3/31/2011
 Lugar Targets Federal Sugar Racket | R...

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# Lugar Targets Federal Sugar Racket

Posted by catoinstitute (Profile)

Wednesday, March 30th at 9:30PM EDT

8 Comments

Promoted from the diaries by Caleb.

# <u>By Tad DeHaven</u>

The federal government has been meddling with sugar production since 1934. Today's convoluted system of supply controls, price supports, and trade restrictions benefits domestic sugar producers at the expense of consumers and utilizing industries. In other words, sugar producers "win" and the rest of the country "loses."

Sen. Richard Lugar (R-IN) just introduced the "<u>Free Sugar Act of 2011</u>," which would abolish the federal sugar racket. In a *Washington Times* op-ed on his bill, Lugar doesn't pull any punches:

The collapse of communism brought an end to many of the world's command-and-control economic systems and central planning by government bureaucrats. But a notable exception is the United States government's sugar program. A complicated system of marketing allotments, price supports, purchase guarantees, quotas and tariffs that only a Soviet apparatchik could love, the U.S. sugar program has actually lasted longer than the Soviet Union itself.

A Cato essay on agricultural regulations and trade barriers elaborates on points Lugar makes in his op-ed:

- The big losers from federal sugar programs are U.S. consumers. The Government Accountability Office estimates that U.S. sugar policies cost American consumers almost \$2 billion annually. (Lugar says it could be as much as \$4 billion.)
- The GAO found that 42 percent of all sugar subsidies go to just 1 percent of sugar growers. To protect their monopolies, many sugar growers, such as the Fanjul family of Florida, have become influential campaign supporters of many key members of Congress.
- U.S. food industries that buy sugar are harmed by current sugar policies as well. The employment in U.S. sugar growing is 61,000, which compares to employment in U.S. businesses that use sugar of 988,000. According to a government report, for each sugar growing and harvesting job saved through high U.S. sugar prices, nearly three confectionery manufacturing jobs are lost.
- Numerous U.S. food manufacturers have relocated to Canada where sugar prices are less than half of U.S. prices and to Mexico where prices are two-thirds of U.S. levels.

The federal government engages in a lot activities that are difficult to defend. But when it comes to sugar, the government's protections are clearly indefensible.

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Category: communism, Free Sugar Act of 2011, price supports, quotas, Richard Lugar, sugar, supply restrictions, tariffs

# 8 Comments

# Amazing how a primary fight causes a politician to grow a spine (-nt)

congressworksforus Wednesday, March 30th at 9:46PM EDT (link)

Remember, if the left wins, abortion will not only be legal, it will be mandatory.

REPLY TO THIS

# Incorrect. He's been against it since 1977.

dirkbelig Wednesday, March 30th at 10:32PM EDT (link)

I don't like Lugar and hope he's primaried and unemployed in favor of a real conservative, but as the op-ed states, "I first voted against this job-killing, market-distorting monstrosity in 1977. I have made repeated efforts since to abolish it."

This isn't a jailhouse conversion. He's always been against this scam.

"This would be a great job if it weren't for the \*\*\*\*ing customers." - Randal Graves, "Clerks"

REPLY TO THIS

## That's all well and good...

#### congressworksforus Thursday, March 31st at 10:09AM EDT (link)

But he's bringing this up again right when his opponents are trying to raise money to put up a primary fight.

The timing is not coincidence.

Remember, if the left wins, abortion will not only be legal, it will be mandatory.

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REPLY TO THIS

## He must have sold his stock in corn syrup.

grandma Wednesday, March 30th at 10:17PM EDT (<u>link</u>)

Now I'd like to see if he has the courage to take on ethanol.

REPLY TO THIS

## Heh. And isn't Hawaii mostly Democrat?

knitwit Wednesday, March 30th at 10:59PM EDT (link)

That is what C & H stands for, right, California and Hawaii Sugar Co.....

"I only regret that I have but one life to lose for my country"–Nathan Hale Compromise: The art of giving to your enemy that which he is not powerful enough to take.

REPLY TO THIS

## **Federal Government and Sugar Production**

kipling Thursday, March 31st at 12:00AM EDT (link)

Not to quibble on a rather fine diary, but, the federal government has been meddling with sugar production since at least the 1880s. The domestic politics surrounding Hawaii under Presidents Cleveland and McKinley had a lot to do with sugar. The battle for a reciprocity treaty with Cuba in 1902-1903 hinged on the sugar question.

REPLY TO THIS

### passage would give me...

averagevoterdotcom Thursday, March 31st at 12:44AM EDT (link)

a sugar rush!

REPLY TO THIS

## Great, but don't like the bill's name

petrarch Thursday, March 31st at 10:06AM EDT (link)

The 'Free Sugar Act'? As soon as Peggy the Moocher hears about it, she'll be running off to the grocery story to grab her free bag.

Of course, when she doesn't get it, she'll hopefully blame god Barack Obama.

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