Economic Impact of Changing HFCS Demand on U.S. Corn Prices and Cash Receipts

Research Report

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Executive Summary

This report assesses the potential economic implications of declining domestic demand for high-fructose corn syrup (HFCS), a significant outlet for U.S. field corn, particularly through wet milling operations. The analysis is motivated by recent political and regulatory developments that have elevated HFCS reformulation as a salient policy issue. In early 2025, the U.S. Department of Health and Human Services signaled increased scrutiny of HFCS as part of broader efforts to reduce the presence of ultra-processed ingredients in the food supply. While no formal federal ban has been enacted, emerging policy signals, public health discourse, and an increase in voluntary product reformulations have heightened concerns about a further shift away from the use of HFCS in domestic food manufacturing.

To evaluate the market implications of such a hypothetical shift, the report employs an equilibrium displacement model to simulate stylized reductions in corn demand under three scenarios: complete elimination of domestic HFCS demand, removal of all wet milling-related demand, and elimination of domestic HFCS demand with a partial export offset. Each scenario is evaluated under short-run conditions, in which planted acreage remains fixed, and medium-run conditions, in which acreage adjustments can be made. Price and quantity responses are derived using published elasticity estimates to reflect a plausible range of market behavior.

The results indicate that a complete elimination of domestic HFCS demand could lead to national corn price declines in the range of $0.15 to $0.34 per bushel under short-run conditions, with associated reductions in corn cash receipts estimated between $2.2 and $5.1 billion. Results would be most concentrated in the Midwest, with Iowa, Illinois, and Nebraska projected to see short-run losses of $925 million, $797 million, and $625 million, respectively. In the medium term, farmers could respond to the lower prices by reducing corn acreage, which would mitigate the projected corn price impact by $0.08 to $0.11 per bushel, and cash receipt losses would decrease to between $1.9 and $2.7 billion. Removing all wet milling demand results in larger estimated effects, with medium-run price declines reaching $0.22 to $.31 per bushel and corn cash receipt losses of $5.2 billion to $7.5 billion in the more extreme scenario (up to $13.9 billion in the most extreme short-run scenario). Even when incorporating a potential expansion in HFCS exports, the loss of domestic HFCS demand continues to generate measurable declines in farm prices and income.

A sharp reduction in demand for corn used in sweetener production would have profound effects not easily captured by national market aggregates. Such a shift could have particularly acute effects in regions with significant wet milling activity, where processing facilities are closely integrated with local corn production. In such areas, a sustained contraction in HFCS demand could materially reduce corn cash receipts through lowered basis and dampen broader economic activity across the regional agricultural economy. The results presented here provide quantitative estimates of the expected short- and medium-run adjustments in corn prices and aggregate farm cash receipts under defined reformulation scenarios. These estimates serve as a reference point for evaluating the scale of potential market disruptions associated with regulatory or industry-led widespread shifts away from HFCS in the U.S. food system.

Introduction

High-fructose corn syrup (HFCS) is a major outlet for U.S. corn production, accounting for about 3 percent of total domestic use and representing 410 million bushels annually (U.S. Department of Agriculture, 2025*a*).[1] Derived from the enzymatic conversion of corn starch into glucose and fructose, HFCS has been a cost-effective and reliable substitute for cane and beet sugar across a wide range of processed food and beverage applications for decades. Its use is particularly prevalent in carbonated beverages, condiments, baked goods, and other shelf-stable products. While the relevance of HFCS in the domestic sweetener market is driven by its functional properties, consistent quality, and reliable supply, the industry is also affected by longstanding federal policies that have shaped relative input costs.

In recent months, HFCS has become the subject of heightened scrutiny due to evolving regulatory developments and political positioning. In early 2025, Robert F. Kennedy Jr., appointed Secretary of Health and Human Services, publicly committed to reshaping the food environment as part of the "Make America Healthy Again" (MAHA) initiative. The MAHA platform explicitly targets the reduction of ultra-processed food consumption and the elimination of specific ingredients. While no formal federal regulation banning HFCS has been introduced, the Secretary's rhetoric and administrative appointments have contributed to growing uncertainty about the long-term acceptability of HFCS in the domestic market.

These federal signals have been reinforced by parallel state-level actions, including California and West Virginia's recent legislation banning petroleum-based food dyes in school meals, as well as bills like Texas HB/SB 25 and Louisiana's SB 15, which would impose additional labeling requirements for specific ingredients. Simultaneously, leading food manufacturers are being urged to reformulate their product lines to preempt regulatory risks and respond to shifting consumer preferences. Several industry observers have noted that HFCS is now emblematic of broader concerns about diet-related chronic disease, particularly obesity and type 2 diabetes. In this context, a rapid reformulation away from HFCS could alter domestic corn demand.

The implications of such a shift are nontrivial for corn producers. HFCS is produced via the wet milling process, which also yields oil, fiber, and feed co-products. The infrastructure supporting HFCS production is regionally concentrated, with major investments and logistical dependencies tied to local corn supply chains. A contraction in HFCS demand could displace hundreds of millions of bushels of corn demand annually, placing downward pressure on farm-gate prices and reducing cash receipts. Such a decline could have ripple effects across regional economies, reducing farm income and weakening demand for local goods and services. These impacts would be particularly felt in communities with large wet milling operations, which convert locally sourced corn into sweeteners and co-products.

[1] Including glucose syrup and dextrose, the total sweetener use of corn is 745 million bushels or about 5 percent of annual production.

This report quantifies the potential national-level economic effects of HFCS reformulation under stylized policy scenarios. We estimate the price, acreage, and cash receipt impacts of a hypothetical reduction in domestic HFCS usage relying on an equilibrium displacement model calibrated to supply-use data from the U.S. Department of Agriculture and published price elasticities. The scenarios are designed to reflect the total or partial substitution of HFCS with imported or other sugars, under the assumption that HFCS export volumes remain constant. The analysis provides short-run (fixed acreage) and medium-run (acreage-adjusted) estimates of market adjustment outcomes. The modeling approach intentionally focuses on first-order effects in the corn market. We abstract from potential reputational or "disparagement" effects, product-specific reformulation strategies, and international trade dynamics beyond existing HFCS exports. These scoping decisions enable us to isolate the core supply and demand responses to a defined domestic demand shock, providing interpretable, policy-relevant estimates of corn price and cash receipt changes under current structural conditions.

Methodology

Data

Domestic Production, Price, and Exports

Historical and projected HFCS production, use, and trade data were sourced from the *Sugars and Sweeteners Yearbook Tables* produced by the Economic Research Service (U.S. Department of Agriculture, 2025*a*). This data provides annual estimates, beginning with the 1990/91 marketing year, of the volume of corn bushels used in HFCS production and other primary wet milling products, including starch and corn sweeteners glucose and dextrose). HFCS trade volumes and broader supply-use balances were also sourced from the yearbook. Specifically, Table 27, which documents the use of field corn across various channels, including HFCS, total wet milling (excluding alcohol), and total corn crop use, and Table 30, which presents HFCS supply and use statistics in dry-weight short tons, including export volumes and total HFCS production. The latter was used to estimate a conversion ratio from exported tons to bushels of corn. Complementary data on annual marketing year prices received by corn producers and average yields were obtained from the *Quick Stats* database (U.S. Department of Agriculture, 2025*b*). The baseline analysis was conducted with data for the marketing year 2024.

Price Elasticities

This analysis relies on two sets of price elasticities to estimate the impact of changes in HFCS demand on the corn market. The choice of elasticity values is critical, as it directly influences how the market responds to demand shocks. When demand is less elastic, price movements tend to be more severe in response to a given shock; conversely, more elastic demand results in a flatter response, leading to more muted price changes. By employing multiple elasticity sets, we account for uncertainty in real-world behavior and can generate a plausible range of outcomes that capture market variability.

Our primary estimates are based on Adenauer et al. (2025), who employed a Bayesian framework to analyze global agricultural market data. This approach integrates prior knowledge with observed market

responses to produce elasticity estimates that reflect current structural features of agricultural trade, including ethanol mandates and international economic integration. Their analysis yields a demand elasticity of -0.396 and a supply elasticity of 0.604. These values suggest that corn demand is moderately sensitive to price changes. For example, a 10 percent drop in price would reduce production by about 6 percent and increase demand by around 4 percent under these conditions.

To evaluate the robustness of our results, we compare the baseline elasticities to estimates from two other widely cited academic studies. Adjemian and Smith (2012) report a higher demand elasticity of -0.700, which implies that buyers would be more responsive to price changes, dampening the magnitude of any price decline. Lark et al. (2022) estimate a slightly lower supply elasticity of 0.574 based on long-run acreage adjustments, which would produce a marginally larger price effect by reducing the responsiveness of supply to falling prices. These alternative elasticity values serve as a sensitivity check and help to bound the expected outcomes under varying assumptions.

The baseline analysis assumes that HFCS export volumes remain fixed. While this assumption abstracts from possible trade adjustments, it allows us to focus more clearly on domestic market effects. It also simplifies the estimation of supply and demand responses to shifts in internal consumption.

Analytical Framework

To estimate the market effects of a reduction in corn demand resulting from declining HFCS production, we employ an equilibrium displacement model (EDM). EDMs are a standard tool in agricultural economics used to assess how markets adjust to policy or structural shocks (see for a review, Wohlgenant et al., 2011). They are particularly useful when the elasticities of supply and demand are known or can be reasonably estimated. This approach provides a theoretically grounded and transparent means of quantifying how prices and quantities respond when market conditions shift.

In this analysis, the EDM simulates a negative demand shock (e.g., the removal of nearly 361million bushels of corn demand) by calculating the percentage change in market price necessary to restore equilibrium. **Figure 1** provides a stylized illustration of how a negative shock to demand leads to a new equilibrium. The EDM model expresses the demand reduction as a percentage change in quantity, relative to the total corn market, and then estimates the resulting percentage price change using the following formula:

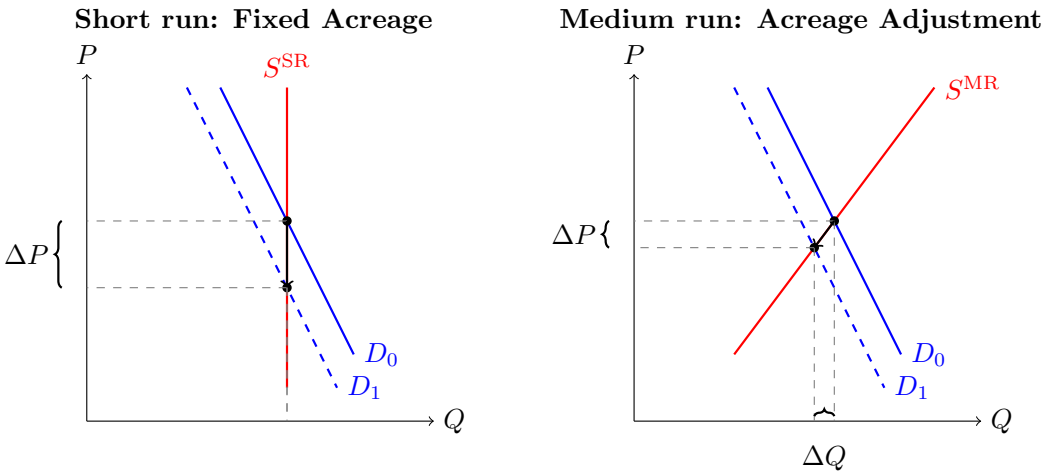
$$\%\Delta P = \frac{\%\Delta Q_d}{|E_d| + E_s}, \tag{1}$$

where $\%\Delta Q_d$ the exogenous percentage change in demand, $|E_d|$is the absolute value of the demand elasticity, and $E_s$is the supply elasticity.

This percentage price change is then applied to the baseline price to determine the new market-clearing price. In turn, the updated price is used to estimate changes in production and farm cash receipts. The model is applied in both a short-run setting, where planted acreage is assumed to be fixed, and a medium-

run setting, where acreage can adjust in response to lower returns. This distinction allows us to capture how producer behavior may evolve over a 1- to 2-year period.

Figure 1. Visualization of Analytical Framework on Corn Supply and Demand



Note. The figure illustrates how a negative HFCS-induced shock to corn demand translates to a new price-quantity equilibrium for corn markets. In the short run, corn acreage is fixed, represented by the vertical supply curve. In the medium run, both demand and supply can adjust, leading to a negative change in quantity and a less negative corn price change.

The EDM framework rests on several simplifying assumptions. Elasticities are treated as constant over the range of the shock, and the market is assumed to adjust instantaneously to the new equilibrium. The model excludes dynamic or second-order effects such as inventory adjustments, cross-commodity substitution, and international price feedback. These exclusions allow us to focus squarely on the core supply and demand responses to a stylized domestic demand shock.

We apply two elasticity sets drawn from the academic literature. Our "conservative" estimates are from Adenauer et al. (2025), which use a Bayesian approach to reflect recent market structure and policy dynamics. These imply a moderately inelastic demand and a relatively elastic supply. For robustness, we also use a second set of elasticities from Adjemian and Smith (2012) and Lark et al. (2022), which are more elastic and yield more "optimistic" projected price effects. Comparing across these specifications allows us to generate a bounded range of plausible economic outcomes.

Scenarios

We simulate three stylized policy scenarios to evaluate the economic consequences of a potential HFCS demand shift. Each scenario is designed to capture a distinct type of demand shock and the resulting market adjustments. In each case, we examine both short-run effects, where corn acreage is fixed, and medium-run effects, where the corn acreage adjusts in response to changing prices.

Scenario 1 models the complete elimination of domestic HFCS demand. This extreme case removes HFCS from the domestic food supply chain, while allowing for its use in exports. The simulation captures the immediate market disruption under fixed acreage and the subsequent acreage contraction that would occur as farmers respond to depressed corn prices over time. In the 2024 marketing year, this scenario corresponds to a loss of 354 million bushels of corn demand.

Scenario 2 extends the analysis by removing all U.S. corn used in wet milling. This includes HFCS and other starch-derived sweeteners, such as glucose syrup and dextrose, as well as corn starches. This scenario represents a more substantial demand shock because wet milling encompasses a broader range of industrial corn uses, and the scenario also includes exports. As with the first case, we estimate the short-run surplus impact and the longer-run adjustments following reduced profitability. In the 2024 marketing year, this scenario corresponds to a loss of 970 million bushels of corn demand.

Scenario 3 addresses a partial mitigation pathway. Here, we simulate the same collapse in domestic HFCS demand as in the first scenario but incorporate a stylized export adjustment. The assumption is that U.S. producers, facing reduced domestic sales, redirect 1 million tons of HFCS output to international markets. While insufficient to fully offset the lost domestic demand, this export expansion provides a buffer that moderates the price and cash receipt impacts. As with the other scenarios, we model both short-run and medium-run effects to capture the dynamics of market response over time. In the 2024 marketing year, this scenario corresponds to a loss of 299 million bushels of corn demand.

Results and Discussion

Table 1 presents the simulated effects of HFCS-related demand shocks on U.S. corn markets under three policy scenarios. The table reports changes in corn prices, planted acreage, and farm cash receipts for each scenario, using two sets of elasticity parameters to reflect a conservative (less responsive) and an optimistic (more responsive) market environment. Each scenario is evaluated under both short-run conditions, where acreage remains fixed, and medium-run conditions, where producers can adjust planting decisions in response to price signals.

Scenario 1 models the complete elimination of domestic demand for HFCS. ***Scenario 2*** broadens the shock to include all wet milling uses (HFCS, glucose syrup, dextrose, and corn starch), representing a more extreme case where the elimination of domestic HFCS use leads to the non-viability of the domestic wet milling industry. This scenario assumes no additional export adjustments. ***Scenario 3*** maintains the domestic HFCS demand collapse but assumes that U.S. producers partially offset the loss by increased exports of 1 million tons.

Across all scenarios, price declines are sharpest in the short run, while acreage adjustments in the medium run help stabilize markets. However, even with adjustments, reductions in cash receipts remain substantial in the more severe cases. The subsections below provide a detailed discussion of each scenario.

Table 1. Simulated Corn Market Effects of HFCS Demand Scenarios.

Elasticity Assumption	Acreage Assumption	Price Change ($/bushel)	Acreage Change (Acres million)	Cash Receipt Change ($ million)
***Scenario 1*. Elimination of Domestic HFCS Demand**				
Conservative	Fixed Acreage	-0.34	0	-5,074
	Acreage Adjustment	-0.11	-1.31	-2,722
Optimistic	Fixed Acreage	-0.15	0	-2,200
	Acreage Adjustment	-0.08	-0.91	-1,894
***Scenario 2*. Elimination of All Wet Milling Demand**				
Conservative	Fixed Acreage	-0.94	0	-13,903
	Acreage Adjustment	-0.31	-3.60	-7,458
Optimistic	Fixed Acreage	-0.41	0	-6,028
	Acreage Adjustment	-0.22	-2.51	-5,190
***Scenario 3*. Elimination of Domestic HFCS Demand with Partial Export Offset**				
Conservative	Fixed Acreage	-0.29	0	-4,282
	Acreage Adjustment	-0.10	-1.14	-2,297
Optimistic	Fixed Acreage	-0.12	0	-1,857
	Acreage Adjustment	-0.07	-0.77	-1,599

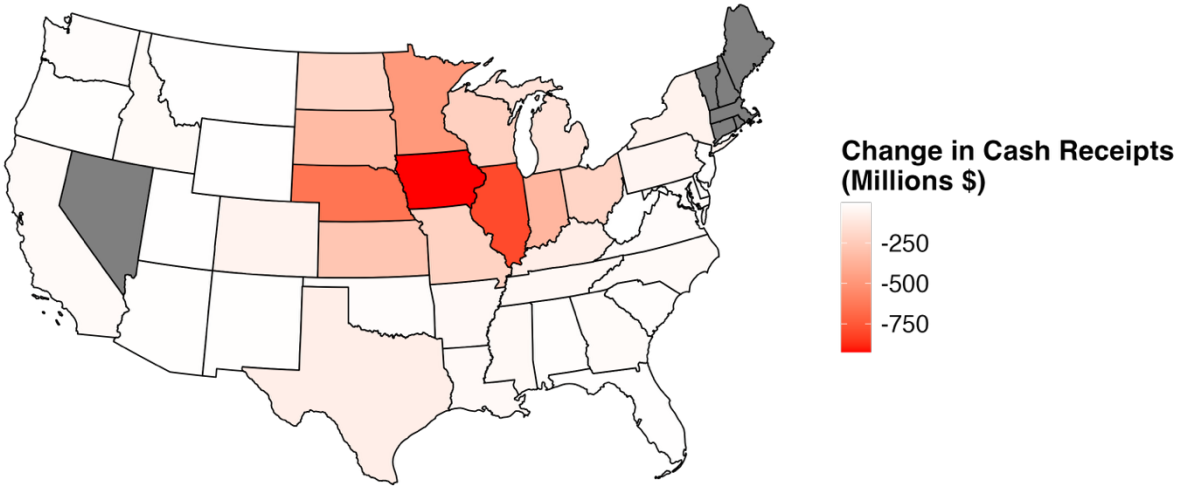
Note. This table presents simulated changes in corn prices, planted acreage, and farm cash receipts for the 2024 marketing year under three HFCS-related demand shock scenarios. Each scenario is evaluated under short-run (fixed acreage) and medium-run (acreage adjustment) conditions. Results are shown using two elasticity sets: a "conservative set" from Adenauer et al. (2025) and an "optimistic" set from Adjemian and Smith (2012) and Lark et al. (2022), which assume greater supply and demand responsiveness.

Scenario 1. Elimination of Domestic HFCS Demand

This scenario models the complete removal of domestic HFCS demand, which accounts for about 361 million bushels of annual corn use, or 3 percent of total U.S. consumption. The sudden elimination of this demand generates a notable surplus in the corn market, with short-run effects reflecting the inability of producers to adjust acreage immediately. In the short run, prices fall by $0.34 per bushel under conservative elasticity assumptions, triggering a $5.1 billion decline in corn cash receipts. These losses are concentrated in Midwestern states with substantial corn production, as shown in **Figure 2**. The states with the three highest cash receipt losses are Iowa, Illinois, and Nebraska, which experience short-run

losses of $925 million, $797 million, and $625 million, respectively. When more responsive (optimistic) elasticities are applied, the price impact is less severe, falling by $0.15 per bushel, and the cash receipt loss narrows to $2.2 billion. These short-run results capture the immediate market pressure as buyers, such as ethanol plants or livestock feeders, must absorb excess supply without allowing producers to adjust.

Figure 2. Short-run Total Cash Receipt Losses with Domestic HCFS Demand Elimination



Note. The figure shows the simulated 2024 total cash receipts losses associated with a $0.34 decrease in the per bushel price of corn.

With conservative elasticities, corn planted acreage contracts by 1.31 million acres, softening the 2024 price decline to $0.11 per bushel and reducing the cash receipt loss to $2.7 billion.[2] Under optimistic elasticities, the acreage declines by 0.91 million acres, 2024 prices fall by just $0.08 per bushel, and cash receipts decline by $1.9 billion. Even under more favorable assumptions, the cash receipt losses remain meaningful. These results highlight how supply and demand elasticities shape the magnitude of market disruption and underscore the vulnerability of producers to sudden changes in industrial corn use. Regional effects may be particularly pronounced in areas with wet milling infrastructure, such as Iowa, Illinois, and the Upper Midwest, where local demand is tightly linked to HFCS production. A facility closure in places like Wahpeton, North Dakota, could lead to acute disruptions in regional corn flows and processing-dependent economic activity.

How would these price changes affect a typical farm? To answer this, we used crop budgets from Illinois and North Dakota to estimate the impact on farm profitability. In Central Illinois, based on the latest high-productivity UIUC farmland budgets (Paulson et al., Jan 2025), a price decline of $0.15 to $0.34 per bushel would reduce per-acre profits by approximately $35 to $80. This would deepen already negative

[2] Acreage planting in other crops (e.g. soybeans, wheat, etc.) would increase from farmers rotating out of corn, tempering overall farm income impacts, however prices of these other crops would also weaken due the spillover effects from weaker corn demand.

projected returns for 2025 from -$61 per acre to losses ranging between -$96 and -$141 per acre. Similarly, for a farm in the southern Red River Valley of North Dakota, based on NDSU crop budgets by Haugen (2025), the same price decline would result in a reduction of $25 to $57 per acre in profits. Given the initial projected return of just $16 per acre, this would push the farm into negative territory, with losses between -$9 and -$41 per acre.

Scenario 2. **Elimination of All Wet Milling Demand**

This scenario extends the shock to include all corn used in wet milling (970 million bushels annually), encompassing HFCS, glucose syrup, dextrose, and corn starches. The broader demand loss could overwhelm the market, triggering a severe short-run price collapse. In an extreme short-run scenario, corn prices would plummet by $0.94 per bushel (from $4.35 to $3.41), as the surplus far exceeds the capacity of alternative buyers to absorb it. The resulting $13.9 billion decline in farm cash receipts reflects the compounded impact of lower prices and the larger volume of displaced demand. This worst-case scenario assumes that corn use for HFCS, glucose syrup, dextrose, and starches would collapse overnight in response to an unanticipated MAHA ban action.

In a less extreme scenario, which allows markets to adjust, farmers may reduce corn planting by 3.60 million acres, shifting to alternative crops or exiting production. This adjustment stabilizes prices at $4.04 per bushel, but cash receipts remain $7.5 billion below baseline due to sustained price pressures and reduced sales. The scale of this scenario's impact, 2.7 times larger than ***Scenario 1*** in the short run, underscores the critical role of wet milling co-products in supporting corn demand.

The impact of ***Scenario 2*** is magnified because wet milling supports a broader ecosystem of corn demand beyond HFCS. The loss of glucose syrup, dextrose, and starches creates a surplus. The steeper price decline ($0.94/bushel) reflects the market's struggle to absorb this larger surplus, even with adjustments, cash receipt losses linger because fewer bushels are sold at lower prices. Compared to Scenario 1, the amplified effects highlight the structural reliance on wet milling's diversified outputs, stabilizing corn demand across multiple industries.

Scenario 3. **Elimination of Domestic HFCS Demand with Partial Export Offset**

This scenario examines how the corn market would respond if domestic HFCS demand were eliminated, allowing for a partial offset through increased HFCS exports. Rather than formally modeling trade flows, we apply a stylized assumption based on the potential to redirect surplus to international markets where HFCS demand remains intact.

In the event of a domestic collapse in HFCS use, U.S. producers would not halt operations entirely. Instead, they would reduce prices to remain competitive abroad and seek to expand exports into existing and adjacent foreign markets. However, this adjustment is naturally constrained by the limited size of the global HFCS market. The United States accounted for about 1.43 million metric tons (nearly 70 percent) of global HFCS trade. The remainder of the market, composed of countries such as China, Turkey,

Canada, and Mexico, totals just 0.63 million metric tons. This figure represents the theoretical maximum "slack" available for U.S. exporters to capture, assuming other suppliers are displaced.

While additional export growth is plausible, particularly in nearby markets like Mexico, where price sensitivity may support substitution, logistical, regulatory, and reputational constraints limit the extent of this adjustment. To reflect a generous but plausible upper bound, we assume an export offset of 1 million metric tons. This estimate represents a mix of displacement of competing exporters and incremental expansion in key markets. However, it likely overstates what could be achieved under real-world trade frictions and any chilling effects from MAHA-related policy rhetoric.

Under this assumption, the export offset reduces the estimated corn price decline by about $.29 per bushel in the short run and mitigates the farm cash receipt losses to $4.3 billion. A more precise assessment of this offset would require a detailed trade model, which falls outside the scope of this analysis.

Local Corn Basis Impact of Wet Mill Demand Loss

The elimination of wet milling demand would not only put downward pressure on national corn prices but also remove localized price premiums that benefit producers located near processing facilities. Although few economic studies directly examine the basis effects of wet mills, research on ethanol plants offers insights into how proximity to major demand centers enhances local basis.

Studies of ethanol facilities show that their presence generates per-bushel price premiums ranging from $0.07 to $0.54 for nearby farms (Renewable Fuels Association, 2020). These premiums are driven by three key mechanisms: (1) lower transportation costs due to shorter hauls, (2) competitive bidding as processors vie with grain elevators for supply, and (3) more stable, year-round demand that softens seasonal price volatility. For instance, Harthoorn (2022) documented that Nebraska farms within 10 miles of ethanol plants received springtime premiums of up to $0.54 per bushel. Wet mills likely produce similar or even stronger effects, given that they typically process more corn per facility than ethanol plants. Extrapolating from ethanol studies, the regional basis could weaken by $0.25 to $0.50 per bushel if wet mills were to close.

Historical examples reinforce the magnitude of this risk. During the temporary shutdown of ethanol plants in Minnesota in 2018, the local basis dropped by as much as $0.20 per bushel within weeks, which was larger than the concurrent national price decline. The closure of wet mills, with their greater corn demand footprint, could result in comparable or more severe local disruptions. In areas such as Wahpeton, ND, and Cedar Rapids, IA, where wet mills anchor regional supply chains, the combined effects of national price declines and the loss of local basis premiums could drive farmgate revenues well below the levels modeled in broader scenarios.

Conclusion

This report evaluates the potential impacts of HFCS reformulation on U.S. corn markets through three stylized scenarios that simulate varying degrees of demand loss. The results highlight the sensitivity of

corn prices, planted acreage, and cash receipts to abrupt shifts in industrial sweetener use. A complete elimination of domestic HFCS demand could reduce corn prices by up to $0.34 per bushel and lower cash receipts by over $5.1 billion in the short run. Medium-run acreage adjustments could help mitigate these effects, but cash receipt losses remain substantial even under more elastic market assumptions, resulting in lower cash receipts of $2.7 billion. Losses would be most concentrated in the Midwest, with Iowa, Illinois, and Nebraska projected to incur short-run losses of $925 million, $797 million, and $625 million, respectively. More severe losses would occur under a broader wet milling demand shock, with potential losses of up to $7.5 billion in the medium term (and up to $13.9 billion in an extreme short-term scenario). A partial export offset, while helpful, is unlikely to absorb more than a small share of displaced domestic demand, particularly given existing U.S. dominance in global HFCS trade.

The analysis is built around stylized policy shocks that isolate first-order effects under explicit assumptions. Several limitations must be acknowledged. First, the scenarios assume an abrupt and total elimination of HFCS or wet milling demand, an extreme case not reflective of potentially gradual market and regulatory transitions. Phased-in reforms would allow for smoother supply-side adjustments. Second, the export offset scenario is illustrative and not derived from a formal trade model. It does not incorporate logistical constraints, import resistance, or the strategic responses of trade partners. Third, the analysis abstracts from the non-policy-specific forces that may influence outcomes, including reputational risks, consumer sentiment, reformulation costs, or co-product market dynamics. Finally, the analysis quantifies impacts through national-level price effects; it does not account for localized impacts such as basis effects that would be more severe for regions close to wet milling plants. As such, the results should be interpreted as directional estimates rather than precise forecasts.

Policymakers and industry stakeholders should view the results as an early indication of the potential scale of market disruptions associated with regulatory or voluntary shifts away from HFCS. Even partial displacement of sweetener demand can lead to measurable declines in farm cash receipts, particularly in regions with heavy wet milling infrastructure. Stakeholders may consider proactive strategies such as diversifying processing capacity, developing alternative domestic uses for surplus corn, or pursuing negotiated trade expansion in target HFCS-importing markets. Future research should incorporate more explicit analysis of reputational or “disparagement” effects surrounding the MAHA campaign, dynamic modeling of product reformulation, supply chain substitutions, and global trade flows to better capture second-order effects and long-run structural responses.

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Disclaimer

This report was prepared by Dr. Sandro Steinbach, Dr. Shawn Arita, and Dr. Matthew Gammans for the Corn Refiners Association. The analysis was conducted through Steinbach Consulting & Research, LLC. It provides an independent economic assessment of hypothetical HFCS reformulation scenarios using publicly available data, established modeling approaches, and published elasticity estimates. The scenarios are intentionally stylized to isolate first-order market effects and do not represent policy forecasts or real-time industry behavior.

All findings should be interpreted as illustrative estimates, subject to the assumptions and limitations described in the report. The analysis excludes potential second-order effects, international trade adjustments, product-level substitution strategies, and reputational dynamics. The authors have made reasonable efforts to ensure the accuracy of the data and methods used, but no guarantee is offered regarding the completeness or applicability of results for specific decision-making purposes.

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