

GUEST OPINION BY COMMISSIONER RAY JUDAH
FEDERAL SUGAR SUBSIDY PROGRAM

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The vast expanse of sugarcane fields in the Everglades Agricultural Area (EAA) that severs the hydrological flow-way between Lake Okeechobee and the Everglades is directly linked to the federal sugar subsidy program.

For decades, sugar companies have shaped U.S. farm policy to enrich corporate profits at the expense of the south Florida ecosystem and public taxpayers.

The sugar subsidy formula is insidious in that we as taxpayers are enabling the sugarcane industry in south Florida to destroy the Everglades, St. Lucie and Caloosahatchee Rivers and coastal estuaries.

The sugar subsidy program allows sugar processors to qualify for loans from the United States Department of Agriculture (USDA) using sugar as collateral. The loan rate set by the federal government is 18 cents per pound for cane sugar, which is two to three times higher than world market prices. The loans are to be repaid in nine months, but sugar processors have the option of defaulting on their loans and forfeiting their sugar to the federal government. To avoid a loan default, the USDA must inflate the domestic price of sugar, guaranteeing excess profit to the sugar processors. Sugar subsidy to the sugar industry cost taxpayers \$1 billion annually.

Contrary to a competitive market and U.S. free trade relations worldwide, the USDA must prop up the domestic price of sugar by setting foreign sugar import quotas and regulating the quantity of sugar that domestic processors can sell.

The sugar subsidy program incorporated in the federal Farm Bill guarantees windfall profits to the sugar industry and the financial capital to encourage and support sugar production on lands that historically provided storage and surface flow of water from Lake Okeechobee to the Everglades.

The replacement of natural overflow areas of wetlands with sugarcane fields south of Lake Okeechobee reduces the available capacity of water storage areas, and the management of

high water levels in Lake Okeechobee by the U.S. Army Corps of Engineers and South Florida Water Management District (SFWMD) have resulted in excessive release of polluted water from Lake Okeechobee to the St. Lucie and Caloosahatchee estuaries.

The Central South Florida Flood Control project model used as the basis for Everglades restoration under the Comprehensive Everglades Restoration Program is seriously flawed because the model incorporated data collected from a 30 year dry cycle roughly between 1965 to 1995. The SFWMD underestimated the need for water storage to restore the Everglades and there is a need for an additional one million acre feet of water storage to properly manage maximum flow from Lake Okeechobee.

The sugar industry's opposition to open up the EAA to a restoration plan for a regional flow-way and water storage will forever doom the coastal counties to excessive release of fresh water discharges from Lake Okeechobee.

A sustainable EAA that includes land for water storage and overflow, as well as for agriculture and compacted development in the glades communities of Belle Glade, Clewiston, Pahokee and South Bay, would ensure meaningful restoration of Lake Okeechobee, the Everglades and coastal estuaries and tremendous economic opportunities and growth for the residents and businesses that deserve a healthier life style and long term prosperity.

Conversion of sugarcane fields to wetlands, flow-ways and storage reservoirs would generate a viable eco-tourism market that would attract worldwide recreational interest which in turn would support hotels, motels, restaurants and retail businesses in the existing town centers.

Appropriate crop selection and modification of agricultural practices would allow the EAA to provide agricultural products that have an enhanced nutritional value to a growing nation.

Meaningful reform to the USDA Farm Bill and land management practices in the EAA will ensure recovery and long term sustainability of Lake Okeechobee, Everglades and St. Lucie and Caloosahatchee estuaries.