

The Daily Dish

Got Milk? Not Sure

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Eakinomics: Got Milk? Not Sure

The Senate has been called the world's greatest deliberative body, but even the greatest have their bad days. Yesterday, it devoted valuable floor time to this burning question: Should the taxpayers' valuable funds be sent to the Food and Drug Administration (FDA) to study what can be marketed as milk? Even more ridiculous (I want to say "udderly ridiculous") is that the answer was "yes." This was hardly an episode of The West Wing.

Let's start at the top.

As a general proposition, the federal government is the largest source of monopoly power in the United States, to the detriment of the very citizens who fund it. Countless firms, industries, sectors, and other interests devote time and money to shaping federal policy to their advantage — especially stifling competition. Dairy products are no exception. Like other commodity producers, they have milked the system for federal price supports that have historically raised prices and directly transferred that cash to the dairy interest. (Whether or not this is done in the national interest is a question we'll leave for a future column).

This brings us to the "what is milk?" question. The dairy industry wants to prevent plant-based products from being called milk, thereby restricting competition from soy, almond, coconut, and other milk alternatives. Included in the fiscal 2019 spending bill is a directive for the FDA to study what can be called milk. As *Roll Call* reported, "The agency has begun soliciting public comments on updating the 'standards of identity' for a variety of foods, a process that is likely to settle the score on whether almond-, coconut- and soy-based products can be labeled as milk."

Senator Mike Lee of Utah proposed an amendment blocking the funding, arguing "Consumers are not deceived by these labels. No one buys almond milk under the false illusion that it came from a cow. They buy it because it didn't come from a cow." FDA Commissioner Scott Gottlieb admitted earlier this week that "An almond doesn't lactate, I will confess." Still, Senator Tammy Baldwin of Wisconsin responded that this was "an attack on dairy farmers."

Lee's amendment was defeated by a vote of 84 (against) to 14 (for). Ann Landers once said, "I don't believe that you have to be a cow to know what milk is." Nope, you have to be the FDA.