

BRAZILIAN ETHANOL: GOOD FOR AMERICA?



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ethanol

INTRODUCTION

Brazil has been noted as a model for ethanol-fueled energy independence. But will the same strategies that worked for Brazil work for the U.S.? And how much would importing Brazilian ethanol help America?

BRAZILIAN ETHANOL

Thanks to their government programs in the 1970s and 1980s, Brazil's ethanol industry has flourished. The country now runs all cars on a blend of at least 25 percent ethanol. Flex fuel cars, introduced in Brazil in 2003, have become more popular than ever. Brazil makes their ethanol from sugar cane, which can be harvested 200 days out of the year, and grows abundantly in Brazil's tropical climate. The labor required for this harvest, however, is extensive and poorly regulated.

BRAZILIAN LABOR

Workers recruited to harvest sugar cane in Brazil are often victims of exploitation. With miniscule paychecks, they are forced to depend on food and shelter provided by the plantation, to whom they soon become indebted. Trapped between backbreaking labor and piles of debt, they effectively become slaves. While slavery is against both international and Brazilian law, authorities have been unsuccessful in ending the practice. Today, an estimated 25,000 to 40,000 men and women in Brazil are still subject to forced labor, according to the International Labour Organization. In contrast, American ethanol is revitalizing our rural economy.

CORN VS. SUGAR

While cane sugar can be harvested for almost two-thirds of the year in Brazil, it must be processed at the ethanol plant within two days or else the sugar molecules deteriorate. Because most of America is unsuitable for growing sugar, our ethanol is primarily made from corn. Corn has one huge advantage over sugar - it can be stored for much longer periods before being made into ethanol. There are also plants being built in America right now which will be able to turn other materials, such as wood scrap, citrus rinds and other agricultural waste into ethanol, making it more efficient than ever.

AMERICAN ETHANOL

The American ethanol industry out-produces many foreign suppliers in gasoline equivalence, including Saudi Arabia, Venezuela and Mexico. By using more homegrown ethanol, we can reduce our reliance on potentially volatile nations while strengthening our national security.

Additionally, if all new vehicles sold in the U.S. were flex fuel, any blend of ethanol and gasoline could be used, giving consumers more choices and further reducing our need for foreign energy.

TARIFF ON IMPORTED ETHANOL

The U.S. has placed a tariff on imported ethanol to help foster our own energy independence and to offset a U.S. tax credit, called the blender's credit, that benefits foreign suppliers.

Because energy is so important to our national security, the tariff on imported ethanol ensures that our own ethanol industry can continue to grow, innovate and keep creating much-needed jobs for Americans here at home. Why would we want to trade a dependence on foreign fuel with another? By using American ethanol, we never have to make that compromise.

Ethanol is more than a fuel. It's a solution.

Learn more at GrowthEnergy.org.



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