
Cuba experiments with wholesale market for farmers

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Cuba opened its first wholesale market for farmers in decades on Sunday, an experiment limited to agricultural supplies in one area and the latest market-oriented reform for the communist-run island.

While Cuba has allowed nearly 500,000 small business owners and their employees to operate privately and hundreds of thousands of farmers to grow their own crops, it has been slow to give them access to wholesale markets.

Even though the farming sector has been the most liberalized, Cuba continues to import more than 60 percent of its food, in part because farmers still depend on state-run allocation and distribution of subsidized supplies. Official output has not significantly increased since the reforms began six years ago.

But as of Sunday, farmers on the Isle of Youth, home to 60,000 people off the southwest coast of the main Caribbean island, can purchase unsubsidized supplies on demand.

Since President Raul Castro took over from ailing brother Fidel in 2008, fallow state lands have been leased, and farmers are freer to sell directly to consumers.

The reforms have also gained the attention of business leaders in the United States, even though U.S. companies are largely banned from trading with Cuba.

A delegation from the U.S. Chamber of Commerce visited Cuba last week, calling for an end to the U.S. trade embargo and urging the government to deepen and accelerate the reforms.

Cuban economist Armando Nova has argued for years that farmers need to be allowed to buy their own supplies and sell on an open market.

"Agriculture is cyclical. You need to close the cycle for reforms to work and now that means the inputs," Nova said.
