ASSOCIATION OFFICIALS — New directors and officers of the Mountain States Beet Growers Association Marketing Association were elected at the 51st annual meeting in Sterling Monday. From left are: John J. Stroyit, Goodland Station, director at large; Glen Johnson, Fort Collins, director; Albert Watada, Brighton, director; Henry F. Schaffer, Sterling, president; Jane Szelowski, Greeley, assistant secretary; Leland K. (Lee) Johnson, Greeley, executive secretary; Herb Hansen, Johnstown, treasurer, and Kish Otsuka, Sedgwick, vice president. — Journal-Advocate Photo by Gordon R. Tustin.

Free Market Demand Hikes Sugar Prices: MacHardy

WASHINGTON (AP) — Rapidly rising sugar prices are caused by active, strong demand for the 15 per cent of the world's sugar that actually moves in the free market, the president of the New York Coffee and Sugar Exchange said today.

The cause is not speculation, Earle MacHardy told the second day of a hearing into the sugar situation. He said comments about speculation on his commodities future exchange causing "the tremendous increase in sugar prices this year... represent uninformed opinion."

Actually, he said, the volume of trading this year has averaged 3,360 lots per day, compared with an average of 4,256 last year.

The rise in the futures price this year from 11 cents to 65 cents stems from crop failures, continued higher demand and insufficient production, MacHardy said. That was produced more buyers for that portion of the world sugar crop that is not consumed in the producing country or traded under closed, preferential contracts, he said.

MacHardy said, however, that the price has declined the limit of two cents per pound for the last three trading days. This could be a technical adjustment or a fundamental change in the economic attitudes of sugar buyers and sellers, which determines the futures price.

Ralph Kazi, the vice president of Czarnikow-Rionda Co., a sugar marketer, said that "there's always something fundamental in the background... this is not a game, you know."

MacHardy said that reduced consumption is the key to a substantial decline in price at this time, adding that the present price is "outrageous" and "I don't blame anybody for boycotting supermarkets for sugar."