

The Food Police Are Watching You

by K.L. Billingsley

The current worldwide recession has hurt business and labor but does not appear to have caused any hardship in America's federal bureaucracy. Alert regulators were recently patrolling the town of Reedley in California's San Joaquin Valley, a rich source of fruits and vegetables for the entire United States. But there was trouble.

It wasn't that the fruit was rotten or contaminated. The problem was size. It seems that the federal government cares so much about the health of consumers that they have established minimum size regulations for peaches and nectarines. Bigger is better. In Reedley, some growers' peaches and nectarines were "slightly smaller than federal standards."

Farmers are calm, practical people. The size of the fruit they produce is a matter largely out of their hands. California has been in the throes of a drought for several years. The Reedley growers doubtless wondered whether squads of regulators running around measuring peaches and nectarines constituted a wise use of their tax money, especially during a recession.

In spite of massive federal subsidies, some farmers still understand the way the free market works. Two parties agree on a price and make an uncoerced exchange from which both believe they will benefit. This is the way free, responsible people act when left to themselves.

One farmer wanted to sell his crop to low-income consumers in Los Angeles, where recent

riots have inflicted additional economic hardships. If the price is right, people in that market are not likely to be concerned if the product is on the small side. Fruit spoils quickly and the growers may well have ended up giving the stuff away. There would have been many takers.

But the federal food police blocked this free exchange. Cheap or free, the fruit did not meet federal size standards. That meant that nobody could have it at any price. People could not be allowed to make their own decisions in the matter.

Federal regulators ordered millions of pounds of perfectly good food to be dumped on a dirt road where it was left to rot in the sun. One could hardly ask for a more vivid parable of arrogance, stupidity, and waste.

All any bureaucracy can do is follow the rules. It matters not if the rules are destructive to the health, freedom, and property of citizens. The regulators must follow orders. They are just doing their job. That is all they can do.

Here is callous disregard for human welfare and common sense (remember "waste not, want not"?), neither of which impinge on the bureaucratic regime. This episode should be brought up in all discussions about how much the government "cares."

And does the fruit episode amount to a "taking" of private property by the state without due compensation? Local judges and civil liberties' groups appear uninterested in the question. The incident also confirms that bureaucracies are indeed intrusive. Are there not legitimate problems for federal workers beyond the size of peaches and nectarines? Or is the quest of the

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regulators, as many fear, to justify their positions by finding new ways to complicate life?

Such intrusions are many, and are a major reason that the state can't do what it is supposed to do—protect life, liberty, and property. The Los Angeles riots showed the state's inability to protect innocent civilians from random violence. But citizens can sleep tight knowing that the state's ability to order the destruction of perfectly good food remains secure.

The newly liberated nations of Eastern Europe appear determined not to repeat errors of their own recent past, in which statist dogma quashed private initiative and made life miserable. For the most part, they look to the free market for solutions. In America, on the other hand, politicians of

both major parties still hail the state as a problem solver.

The federal government is the nation's largest employer and by far its largest squanderer of money. The federal deficit continues to grow and American competitiveness continues to decline. Yet no major candidate ties these problems to the ever-encroaching state.

Meanwhile, to use Whittaker Chambers' illustration, the statist revolution that began in the thirties continues "inching its ice cap over the nation." The Reedley farmers would probably not be surprised if, having dumped their fruit as ordered, they found themselves busted for pollution by the Environmental Protection Agency. ☐

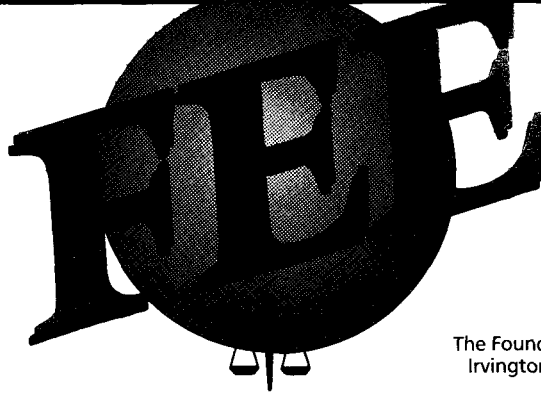
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December 1992

AMBIVALENT VOTERS

Most Americans sense that something is wrong. They have an eerie feeling about the federal government spending hundreds of billions of dollars it does not have and owing a debt of trillions of dollars. After all, in their personal lives they learned very early that what they don't owe won't hurt them. He is rich who owes nothing. And they may have learned in their history classes what Thomas Jefferson said about government debt: "I place economy among the first and most important of republican virtues, and public debt as the greatest of the dangers to be feared." And in a letter to a friend he wrote: "The principle of spending money to be paid by posterity, under the name of funding, is but swindling futurity on a large scale."

The federal government obviously lives by fiscal principles which differ diametrically from those of our personal lives and from those postulated by Thomas Jefferson. We are quick to find fault with those principles and place the responsibility on the shoulders of politicians and officials whom we hold in low regard anyway. Unfortunately, we fail to search our own conscience which, if searched in earnest, would

reveal our own responsibility and culpability. In fact, the majority of the American people is solely responsible for the federal spending predilection and the pyramid of trillion-dollar debt.

Although most people readily support reduction in federal spending, they balk at virtually every proposal of specific cuts. A nationwide poll conducted by the *Wall Street Journal* and NBC News, for instance, found that 86 percent oppose reductions in Medicare spending, 69 percent oppose reductions on social spending for the poor. There are more than 90 million Americans who benefit directly from one or several transfer programs. They are unlikely to oppose the largess.

Many more Americans benefit indirectly. The retirement benefits of some 35 million beneficiaries lend aid and comfort to millions of young people who otherwise would have to assist their parents. The Medicare and Medicaid programs which finance the medical care of more than 50 million aged, disabled, and needy Americans benefit not only the recipients but also the families which otherwise would provide the medical care. The subsidies to some 7 million students benefit not only the students but also many

more parents, relatives, and spouses who otherwise would provide the assistance. The federal government subsidizes more than 100 million meals per day, or 15 percent of all meals served, through food stamp programs, child nutrition programs, nutrition programs for the elderly, and commodity distribution programs. All the recipients are likely to object strenuously to any reduction in benefits although they all are moaning about the budget deficits.

The benefits received are concrete and visible; the harmful psychological, economic, and political consequences of the programs are hidden in the haze of popular notions and prejudices. It takes knowledge and reasoning to perceive that forcible transfer of income and wealth erodes individual character and morale, that it consumes economic wealth and lowers labor productivity and income, and weakens democratic institutions. It is a potent prescription for stagnation and poverty, and an open invitation for social and political conflict.

It is difficult to confront the entitlement system with economic arguments. They are utterly ineffective against passionate descriptions of human need and want. "We cannot afford it" is an invitation to instant rejection and ridicule. At its best, it initiates a search for funds which leads to ugly denunciations of people with funds.

To perceive the evil consequences of political largess requires a sense of morality and justice which must guide all our actions. The established rules of morality must be applicable to individual as well as political conduct. We must keep our promises, fulfill our contractual obligations, and respect the rights of property acquired under contract.

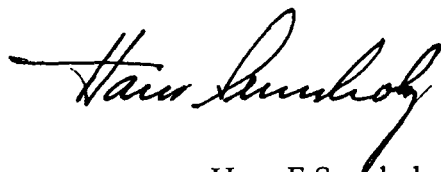
Above all, we must reject the notion that political action is not bound by the

decencies of that code of law and morals which governs private conduct.

The present system of political entitlements and largess rests on a universal rejection of that code of law and morals. Our representatives in the Congress deal and wheel and engage in feverish logrolling in order to distribute and redistribute the entitlements. In a democratic society the only principle guiding their action is the majority vote. In all cases the will of the majority prevails; the minority which lacks the vote is likely to become its victim.

More than 200 years ago James Madison clearly foresaw the social and political conditions of our age. In a speech in the Virginia Convention in 1788 he declaimed: "On a candid examination of history, we shall find that turbulence, violence and abuse of power, by the majority trampling on the rights of the minority, have produced factions and commotions which, in republics, have, more frequently than any other cause, produced despotism."

The destiny of a republic in which the majority thrives on entitlements forcibly extracted from minorities is despotism — unless the majority forgoes its numerical power and returns to the code of morals. The road ahead is clear. We may proceed in the old direction toward despotism or veer around and return to the proven ways of the republic. The choice depends on the moral attitude we adopt toward other people, especially the political minority. Morality itself is eternal and immutable.



Hans F. Sennholz

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Edmund Opitz, an ordained Congregational minister, is the founder and coordinator of The Remnant, a fellowship of conservative and libertarian ministers, a founder and secretary of The Nockian Society, and a contributing editor of *The Freeman*. He served as a member of the staff of FEE from 1955 until his retirement in 1992. His July 1991 *Freeman* article, "Biblical Roots of American Liberty," was awarded a \$5,000 prize in the Amy Foundation writing Awards for 1991.

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Dr. Robert W. McGee is Professor of Accounting at Seton Hall University in New Jersey. Bettina Bien Greaves, a long-time member of the FEE staff and a contributing editor of *The Freeman*, began collecting and keeping records of Mises' works in 1951. Mrs. Margit von Mises, in her preface, calls this bibliography "the definitive listing of [Mises'] works and the most complete listing now available of books and articles about him."

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Workers and Unions— How About Freedom of Contract?

by George C. Leef

All but a few diehard socialists now concede that free markets serve the needs and desires of consumers far better than governmentally sanctioned monopolies or cartels. Fortunately, Americans can usually shop for the goods and services they want in more or less free markets. For only a few things must we deal with a monopoly if we want to deal at all, and in those instances, consumer dissatisfaction is high. The Postal Service immediately comes to mind as an example.

This article is about another instance of consumers being deprived of the benefits of a market: representation in dealing with employers. In the United States, the law prevents the emergence of a market for representational services employees would be willing to pay for in matters relating to their employment. Either you represent yourself or you accept representation by a labor union which may or may not be to your liking. Workers cannot shop around and then contract with the organization they believe will give them the best value for their money. It is my contention that this situation ill serves workers and is a principal explanation for the decline of labor unions in America.

The necessary conditions for the existence of a market are simple. Buyers must be free to shop around for what they regard as the best value, negotiating and entering into a contract with the

seller whom they believe gives them that. Sellers must be free to offer any product or service or combination thereof which they think might appeal to prospective customers. The actions of the market participants, it must be noted, are voluntary and usually individual in nature.

One of the many services which people may want others to perform for them is the service of representing their interests in dealing with employers. Most professional athletes, for example, have contracted with agents who represent them in negotiations with team owners. And, of course, many other workers desire to have a third party represent their interests in the determination of pay and working conditions, the handling of grievances, the enforcement of safety standards, and other matters concerning their employment. In the United States, labor unions have historically filled that role.

There is no more reason to object to organizations designed to provide representational services that workers are willing to pay for than there is to object to any other kind of voluntary organization. The only test any association should have to pass is the test of the marketplace: Can it pay all of its expenses out of funds given willingly to it? The test of the marketplace compels all kinds of organizations, both those run for profit and those which are non-profit, to search for the most efficient means of providing people with the goods and services they desire.

Unfortunately, labor unions as they exist under

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