3,9	2,9	7,0	3,8	6,3	8,0
Sugar, raw <sup>2</sup> , thousand tons	3521	6065	4812	5197	5500	6409
Sugar, refined, thousand tons	623	582	375	242	460	512
Molasses, thousand tons	499	950	581	443	576	528
Alcoholic drinks (excluding wines), thousand hectolitres	12,6	26,1	56,4	92,2	80,6	83,3
Tobacco, black, in leaf, thousand tons	13,0	13,9	15,6	14,2	19,3	20,7
Cigars, millions	36,3	54,3	123	88,2	116	96,3
Cigarettes, millions	126	1721	2513	2872	2142	2035
Glycerine, refined, tons	—	1306	760	1793	1423	1101
Ropes and cords, made of henequen, tons	4838	1000	151	149	...	—

<sup>1</sup> In metal equivalent.

<sup>2</sup> Raw sugar with 95 per cent sugar content.

Source: "Statistika". Statistical Yearbook, Member Countries of the  
Council for Mutual Economic Assistance, 1979, Moscow.



Table A3. Imports of individual commodities, Cuba, 1963-78

	1963	1970	1974	1975	1977	1978
Electric motors, thousands	11.4	43.8	90.2	24.5	19	23.7
Batteries, thousands	2	122	139	284	41	147
Tractors, units	5798	5524	4483	3342	6112	7923
Combines and threshers, units	342	450	280	298	697	670
Powered graders and graders, units	...	189	180	177	153	182
Bulldozers, units	353	754	301	708	262	390
Lift trucks, units	...	279	279	474	745	1022
Lorries, units	3354	4308	...	7229	5536	6821
Buses, units	712	391	1609	1794	427	1909
Motorcycles and scooters, units	9036	653	78	360	9496	17945
Coal (including briquets), thousand tons	...	123	88.3	98.2	89	91.1
Coke, metallurgical, thousand tons	...	58.5	41.7	41.1	...	48.6
Oil, crude, thousand tons	3709	4261	5875	5797	6201	6359
Petrol, thousand tons	99	46.3	48.7	43.5	150	110
Gas oil, thousand tons	11	483	1252	481	997	751
Fuel oil, thousand tons	159	1148	492	1328	1799	2199
Lubricating oils and greases, thousand tons	53	92	118	118	97	116
Cast iron and steel, thousand tons	...	376	690	819	824	837
Aluminium, sheet and in rolls, tons	3827	2841	...	...	...	1429
Caustic soda, thousand tons	23	22	27	57	35	31.8
Sulphur, thousand tons	46	130	140	169	155	139
Mineral fertilizers, thousand tons	383	975	798	941	1052	1190
Rubber, natural and synthetic, thousand tons	...	13.4	11.2	13.0	12	7.5
Tyres, thousand tons	259	232	635	1086	426	504
Cement 1000 t	20	81	...	...	...	89.5
Sheet glass, thousand m <sup>2</sup>	309	233	...	...	...	709
Sawn timber, thousand m <sup>3</sup>	137	292	477	582	394	478
Timber sleepers, thousands	246	1593	918	776	761	648
Cellulose, thousand tons	52	24	...	...	...	37.4
Paper, all types, thousand tons	32	51	...	...	...	82.4
Cardboard, all types, 1000 t	1	2	...	...	...	16.6
Wheat, thousand tons	278	347	497	506	261	635
Rice, thousand tons	190	199	276	200	144	171
Barley, thousand tons	78	36.5	76.2	30.0	42	41.0
Oats, thousand tons	20	12	11	13	10	26.8
Maize, thousand tons	86	170	301	365	212	481
Wheat-flour, thousand tons	248	277	332	320	354	352
Oil-bearing seeds, thousand tons	35	10	...	...	...	...
Vegetable oils, non-refined, thousand tons	36	55	58.6	63.1	70	65.6
Fat, edible, thousand tons	48	69	71	91	69	92
Meat and meat products, 1000 t	46	22	44	33	30	41.5
Creamery butter, thousand tons	3	17	16	18	18	16.8
Cotton fabrics, million square metres	94.6	58.3	54.9	74.2	60	76.7
Wool cloth, thousand m <sup>2</sup>	1946	741	1951	5641	8397	10273
Linen fabrics, thousand m <sup>2</sup>	852	886	1577	1451	1170	2037
Rayon and synthetic fibre fabrics, million square metres	2.4	11.0	16.1	14.3	34	31
Leather footwear, thousand pairs	195	219	...	...	...	...
Rubber footwear, thousand pairs	185	257	...	...	...	...
Domestic sewing machines, thousands	19.0	29.6	...	...	...	40.5
Radio sets, thousands	67.5	48.1	...	...	...	..

Source: "Statistika". Statistical Yearbook, Member Countries of the Council for Mutual Economic Assistance, 1973, Moscow.

Table A4. Trade with socialist countries, Cuba, 1975-78

(US\$ million<sup>a</sup>)

	1976	1977	1978
<u>Imports from Cuba</u>			
USSR	1,998.6	2,602.0	3,320.0
Czechoslovakia	68.3	47.9	63.0
Poland	9.7	15.2	35.8
Hungary	176.3	147.7	26.7 <sup>b</sup>
Rumania	15.0	12.6	0.5
Yugoslavia	<u>63.6</u>	<u>18.5</u>	<u>24.4</u>
Total	2,331.5	2,843.9	3,470.4
<u>Exports to Cuba</u>			
USSR	1,818.0	2,341.0	3,083.0
Czechoslovakia	44.4	47.6	62.1
Poland	14.6	28.2	37.9
Hungary	242.3	137.2	36.6 <sup>b</sup>
Rumania	<u>17.3</u>	<u>8.7</u>	<u>3.6</u>
Total	2,136.6	2,562.7	3,223.2

<sup>a</sup> Converted from original data at basic exchange rates

<sup>b</sup> Converted at commercial rate, the basic rate for Hungary has been discontinued as from 1978. The commercial rate is about four times larger than the basic rate.

Sources: The Economist Intelligence Unit. Quarterly Economic Review of Cuba, Dominican Republic, Haiti, Puerto Rico, 1980-81, various issues.

Lloyds Bank. Economic Report, Cuba, 1980.

Table A5. Trade with major non-socialist trading partners, Cuba, 1973-80

(US\$ million)

	1976	1977	1978	1979	1980
<u>Imports from Cuba, c.i.f.</u>					
Belgium/Luxemburg	7.80	10.20	16.20	14.88	39.24
France	28.32	32.52	29.52	40.20	66.00
Italy	25.32	19.92	20.36	40.72	48.00
Netherlands	9.12	25.80	29.76	55.32	72.00
United Kingdom	44.76	17.04	15.24	31.80	61.20
West Germany	18.00	15.60	37.20	30.00	56.40
Finland	21.00	15.60	22.56	20.52	52.80
Sweden	41.28	5.76	1.08	2.64	1.32 <sup>b</sup>
Portugal	33.36	15.60	13.08	18.84	20.64 <sup>b</sup>
Spain	90.96	156.84	105.72	103.32	90.48
Canada <sup>a</sup>	61.44	42.72	52.92	91.08	134.52
Japan	50.28	63.12	106.20	118.80	192.00
Total	431.64	420.72	459.84	568.12	834.60
<u>Exports to Cuba, f.o.b.</u>					
Belgium/Luxemburg	22.20	76.44	50.04	19.56	27.72
France	89.04	56.64	43.92	44.76	267.60
Denmark	32.16	82.92	27.12	3.60	7.20
Italy	65.28	33.48	36.84	56.76	54.00
Netherlands	39.36	18.60	17.52	31.80	45.60
United Kingdom	79.80	47.88	53.04	76.56	81.60
West Germany	91.60	74.40	73.20	104.40	109.20
Sweden	34.20	30.72	16.56	27.60	51.84
Switzerland	9.60	25.92	32.16	26.16	27.36
Spain	209.88	152.16	99.84	199.56	188.76
Canada	263.04	174.00	192.36	220.08	359.64
Japan	199.62	361.32	211.80	136.80	240.00
Total	1,135.78	1,134.48	854.40	943.64	1,460.52

<sup>a</sup>/ Imports, f.o.b.

<sup>b</sup>/ January-October

Source: The Economist Intelligence Unit. Quarterly Economic Review of Cuba, Dominican Republic, Haiti, Puerto Rico, 1960-81, various issues.

