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## Hidden Costs: The Price of Sugar Protectionism

In a recent [Fortune column](#), former U.S. Deputy Trade Representative Alan Wolff called attention to the outdated U.S. sugar program - a program that no longer serves its original purpose and has hampered the ability of U.S. negotiators to complete a comprehensive Trans-Pacific Partnership agreement that has the potential to greatly benefit the U.S. economy.

*“The original purpose for the 1789 American sugar tariff was to raise revenue ... , but thanks to the income tax coming into effect in 1913 and global trade barriers generally being reduced, tariffs are no longer a large portion of U.S. government revenues. Nevertheless, tight restrictions on sugar imports remain, affording protection to sugar beet production in the Midwest and cane in the Gulf states. The net result - the price of sugar in the United States is almost half again as high as world market prices. Were American consumers told that they were to pay a 40 cents per pound tax on sugar, and a proportional tax on sugar-containing candy and baked goods, there might be another American rebellion, this time by consumers. But the cost of the protection in sugar is buried deep in the supply chain and appears to go unnoticed. ... In the current TPP agreement, Australia never aspired to getting the U.S. to scrap its entire sugar import quota system. It simply wanted (and wants) to ship more of its sugar to the U.S.”*

### Only Congress can fix the U.S. sugar program.

Learn more about the need to reform U.S. sugar policy at [www.sugarreform.org](http://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 Our objective is to reform the federal government’s intrusive, inefficient, restrictive and outdated sugar program - a decades-old subsidy that has repeatedly failed to provide adequate supplies of sugar to the U.S. market.*