



Department of State **TELEGRAM**

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*Santo Domingo 1988
3/11/68*

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SUBJ: SUGAR-US PRODUCERS SEEK PR DEFICIT

1. MARCH 9 EL CARIBE BROKE NEWS LOCALLY OF FLA & LA PRODUCERS EFFORTS HAVE TOTAL PR DEFICIT ASSIGNED TO US CANE PRODUCERS. INFO SOURCE QUOTED AND IDENTIFIED AS MARCH 5 BULLETIN LOWRY & CO. ARTICLE MENTIONED WASHINGTON MEETING OF US SUGAR PRODUCERS AND REFINERS TO CONSIDER LA & FLA PRODUCERS' REQUEST THAT PR DEFICIT BE ASSIGNED TO US CANE PRODUCERS FOR REMAINING DURATION OF PRESENT US SUGAR LAW, REFINERS' AND BEET PRODUCERS' LACK OF SUPPORT FOR REQUEST, AND LOWRY'S ASSESSMENT THAT GREAT UNCERTAINTY WILL PREVAIL IN SUGAR MARKET UNTIL PROBLEM OF ASSIGNING PR DEFICIT DEFINITELY RESOLVED.

2. EL CARIBE EDITORIAL SAME DAY CALLS NEWS ITEM "DISQUIETING" AND WORTHY OF "VIGILANCE AND ACTION ON PART GODR." EDITORIAL

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MAKES BASIC POINTS:

(2)

A. "ONLY POSSIBILITY FOR COUNTRY TO RECUPERATE ECONOMICALLY RESTS WITH GREATER AND MORE STABLE PARTICIPATION IN US SUGAR MARKET."

B. "DR DEVELOPMENT SUBJECT TO RESOURCES OBTAINED FROM EXPORTS; IF EXPORTS LIMITED IN VOLUME AND ADVERSELY AFFECTED BY PRICE CHANGES, GROWTH RATE WOULD DECLINE AND MIGHT

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