

Why did the government divert corn into gas tanks?

In an effort to reduce reliance on foreign oil, the U.S. government mandated that biofuels, like corn-based ethanol, be developed and added to gasoline for our gas tanks. But policy makers underestimated the long-term consequences of converting food and feed into fuel.



Is the answer simply to import foreign oil so we don't have to choose between food and fuel?

No, it's in all of our best interests to develop alternatives to gasoline as fuel for our cars to decrease reliance on foreign oil. But we need to develop solutions that don't rely on major food crops, like corn.

What can I do?

Write your lawmakers to express concern about rising food prices and its link to ethanol policy. Tell your elected officials to stop using our food as fuel.

Where can I learn more?

Visit our website, cornforfoodnotfuel.com

for more information about steps you can take to change our nation's policy to help consumers cope with higher prices. A free brochure called "Stretch Your Meat Dollar" is available.



Why are meat and poultry prices rising?



**CORN FOR
FOOD!**
NOT FUEL

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Some consumers are questioning why meat and poultry prices are rising at the grocery store.

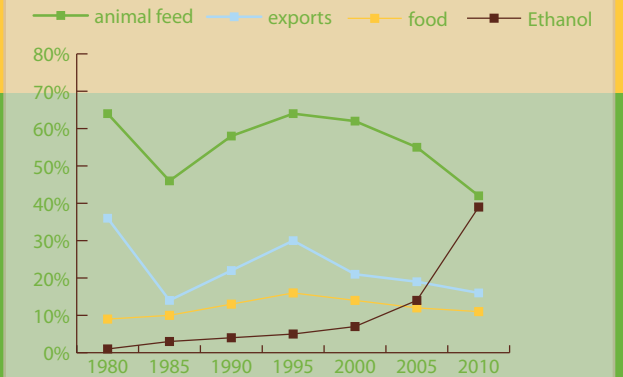
While many of variables contribute to food prices, there is one new underlying factor that is driving up not only meat and poultry prices, but other foods as well: the rising cost of corn.



What changed?

In 2007, the government passed a law mandating increased production of ethanol, which is most often made from corn. This diverted a huge portion of the corn crop – about 40 percent currently – away from animal feed and human food and into fuel for cars. Eventually, more than half the U.S. corn supply could be diverted into our gas tanks.

How We Use Our Nation's Corn Crop



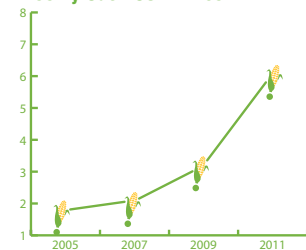
Source: USDA, PSD database, 12/10/10

Why are corn prices important in livestock and poultry production?

Corn is an important part – and in some cases the largest part (up to 85%) of the diets of animals produced for food like chickens, turkeys, cattle and pigs. Corn is also a very important component of many foods and drinks we enjoy.

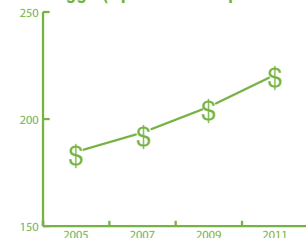
What does this have to do with meat and poultry prices?

Weekly Cash Corn Price



Source: USDA, Agricultural Marketing Service

Consumer Price Index - Meats, Poultry and Eggs (April 2005 - April 2011)



Source: Bureau of Labor Statistics

When Congress mandated that ethanol be used in our gasoline supply in 2007, the action placed pressure on the corn supply and corn prices rose quickly – more than doubling in a matter of months.

Corn became so expensive that it was no longer profitable for many farmers and ranchers to continue feeding their livestock and poultry. Some reduced the number of animals they raised or stopped raising them altogether because it simply was not economical to purchase corn for feed. Today, fewer animals are produced for food. For example, USDA estimates that today's cattle herd is the smallest since 1958 despite the fact that the U.S. population has grown by 125 million people during the same time period. This translates into a smaller meat and poultry supply and when the supply shrinks, the prices at the meat case rise.

Government data show that the consumer price index for meat and poultry has risen significantly over the last decade with a dramatic rise following the 2007 ethanol mandate that diverted corn into ethanol for fuel.