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FOREIGN SERVICE DESPATCH

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FROM : AmEmbassy, Habana SEP 21 1954 263
DESP. NO.

TO : THE DEPARTMENT OF STATE, WASHINGTON.

September 13, 1954
DATE

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12 For Dept. Use Only	ACTION	DEPT.
	REC'D	OTHER
	7-22	TRP 2 441-G ARA-1 E-3 COM-10 FCA-10 TAR-2 CIA-5 FRB-2

SUBJECT: Report on 1954 Cuban Sugar and Molasses Crop.

PRODUCTION.

Cuba's 1954 restricted sugar crop reached a total of 4,746,156 Spanish long tons (5,390,074 short tons.) This was 3,840 tons less than that authorized by law. The production of 1954 blackstrap molasses equalled 236,527,328 gallons. Of this quantity 140,452,200 gallons were sold for export and the balance was assigned for local use or manufacture.

The production of hi-test molasses from surplus sugarcane was 129,444,583 gallons on July 31, 1954. As of that date 90,065,407 gallons had been exported. The 129,444,583 gallons were produced from 335,175,992 arrobas 1 of sugarcane.

Since the total sales of hi-test molasses from 1954 surplus sugarcane reached 215,650,000 gallons, it is reported the Cuban Government, at the proper time, will seriously consider authorizing any sugar mill to continue the production of hi-test molasses later in the year, but prior to the start of the 1955 sugar crop, or about the latter part of January, 1955.

The average length of the 1954 sugar crop was 79 days as compared to 83 days in 1953. However, the average number of 1954 crop days was increased in some areas, particularly Oriente and Camaguey, by the production of the 129,444,583 gallons of hi-test molasses mentioned above. Mills in these two Provinces ground 291,000,000 arrobas of the 335,000,000 arrobas used for that purpose so far in 1954 (July 31, 1954.)

EXPORTS.

Between January 1 and August 15, 1954, Cuba exported 2,813,880 Spanish long tons of sugar. This compares to 3,452,173 tons exported by August 15, 1953, or a decrease of 18.49 percent. During the same period it exported 116,835,996 gallons of blackstrap molasses; 96,276,374 gallons of hi-test molasses and 7,440,825 gallons of invert syrup. Of the sugar exported,

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1 One arroba equals
25.3531 lbs.

REPORTER

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UNCLASSIFIED

(Classification)

Page _____ of
Encl. No. _____
Desp. No. _____
From _____

1,817,835 Spanish long tons were consigned to the United States; 220,679 tons to the United Kingdom; 160,952 tons to India; 137,700 tons to Japan; 92,505 tons to Holland; 67,443 tons to Canada; 45,579 tons to Chile; 46,242 tons to Belgium and 44,700 tons to French Morocco.

In addition, 7,305 Spanish long tons of sugar were exported ex-quota to the United States to be used exclusively in the preparation of cattle feed.

Table VII, attached, shows the exports of Cuban sugar, molasses and syrups to countries of destination, by quantity and value, for the calendar years 1952 and 1953. It will be noted that the declared exports value of raw and refined sugar in 1952 was \$ 537,956,499, as compared to \$ 502,507,944 in 1953. Likewise, the declared export value of blackstrap molasses was \$ 35,441,645 in 1952, as compared to \$ 21,415,740 in 1953.

Table I, attached, gives the details of the final crop report for each of the years 1951-1954, inclusive. This table clearly demonstrates the effect of the various drastic actions taken by Cuba since 1952 to curtail production and protect pricewise its number one industry.

Table II shows the Cuban sugar acreage and the production of cane and sugar for the five year periods 1936-1950 and for each of the years 1951 through 1954, inclusive. The data clearly shows the rapid expansion in acreage planted to sugar from 1946 through 1953. The drastic reduction in harvested acreage since 1953, as the result of Cuba's official sugar curtailment program, is emphasized when it is noted that from a planted acreage of approximately 3,901,000 acres in 1953 about 2,479,000 acres were harvested that year and only 2,272,000 acres in 1954. This later figure represents a total drop of 41.76 percent in harvested acreage as against the maximum acreage planted in 1953.

Table IV, attached, shows the average monthly rainfall in Cuba from ~~1950~~ through 1953 and the first seven months of 1954. It will be observed that rainfall was unusually abundant between the months of February and July. This undoubtedly contributed to the heavy cane yield which reached an estimated 49,871 arrobas per caballeria for the current crop.

Table V, attached, shows comparative sugar production data, by individual mills, for the sugar crops of 1953 and 1954.

Table VI, attached, shows comparative data on the quantity of sugarcane ground, sacks of sugar produced, 96° basis, and

UNCLASSIFIED

Page 3 of
Desp. No. 263
From Habana

UNCLASSIFIED

(Classification)

Page of
Encl. No.
Desp. No.
From

the sugar yield by individual mills and Provinces for the years
1950-1954, inclusive.

For the Chargé d'Affaires a.i.:

Chester E. Davis
Chester E. Davis
Economic Attaché

Enclosures:
Tables I-VI.

cc: HHoyt (ARA:MID)
WGLodwick (FAS-USDA)

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