

May 6, 1963

Letter from Nikita Khrushchev to Władysław Gomułka regarding Sugar Prices

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Summary:

Khrushchev writes a letter to Gomulka in which he discusses the recent changes in Cuban sugar prices on the world market. Khrushchev wishes to inform Gomulka of what steps the Soviet Union is doing to adjust prices to these fluctuations.

Credits:

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Contents:

Translation - English

6 May 1963

[Translation from Russian]1 Dear Comrade Gomułka!

In connection with a drastic change [in prices] of the sugar world market, the Soviet government examined the prices of unrefined sugar purchased from the Cuban Republic.

At the end of 1960, the Soviet Union, while buying Cuban sugar, agreed to Cuban proposals to purchase sugar from Cuba [at] 4 US cents per one English pound, which amounts to 75 rubles and 37 kopek per one ton of sugar. At that time, sugar prices were less, that is, about 5 rubles per one ton.

Recently, [however], the prices of sugar on the world market have greatly soared and are currently significantly higher than the price which we are paying the Cuban side for sugar deliveries. And so, for example, in January 1963, the average price of sugar on the world market, according to our foreign trade organizations, amounted to 107 rubles per ton, in February [it was] 102 rubles, and in the second half of April [it] went up to 157 rubles.

We realize that [this change in] price is of a temporary nature. However, we must take into account the situation that had emerged on the world market. We must also take into account our trade relations with the Cuban Republic, especially since our country is not only an importer of sugar, but it also acts as an exporter in the internal [communist] market, while exploiting favorable situations in some cases.

The Cuban side has not broached the issue of revising the prices of sugar provided by Cuba and continues to adhere to the agreement which we made.

However, in order to maintain and to develop fraternal relations between Cuba and our nations, the Soviet Union made a decision to increase the price of the Cuban sugar in 1963 by about 40 rubles, establishing the price at 120 rubles per ton. In case the world prices go down, this price will be appropriately readjusted. We consider it imperative to inform you about this decision [made by] the Soviet government.

Respectfully,

N. Khrushchev [signature] First Secretary of CC CPSU Chairman of the Council of Ministers of

The Union of Soviet Socialist Republics

[1] This letter has been translated from Russian into Polish. This translation is from Polish into English.