Economists Impact of U.S. Sugar buyout 'scary'
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Clewiston ponders its future

More than $1.6 billion a year, and more than 10,000 jobs.

That's the hit counties in South Florida could take if the state buyout of U.S. Sugar Corp. happened now, according to a draft research paper by University of Florida agricultural economists.

Key findings, still unpublished by the university, were first reported Tuesday in news-press.com. The economic impact estimates were for Hendry, Glades and Palm Beach counties.

"Some big numbers ... pretty scary," said Miller Couse, chairman & CEO of First Bank of Clewiston, who saw a copy of the report Monday.

In Clewiston, a community of 7,000 that brands itself "America's Sweetest Town," emotions differed over how the sale of U.S. Sugar might reshape their futures.

Clewiston resident Alphonso Lyman called the pending sale "bad."

"We don't talk about it," he said.

Lyman is a 17-year employee of the sugar company that has dominated the economy of the Lake Okeechobee region for more than 70 years.

Downtown at the Common Grounds coffee shop, owner Lori Williams said: "This community is strong. I don't think this city is going to go under."

Williams acknowledged not everyone shares her hopefulness.

"I think a lot of people will be scared," Williams said. "They will
Estimates provided

Couse was one of the few Clewiston residents to have seen the draft report from the University of Florida. It offers preliminary estimates of direct and indirect economic impacts from the $1.75 billion sale of the sugar corporation properties to South Florida Water Management District for Everglades environmental conservation and restoration.

Impacts are expressed in 2008 dollars, although the deal allows U. S. Sugar to continue operations for up to six years.

The document lists its authors as Alan W. Hodges, W. David Mulkey, Thomas H. Spreen and Rodney L. Clouser of the UF's Institute of Food and Agricultural Sciences. It was prepared at the request of Florida Farm Bureau.

Researchers acknowledged they assumed some outcomes unlikely to occur, including a complete and permanent end to all agricultural operations formerly done by U.S. Sugar. The report doesn't include estimates of new revenues from environmental restoration and management after the sale.

"The economic impacts of the U.S. Sugar Corp. buyout will be very large in magnitude," said the report, dated July 23, as its bottom line.

It said the effects could be particularly acute in Glades and Hendry counties. Hendry is where where the company's main processing plants are.

"It's showing a worst-case scenario," Couse said of the economists' report.

Couse noted in the Clewiston area, where his family grows sugar cane, "people still cannot figure out how this (transaction) will be pulled off. Who's going to own U.S. Sugar or will they let it close?

"If that industry closes here, it would be devastating to our community," Couse said.

That's not likely to happen, however. The most fervent Everglades restoration supporters and members of the farm community agree many of U.S. Sugar's key assets will be sold or leased to other agribusinesses. Not all the sugar corporation's properties are needed for environmental restoration, they said.

"I think we'll have sugar there for another 50 years," said Eric Draper, Tallahassee-based public policy director for Audubon of Florida.

"The Southern Gardens Citrus (juice) plant (and surrounding company orange groves) are valuable commodities. We just feel someone will keep those businesses going once the deal is approved," said Ron Hamel. He's executive director/general manager for Gulf Citrus Growers Association, a trade group based in nearby LaBelle, Hendry County's seat.

Count Mary Ann Martin among the most eager to see the sugar corporation sale.
"We've been locked with U.S. Sugar. Now that lock has been opened," said Martin, owner-operator of Roland Martin Marina, a Lake Okeechobee-based draw for boaters and fishermen.

South Florida, Martin said, has "the best tourist attractions in the state" - Lake Okeechobee and Everglades National Park.

These natural assets suffered under water-management policies that favored agribusiness, Martin said.

"The old ways have not been working; the lake is not working," she said. "I can't wait to get this lake cleaned."

Martin doesn't want farming to disappear altogether from the community.

"Agriculture is not going away. We have neighbors who are farmers. We can work together," she said.