

# Cuba adopts free-market reforms in 2 areas

By Will Weissert  
Associated Press

HAVANA — Cuba has issued a pair of surprising free-market decrees, allowing foreign investors to lease government land for up to 99 years — potentially touching off a golf-course building boom — and loosening state controls on commerce to let islanders grow and sell their own fruit and vegetables.

The moves, published into law in the Official Gazette on Thursday and Friday and effective immediately, are significant steps as President Raul Castro promises to scale back the communist state's control of the economy while attempting to generate new revenue for a government short on cash.

"These are part of the



Franklin Reyes/Associated Press

A change announced last week by the Cuban government may encourage foreign investors to build golf courses. Here, golfers practice in Varadero, Cuba, in April.

opening that the government wants to make given the country's situation," said

Oscar Espinosa Chepe, a state-trained economist who is now an anti-communist

dissident.

Cuba said it was modifying its property laws "with

the aim of amplifying and facilitating" foreign investment in tourism, and that doing so would provide "better security and guarantees to the foreign investor."

The changes may help the country embrace golf tourism. Investment firms have for decades proposed building lavish 18-hole courses ringed by luxury housing under long-term government leases. Cuba currently has just two golf courses nationwide.

Cuba has allowed leases of state land for up to 50 years with the option to extend them for an additional 25, but foreign investors pressed tourism officials to endorse 99-year deals.

The decree allowing expanded sale of farm products, meanwhile, would have

far greater impact on ordinary Cubans. It authorizes them to produce their own agricultural goods and sell them from home or in kiosks. They must pay taxes on any earnings.

The decree is the first major expansion of self-employment rules since Castro said Aug. 1 that the government would reduce controls on small businesses.

Cubans already sell fruits, pork, cheese and other items on the sides of highways, fleeing when the police go by. Friday's measure would legalize such practices.

The new rules are consistent with other efforts by Castro's government, which has allowed minor free-market openings while seeking to eliminate black-market income.