

Cash-strapped Cuba says Toilet Paper running short

{mosmodule phpinc=ttpopup.php,Cuba}, in the grip of a serious economic crisis, is running short of toilet paper and may not get sufficient supplies until the end of the year, officials with state-run companies said on Friday.

Officials said they were lowering the prices of 24 basic goods to help Cubans get through the difficulties provoked in part by the global financial crisis and three destructive hurricanes that struck the island last year.

Cuba's financial reserves have been depleted by increased spending for imports and reduced export income, which has forced the communist-led government to take extraordinary measures to keep the economy afloat.

"The corporation has taken all the steps so that at the end of the year there will be an important importation of toilet paper," an official with state conglomerate Cimex said on state-run Radio Rebelde.

The shipment will enable the state-run company "to supply this demand that today is presenting problems," he said.

Cuba both imports toilet paper and produces its own, but does not currently have enough raw materials to make it, he said.

One of the measures taken to address the cash crunch is a 20 percent cut in imports, which in recent days has become evident in the reduction of goods in state-run stores.

Cuba imports about 60 percent of its food.

Despite the shortages, prices will be cut between 5 percent and 27 percent for some food, drugs and personal hygiene products, officials said.

A visit to a store in Havana's Vedado neighborhood on Friday found that prices had dropped for mayonnaise, barbecue sauce and canned squid.

One customer, who gave his name only as Pedro, complained that "it doesn't look like prices have been lowered for the fundamental products" such as cooking oil.

Ana Maria Ortega, deputy director for military-run retail conglomerate TRD Caribe, said there will be no shortage of basic goods.

"The conditions are in place to maintain the supply of essential products," she said on the same radio program.

Cubans receive a subsidized food ration from the government each month that they say meets their needs for about two weeks.

President Raul Castro told the National Assembly last week that the government had cut its spending budget for the second time this year and has been renegotiating its debt and payments with foreign providers.

Cuba has long blamed the 47-year-old US trade embargo against the island for many of its economic problems. It also said that last year's hurricanes did \$10 billion worth of damage that forced the government to spend heavily on imports of food and reconstruction products.

Castro, who replaced his ailing older brother Fidel Castro as president last year, also has complained that Cuba's productivity is too low.

He has taken various steps to boost output, including putting more state-owned land in private hands and pushing for salaries to be based on productivity. caribbeannews.com