



October 10, 2012

FACT CHECK:

Big Sugar Is at It Again – Distorting the Facts to Protect Subsidies

The sugar lobby claims: “U.S. sugar policy once again ended the year without costing taxpayers a dime. That means sugar policy has cost the federal budget a grand total of \$0 since 2002...”

- **BUT THE FACT IS:** By starting with 2002, the sugar lobby conveniently fails to reveal that taxpayers spent **\$500 million** on surplus sugar in 2000. What’s more, the Congressional Budget Office forecasts **\$193 million** in future sugar subsidy costs, and a recent Iowa State University [study](#) estimates that consumers are spending an extra **\$3.5 billion** at the grocery store every year because of sugar subsidies.

The sugar lobby claims: “America closed the year with an estimated 1.6 million tons of sugar in surplus.”

- **BUT THE FACT IS:** The **1.6 million tons are only 13.5%** of what America’s sugar-using companies need every year. The 1.6 million tons are **not a “surplus,”** but instead the low amount of inventory that industry needs in the fall before new sugarbeet and sugarcane crops are fully harvested and available for use.

The sugar lobby claims: “U.S. raw sugar prices have fallen 35%.”

- **BUT THE FACT IS:** It’s true, prices have fallen, but from an all-time record high that produced incredible windfall profits for Big Sugar. Prices for refined sugar remain far above historical norms, **roughly 50 percent or more above the world price** – the price that our competitors in other countries pay.

The FACT is, the sugar lobby is desperate to protect the sugar program, which guarantees them inflated profits. It’s a sweet deal for well-off farmers and sugar companies, but not for American consumers and businesses.

Congress – Reform Outdated Sugar Policies in the 2012 Farm Bill!

Learn more about the need to reform U.S. sugar policy in the 2012 Farm Bill at www.sugarreform.org.

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The Coalition for Sugar Reform is an alliance of consumers, food and beverage manufacturers, trade advocates, environmental groups, taxpayer watchdog organizations, responsible government advocates, think tanks and other interests. Our objective is to reform the federal government’s intrusive, inefficient, restrictive and outdated sugar program – a decades-old subsidy that has repeatedly failed to provide adequate supplies of sugar to the U.S. market.