

Cuba Grows in First Half of Year Despite Adverse Circumstances



Havana, July 9 (RHC)-- Cuba's gross national product grew one percent during the first half of 2016, in spite of an adverse economic scenario, said President Raul Castro on Friday as he closed the mid-year session of Cuba's National Assembly of People's Power.

That growth fell below the two percent planned, explained Raul Castro, due to a worsening of Cuba's external finances as a result of falling export prices. That, he said, has combined with limitations faced by some of Cuba's major trading partners associated to falling oil prices and the effects of the on-going U.S. blockade against Cuba.

In this scenario, he noted, Cuba has managed to continue honoring its commitments in connection with the restructuring of Cuba's debts with foreign creditors.

President Raul Castro provided a poignant account of the country's economic challenges in the months ahead. He insisted that measures were being taken to lessen the impact on the Cuban people of a potential downturn.

Expenditures of all kinds that are not essential must be reduced, he said, and a culture of conservation and efficient use of available resources must be fostered, and investments guided toward activities that generate export revenues, substitute imports, and lead to a strengthening of infrastructure.

In Havana, where he flatly dismissed rumors that Cuba was bracing for another “special period,” a major economic downturn that took place after the collapse of the Soviet Union, where essential goods were difficult to obtain.

He warned that spending cuts were a necessity, but rejected the possibility of an imminent collapse, adding that In the first half of the year, the economy grew by only one percent, just half of what was projected.

Raul Castro said the relations of mutually beneficial cooperation with several countries have been somewhat affected by a significant drop in the price of oil, and he mentioned the challenges facing Venezuela.

A friend in need is a friend indeed, said Raul Castro, noting that Cuba will continue providing Venezuela the collaboration agreed upon to in order to help sustain the achievements in social services they had attained.

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