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"Freedom of the Press belongs to those who own one."

A. J. Liebling of the New Yorker

June 18, 2001



Taking the Point Position...

Lets see if you can make sense of the sugar support program. The US government buys sugar at three times the free-market price, pays as much as the purchase price each year to store the sugar, then gives the sugar to farmers of other crops to permit them to sell at a third of the price the government paid to compensate them for **NOT GROWING CROPS!**

Last year the government gave 277,000 TONS of sugar to farmers as a gift for them to sell in return for not planning other crops.

Sugar cane is raised in Florida, Texas, Louisiana and Hawaii. One of the largest plantations is the Gay and Robinson plantation right here on Kauai. Jean and I toured the Gay and Robinson Plantation, and part of the income of that operation is tours - at \$31.00 a person.

If you are ever on the island of Kauai I commend this tour to you, particularly if you have young people who think sugar comes from a bag at Von's marked C&H Pure Cane Sugar. There is a long, hot, and difficult process before it ever gets to that bag, and our young people need to know that. More importantly, the high cost of the tour permits Gay and Robinson to make a profit by selling fewer pounds of sugar into that insane government sugar market.

Still, as interesting as the facts given to the participants, it is more instructive what the tour does not tell the participants of the tour. The tour guide at Gay and Robinson tells everyone that "we sell our final product of raw sugar for about 20 cents a pound." True, as far as it goes.

I have previously written an article on the impact of early sugar cane plantations on my website



Commentary

(www.allenhemphill.com\Hawaii), and the tour was very instructive. It takes 2,000 pounds of water to produce a pound of sugar and this island is particularly suited since it has the wettest place on earth. (Average of 450 inches a year on the top of the mountain in the center of the island.) Huge, hand built channels carry water to the drip system in the cane fields - 90 million gallons a day from one source, and 57 million gallons from another.

Sugar cane was a huge reason the Hawaii became a state. The plantation owners needed to be a state so they could avoid the tariff placed on other countries, like the nation of Hawaii. The tariff was imposed to protect sugar states on the mainland from cheaper sugar produced in Southeast Asia. China and South America now produce sugar for about six cents a pound.

Sugar price supports are under scrutiny and pressure in Washington. It is hard to argue for "free trade" and open markets when we subsidize sugar so heavily. Recognizing this, the huge Grove Plantation on Kauai closed last year, and was bought last week by Steve Case, the CEO of AOL/Time-Warner. Steve's father once worked on the Grove Plantation but it is not known what Case intends to do with the huge property. Case is a graduate of the exclusive Punahou private school on Oahu, to which he recently gave \$4 million and the commencement speech.

Sugar simply no longer makes economic sense in Hawaii, just as pineapple growing failed to be economically feasible several years ago. Gay and Robinson Plantation brags that their 280 workers are the "Highest paid agriculture workers in the world" - absolutely guaranteeing that they will soon go out of business. Even with price supports, you can't stay in business with high labor costs - and price supports are waning.

Too bad, because the Robinson Family supports Ni'ihau Island with their largess from the sugar plantation. I despair for the future of Ni'ihau as it currently exists, but its current situation depends upon this insane crop support system and it deserves better than to be subsidized by the taxpayers without their knowledge.

If people could be exposed to the beauty of the Ni'ihau shell leis, perhaps it could be self supporting. Meanwhile the sugar cane subsidy express rolls on, unknown to most taxpayers.

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"The bonds of wedlock are so heavy that it takes two to carry them -- sometimes three."

Alexandre Dumas

