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[With Rising Food Costs, Councilman Seeks Ethanol Waiver for NY](#)

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It was not all that long ago that ethanol, the natural alcohol made from organic material, was being hailed as a major step forward in the creation of environmentally-friendly replacements for fossil fuels. Typically made of corn in America, government looks on ethanol so fondly that Congress has passed major tax credits for ethanol producers and mandated that it be mixed in with your car's gasoline.

[Roughly 25 percent of corn grown](#) in the United States today is used to produce ethanol, which makes less corn available for food production and contributes to rising food costs here and elsewhere. Queens City Councilman Eric Gioia is set to introduce a resolution that will call on the federal government phase out the use of food crops for fuel production while at the same time urging Governor David Paterson to petition the Environmental Protection Agency to give New York State a waiver on federal ethanol mandates.

Both measures are being hailed by hunger activists as good steps towards lowering the ever rising cost of food. Joel Berg, Executive Director of the [New York City Coalition Against Hunger](#) and a supporter of Gioia's resolution, said the City's poor are facing a food crisis that using food for fuel is only making worse.

"The only bright spot for poor people in America over the last few decades was that food prices were relatively low compared to western Europe and other developing countries," said Berg. "Now we've lost that."

Critics of corn ethanol like Berg note that evidence suggests it takes [more energy to produce such fuel](#) than it generates.

They also note that the heavy government subsidies on corn ethanol—51 cents a gallon—has turned ethanol production into a corporate welfare program. Archer Daniels Midland, one of America's largest ethanol producers, has been attacked by [left](#), [right](#) and [center](#) for having grown fat off of taxpayers while [doling out generous contributions](#) to Democrats and Republicans alike.

"It really drives up food prices by taking food out of consumption of people and putting it into energy," said Berg. He noted that other factors have also played a role in food cost

increases, such as the consolidation of agriculture businesses and a burgeoning middle class in countries like India and China. “But ethanol certainly contributes to that, and is one of the most pointless contributors to it.”

And the City’s poor are feeling the pinch. Their own food dollars have been stretched, as have the value of their food stamps. On top of that the food pantries that many rely on to make up the difference are seeing their own purchasing dollars lose power, all of which combines for less food in your cupboard. “It really is a triple whammy for poor people in New York,” said Berg.

In announcing the resolution, Gioia noted that the stated intentions of ethanol mandates were to reduce our dependence on foreign oil. Instead, they have driven the cost of necessities like bread and milk higher than many Americans can bear. “With high food prices on top of the outrageous price of gas, New Yorkers are getting hit by a one-two punch,” said Gioia. “By freezing ethanol mandates and moving towards advanced biofuels instead, we can put policies in place that will help us save money at the gas station and the grocery store.”

Berg admitted there is no guarantee that ending corn ethanol mandates would lead to a decrease in food prices. But even if it meant that food would only see small increases, he said, it would be worth it to New York’s poor.

“Given the crisis for low income New Yorker, any marginal help they need is something we would support,” said Berg.