

THE DAILY CALLER

Are federal sugar subsidies financing lawsuits over market share?

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Everyone knows that sugar is sweet. What they don't know is that it is also politically powerful. As Chris Edwards, the director of tax policy studies at Washington's Cato Institute [wrote](#) in the fall of 2013, "No industry in America is as coddled as farming, and no industry is as centrally planned from Washington. The federal sugar program is perhaps the most Soviet of all."

The relationship between American sugar producers and the U.S. government is there for anyone to look at. "In recent decades, U.S. sugar prices have often been two or more times world prices," Edwards wrote. "The federal government achieves that result by price guarantees, trade restrictions, production quotas, and ethanol giveaways."

The politicians vote for generous subsidies to underwrite sugar production – keeping the price artificially high compared to what it is on the global market – while the sugar producers rain campaign contributions down on candidates for office and interest groups that hold positions favorable to its interests. It's a Faustian bargain reflecting an attitude that the interests of consumers matter little if at all.

The flaws in the federal agriculture program do not get enough attention. The Farm Bill, which Congress just dealt with, is more about food stamps than it is about family farms. It's true that the American farmer – really American agribusiness — feeds the world, and that's a good thing. Whether they could do it better or cheaper without interference and support from Washington is something we should all consider. There's plenty of evidence that the answer is yes.

The *Washington Post's* Tom Hamburger [recently took a look at](#) what the sugar industry is doing with its money and discovered not surprisingly that a generous portion of it is being used to underwrite what has been a ten-year long campaign against high fructose corn syrup – something many manufacturers use as an alternative sweetener because it's cheaper.

According to the piece, documents recently filed in a Los Angeles court revealed that sugar producers have been funding a group called Citizens for Health which, Hamburger wrote in mid-

February, “recently began a campaign to encourage consumers to reduce high-fructose corn syrup in their diets, filing a petition with the Food and Drug Administration demanding stricter labeling on food items containing the sweetener.”

The folks who produce high fructose corn syrup take the position that “sugar is basically sugar,” something most every high school biology and chemistry student would probably agree was true.

The sugar industry doesn't. According to those same court documents, they allegedly funded efforts designed at persuading American consumers to turn against the use of corn syrup as a sweetener. This may be where, for example, some people got the idea that corn-based sweeteners are at the heart of the so-called epidemic of childhood obesity, an idea apparently embraced by First Lady Michelle Obama, who this week called for new food nutritional labeling standards to be put into effect.

Moreover the sugar industry, no doubt using at least some of the tax dollars coming to it from Washington, is currently suing the corn refiners alleging, as Hamburger put it, that they “engaged in a ‘sinister conspiracy’ to get the public to falsely believe that corn syrup is ‘natural corn sugar’ effectively indistinguishable from table sugar.”

In fact nobody has clean hands. The corn refiners have done some things too, as Hamburger points out, but they haven't given nearly as good as they've gotten. It's important to point out too that, while corn refiners certainly benefit from the subsidies the corn growers get, they do not themselves receive government largesse.

What should stick in the craw of every American taxpayer is that all of this business – the public relations campaigns, the industry-financed or industry-promoted scientific studies, and the lawsuits – are all to some degree underwritten by tax dollars flowing from Washington. As incredible as it may seem – or not, to the cynical minded out there – tax dollars are paying for a fight between federally-subsidized industries over who is going to have a bigger share of the marketplace. This is perhaps the best argument out there for cutting off the subsidies all together. If the sugar industry and the corn growers are going to fight it out, let them do so on their own nickel – not ours.

Peter Roff is a former senior political writer for United Press International and commentator on political and public affairs who appears regularly on the One America News Network.