



This column reports trends in the advancement of individual liberty and rediscovery of economic freedom. Readers are invited to submit items of potential interest.

## FREE ENTERPRISE MAIL—ONWARD AND UPWARD

As the federal government's near-monopoly mail service continues to deteriorate, privately-owned competitors continue to expand and prosper. Each new instance of Postal Service incompetence, and every proposed rate increase, brings forth increased demand for free-market alternatives. Postmaster General Elmer T. Klassen recently announced plans to raise first-class rates from 8¢ to 10¢ in January; this, together with projected steep increases in second-class (magazine) rates, is bringing increasing cries of anguish from citizens, businessmen, and Congressmen. In Congress, Representatives Phil Crane and Steve Symms have introduced legislation to remove the federal monopoly on first-class mail delivery, while Senator Alan Cranston is reported as "considering proposals that would either return the postal operation to the government or turn it over to private industry." Rep. Symms recently inserted in the *CONGRESSIONAL RECORD* a hard-hitting article by Allan Brownfeld contrasting private mail delivery with the Postal Service's inefficiency.

The Postal Service concedes that its service is poor, and appears to be worried by the rising competition. In a *U.S. NEWS AND WORLD REPORT* interview, Postmaster General Klassen admitted that private mail companies "are giving us real concern with the amount of business they are getting," especially since business mail accounts for some 80% of the post office's volume (and this is the market in which the private firms are allowed to compete). Profit-making United Parcel Service is now handling more packages than the government's parcel post service, whereas only five years ago parcel post carried twice as many packages as UPS. Moreover, admitted Klassen, "We damage five packages for every one that United Parcel does." Another leading indicator is the fact that in 1972 the per capita mail volume handled by the Postal Service declined—for the first time since the Depression—from 421 pieces per year in 1971 to 418 in 1972, due to the switch to private

firms. Among those departing from the Postal Service is Virginia Electric and Power Co., which hand-carried some 2 million bills to customers last year, at less than 8¢ each.

Although the Postal Service is sufficiently paranoid about its first-class mail monopoly that it issued special warnings to children against delivering Valentines and Christmas cards, it has recently made a major concession to business mailers. The Postal Service Board of Governors decided in July to suspend the Private Express Statute, the law that blocks the private delivery of letter mail, for certain classes of corporate mail that are "so urgent as to require delivery within 12 hours or by the start of the next business day." The suspension of the monopoly will apply only to mail sent between various offices of a single company and to data-processing communications, such as credit and payroll information. The changes will permit companies which have been using their own employees for such deliveries (which has always been legal) to contract with private mail delivery companies instead.

The change in the law should serve to increase the current boom in private mail delivery. In the past 18 months, the number of companies in the field has doubled, to well over 200. Among the more noteworthy:

- Kansas City-based Independent Postal System of America, serving 32 states with 18,000 employees, and \$6 million in revenues last year (see *REASON*, "Trends," December 1972). IPISA is faster and cheaper than the Postal Service, and provides guaranteed delivery dates.
- Northern California's National Postal Service, which last year delivered 84 million ads and other third class mail for major retail stores, at \$33 per thousand pieces, \$17 less than the Postal Service rates.
- Consumer Communications Service, serving eight cities in Ohio, Indiana, and Kansas, which charges \$36 per thousand for advertising delivery. CCS, with 1972 revenues of over \$5 million, recently became part of H & R Block.

- Fast Mailers, an Albany, NY firm which offers next-day guaranteed letter delivery to New York City, and charges 25¢ per letter to truck the mail 150 miles to the New York City Post Office, cutting two days off the usual delivery time.

As consumer pressure increases due to the Postal Service's continued inability to perform, the day may not be far off when the Crane/Symms antimonopoly bill will become a major political issue. When that day arrives, the marketplace, by all indications, will be ready.

## SOURCES:

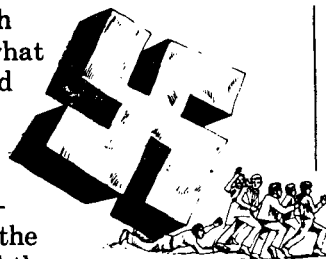
- "Klassen Will Seek Postal Rate Boost," AP (Washington), 18 June 1973.
- "U.S. Mail Hits a New Slow, Critics Say," Marlene Cmons, *LOS ANGELES TIMES*, 21 January 1973.
- "U.S. Postal Monopoly: It Just Cannot Deliver," *CONGRESSIONAL RECORD*, Vol. 119, No. 107, 11 July 1973.
- "The Growing Competition: 200 Firms Are Thriving," Robert Mullin, 13 May 1973.
- "Stamp Out Valentines?" *CHICAGO TODAY*, 14 February 1973.
- "Postal Service Will Let Corporations Hire Private Firms to Haul Some Internal Mail," *WALL STREET JOURNAL*, 2 July 1973.
- "Private Mail Companies Have Doubled in Past 18 Months," AP (New York), 18 April 1973.
- "The Private Postman," *TIME*, 2 April 1973.

## THE WAR ON DRUGS BACKFIRES

As economists are quick to point out, price controls and other artificial restrictions on the supply of goods tend to produce shortages. While America is beginning to feel the impact of price controls in the form of food and gasoline shortages, the nation is poised on the brink of yet another shortage, potentially more serious. Sometime this fall the supply of morphine and codeine—vital painkillers for millions of people—may disappear altogether.

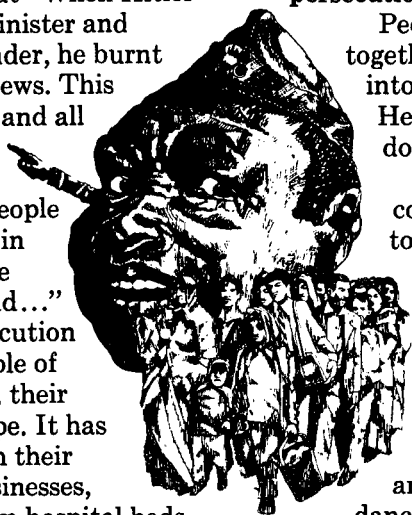
The reason for this impending shortage is the U.S. government's war on opium poppies. Under severe political pressure (and a \$35 million bribe from the U.S. government), the Turkish government is wiping out all opium poppy farming. The intent, of course, is to reduce the

When Adolph Hitler had what he considered a "Jewish problem", his solution was extermination. And the world looked the other way.



Now, one of Hitler's biggest admirers has just faced an "Asian problem". He solved it by throwing out 55,000 Asians from their homes in Uganda.

Uganda's dictator President, Idi Amin, has convinced himself and told the world that "When Hitler was the Prime Minister and supreme commander, he burnt over six million Jews. This is because Hitler and all German people knew that the Israelis are not people who are working in the interest of the people of the world..." Amin-style persecution has stripped people of their possessions, their dignity, their hope. It has ripped them from their homes, their businesses, even the sick from hospital beds. More than a million Asians in other parts of Africa fear the same thing might happen to them at any time.



It takes social pressure to make persecution unacceptable. So let's hope this time the world doesn't look away.

**The Asian Africans have two kinds of needs: Desperate ones. And the need for a future homeland.**

When you're thrown out of your own country, you need hope, not just charity. The countries that took in the Ugandan refugees temporarily on an emergency basis can't promise them a future. Only a new homeland can do that.

**Finally, an organization has been formed with one unique purpose: To find homes for persecuted people forced to leave their own country.**

Today, the persecution is in Uganda. Tomorrow, who knows?

The Asian African Relief Foundation has been working to find new locations where the expelled Ugandan Asians can go because they want to, not because they have

no choice. With the help of influential people who share our concern, we're looking for a place where all persecuted people — of every race and every religion — can live free again. We need your contributions to carry on the search.

**You can help meet the urgent needs of the Asian Africans.**

Right now, the evicted Ugandans need food, clothing, shelter and medical care. Your contributions, and your own fund raising task force can meet their needs.

**It takes more than money to confront persecution. It takes your ingenuity.**

People with ideas can join together to turn a few dollars into hundreds of thousands. Here are some ways it's been done successfully:

You can organize concerts, from classical to rock.

Have an art sale. Gather amateur artists or art classes together to design and sell greeting cards, posters and bumper stickers.

Schools, churches and groups can hold dance marathons, bake sales,



rummage sales, car washes, art exhibits, bazaars, plays, walking tours, bike trips, auctions, recycling drives.

Use this ad any way you can. Get your local press, radio and television stations to publicize the plight of African Asians. The more involved people become, the more they'll see that there are alternatives to oppression.

Anything you can do to prevent the world from looking the other way could help make persecution a thing of the past.

## HELP MAKE PERSECUTION SOCIALLY UNACCEPTABLE.

**ASIAN AFRICAN RELIEF FOUNDATION**  
P.O. Box 6262  
Santa Barbara, California 93111

Enclosed is my contribution to help the Asian African refugees and all persecuted people in furtherance of their requirements for relocation and emergency care. (Refugees' immediate needs will be served through OXFAM-AMERICA, INC., an affiliate of OXFAM, the thirty-year-old international relief and development organization.)

☐ \$10,000 ☐ \$1,000 ☐ \$500 ☐ \$50 ☐ \$15

☐ I would like to volunteer as a fund raiser. My special skills include (speech-making, organizing, sales, secretarial, etc.):

☐ Please use my additional contribution of \$\_\_\_\_\_ to run more ads like this to fight persecution.

☐ Please send me \_\_\_\_\_ reprints of this ad, at 50¢ each, to use however I can.

Name \_\_\_\_\_

Address \_\_\_\_\_

City, State, Zip \_\_\_\_\_

Make checks payable to Asian African Relief Foundation.  
Tax exemption has been applied for.

Advertisement prepared by John Zeigler, Inc.

supply of heroin entering the U.S. But, according to Drs. Linwood Tice and John H. Moyer, writing in *INTERNAL MEDICINE NEWS*, the poppy curb "will probably make no significant difference in the activities of the underworld and their illegal importation and sale of heroin." This is because most of the world's heroin originates in the Golden Triangle region of Burma, Thailand, and Laos, as well as from Mexico. In contrast, "legal" opium for producing morphine and codeine comes only from India and Turkey. By wiping out Turkey's production, the government is seriously reducing the legal supply, while hardly denting the illegal market.

There are three principal codeine producers in the U.S. The S. B. Penick Co. ran out of opium on 9 May. Mallinckrodt Chemical Works estimates that they could be out of opium by sometime this fall. Merck and Co. has enough to maintain present production through about next March, but is the smallest producer and is unable to pick up much of the slack of the other producers.

If the suppliers do run out of opium this fall, sufferers from influenza, inflammations, bursitis, osteoarthritis, post-surgical and postchildbirth pain, kidney stones, burns, and tooth extractions can blame the federal government's fanatical war against drugs. Perhaps these victims will join the small but growing number of libertarians advocating an end to heroin prohibition.

#### SOURCE:

- "War on Poppies Boomerangs—Millions Face Harvest of Pain," AP (New York), 12 June 1973.

### SAYING NO TO COLLEGE TAXES

For decades one of America's most unquestioned sacred cows has been tax-supported higher education. Although research has shown that it is largely the upper-middle-class and wealthy who benefit from these subsidies (see *REASON*, "Trends," April-May 1971), they have nevertheless been stoutly defended in the name of "equal opportunity" for the poor. At long last, however, this unthinking acceptance is being questioned.

A recent public opinion survey by Opinion Research Corp. found that "over the past decade there has been a major reversal in public support of higher state taxes to permit more young people to go to college." In 1963 some 61% of those surveyed favored increased taxes for this purpose; by 1972 only 35% were in favor,

while 53% were opposed. The opposition to higher taxes was greatest in the west and among households with no children, but in every category more people were opposed than in favor of such tax increases.

The survey findings lend new support to those advocating "full-cost pricing" for public education, i.e., ending the subsidy by charging a free-market price for a college education. Among the most recent advocates of such a policy was a special study for the California legislature, conducted by the Academy for Educational Development in Palo Alto. The study team recommended that student fees in the state higher education system be raised to full-cost levels: from the current \$638 per year to \$2041 at the University of California; from the \$117-168 range to \$2047 in the California State University; and from the current zero-fee level to \$1040 in the community colleges. The increased fees would bring in over a billion dollars annually, some of which could be used to establish an expanded loan fund for students from lower-income families.

Such a pricing scheme would have several beneficial effects. It would tend to reduce the number of non-serious students who go to college merely because it is available; it would improve the schools' resource allocation abilities by placing them into the marketplace; and it would end the forcible subsidy of some at the expense of others. By ending the subsidy aspect of public education, full-cost pricing would also destroy the rationale for the government's operation of colleges, thereby paving the way for a return of higher education to the private (i.e. nonpolitical) sector where it belongs.

#### SOURCES:

- "Education: Is It Worth the Cost?" *ORC PUBLIC OPINION INDEX*, Vol. 30, No. 17, Mid-September 1972.
- "Report Suggests Massive Hikes in Student Fees," UPI (Sacramento), 21 January 1973.

### NADERITES SEE THE LIGHT

One of the more frustrating aspects of the otherwise valuable Nader Task Force reports on such regulatory agencies as the ICC (*THE INTERSTATE COMMERCE OMISSION*) and the FDA (*THE CHEMICAL FEAST*), has been the dismally stale, establishmentarian remedies set forth. After exhaustively documenting the way that government regulatory agencies fail, time after time, to protect the "public" but are captured and used by special interests, the reports have recommended, in essence, the appointment of "better" bureaucrats to the

agencies. Never was the basic premise of government regulation—that a bureaucracy can protect the public better than free competition—questioned.

Until now, that is. For now Nader's Center for the Study of Responsive Law has published its latest report—*THE MONOPOLY MAKERS*, "a scathing 345-page examination of the cozy relationship between federal regulatory agencies and the industries that they supposedly watchdog." Editor Mark J. Green and the study staff demonstrate, in case after case, how the agencies have protected established firms and prevented new entrants especially in transportation and communications), thereby helping to create monopolies whose net impact on consumers and taxpayers is a whopping \$16-24 billion per year.

But the report doesn't stop there; this time the Nader task force's solution is right on target. Green and company call for an end to "corporate socialism" by means of deregulating the protected industries and restoring free competition. Hopefully, this latest Nader report will get at least as much publicity as its less courageous predecessors.

#### SOURCE:

- "Nader's Conglomerate," *TIME*, 11 June 1973.

### DECLINE FOR MAJOR PARTIES

According to a recent poll taken by national pollster Albert Sindlinger, the number of Americans willing to identify themselves with either of the two major political parties has plummeted to a record low in the wake of the sordid Watergate disclosures.

According to Sindlinger, the number of persons identifying themselves as Republicans dropped to 18% the week ending 3 August, while Americans calling themselves Democrats dropped to 26%.

By comparison, Sindlinger noted that in the week ending 6 May, the portion of Americans identifying themselves as Republicans was 22%, while 38% professed allegiance to the Democratic Party. Stated Sindlinger, "Both parties are now at an all-time low." At this rate, it may soon become fashionable for Americans to identify with either the Libertarian Party or the League of Nonvoters! The impact of Watergate is obviously heightened by the televised Ervin committee hearings. So . . . play it again, Sam.

#### SOURCE:

- "Both Parties Lose Backers, Poll Reports," *LOS ANGELES TIMES*, 16 Aug. 1973, § 1, p. 21. □