

POINTS OF VIEW

Consumers lose out in liquor industry's price monopoly

A friend of mine likes to make his martinis with imported Beefeater gin.

When he buys Beefeater at his local wine and spirits retailer — or any other wine spirits retailer in Michigan, for that matter — he pays \$16.79 a fifth. So when he flies on business to Madison, Wis., where the market for booze is open to competition, he buys a couple of bottles at \$14.49 each and tucks them into his carry-on. He's violating Michigan law, of course, but who's gonna catch him.

Another friend of mine is passionate about fine wine. One of his favorites is Screaming Eagle, a cabernet sauvignon made in California that has achieved cult status among connoisseurs. He can't get it in Michigan because wine wholesalers don't stock it and retailers who might want to offer it are forbidden by state law to buy wine directly from the wineries.

So he orders his Screaming Eagle wine on the Net from California. It's shipped directly to him in Michigan ... in a plain brown wrapper, of course, because that's against Michigan law, too.

How come there's no price competition to buy booze in Michigan? Simple. State law gives the Liquor Control Commission the authority to regulate the sale of distilled spirits. In practice, that means the Commission sets the uniform price for virtually every bottle of booze sold in Michigan. And because there is no market competition, prices in Michigan are far above those in Wisconsin or Illinois.

And my friend who gets his Screaming Eagle off the Net is violating the same state law that says that the only place Michigan retailers may get their wine is from Michigan wholesalers. And if wholesalers don't want to carry cult wines because demand is slim, that's just too bad for consumers.

How could such an absurd situation develop?

History, in part. Continued avarice by the State of Michigan in part. And entrenched and powerful lobbies in part. My father used to tell me stories about Prohibition. He and his friends used to drive to the banks of the Detroit River down by Trenton to meet a rumrunner, who smuggled wine and booze across the border from Canada. So when Prohibition ended in 1933 and each state was able to choose whether to become a "control" or "license" state in the sale and distribution of alcohol, Michigan chose control.

Unlike some other states, Michigan's version of control did not involve monopoly state-owned and run retail liquor stores. But the Liquor Control Commission (LCC) orders and buys spirits from suppliers and sells them to retail liquor stores, while pri-



PHILIP POWER

vate wholesalers supply retailers with beer and wine. This is the celebrated (and arcane) "three tier" system of alcohol regulation in Michigan, in which no maker of wine, beer or spirits may sell directly to retailers or the public.

Make no mistake. The State of Michigan, through the LCC, does very well out of this controlled, anti-competitive system. Net income to the state from the purchase and wholesaling of all spirits and the establishment of uniform prices was \$105 million for the fiscal year just past.

Although no numbers are available, the wholesalers who by law are the only sources for beer and wine distribution are also very profitable. To maintain a monopoly achieved by state law requires vigilant lobbying. And, surprise, one of the strongest lobbies in Lansing is the Michigan Beer and Wine Wholesalers Association, whose notorious "Red Room" is the site for many of the fund-raisers that infest the legislature with special interest money.

History. Avarice. Powerful lobbyists. No hum. Situation normal. The state makes lots of money off a regulated non-competitive market, while the beer and wine wholesaler lobby is too powerful to let the legislature ever take away its monopoly. And the ordinary consumer is left out in the cold.

As Jacqueline Stewart, the former L. Brooks Patterson staffer who is now the chair of the LCC, told me: "If Michigan hadn't been a state bordering on Canada with a history of smuggling during Prohibition and if there wasn't so much profit in it for the state with such a strong lobby supporting it, I very much doubt if a confirmed free market governor like John Engler would have tolerated the situation."

It's sad, but that's political reality in today's world.

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LETTERS TO THE EDITOR

For the birds

Last week I planned a dinner party for six. Usually, I prefer eight but being a law-abiding citizen, I settled on the smaller number.

I invited two local cardinal couples, a neighborly nuthatch and a very pretty, unattached chickadee. That made the perfect number. However, my plans fell apart because when I prepared the meal and set it out, all hell broke loose.

A rowdy bunch of crows invaded my yard. They stalked about, selecting their food and before they left, I saw one feisty fellow give me the finger. Actually it was the claw he gave me, but you get the idea. Then, a flock of gentle mourning doves fluttered down to the food, pecking and wobbling about here and there as they ate. At this point, a gull stopped by briefly and after hearing from the doves about the new Farmington Hills ordinance, he was overcome with merriment, issuing forth a series of low chuckles. Yes, as you probably realized, it was a laughing gull, visiting on a trip from his home on the east coast. He was on his way to meet his friends at the Twelve Oaks parking lot where they would all have a bountiful fast food dinner.

Although my intention to obey the new ordinance was foiled, I still intend to invite six birds to my dinner parties and hope that soon they will also conform to the designated rules. In any other city I know there would be a public nuisance ordinance which would deal effectively with the type of complaint that led to the new law.

This ordinance reminds me of the one the council voted for some years ago involving trees. While developers throughout the city were chopping down any and all trees left and right, homeowners could only take down specific trees of certain size on their own private property, regardless of the circumstances. Being a law-abiding citizen back then did cause some annoyance to city hall employees who seemed to get tired of tree calls. It was a case of just another law for the birds, if you will pardon my expression.

W.G. Thomas
Farmington Hills

A cry for help

It's easy to point a finger, but difficult to take the blame. Especially when accepting responsibility requires us to question the values of our entire American society. While the parents of little Kayla Rolland shed tears of anguish over the loss of their daughter, parents shake their heads and wonder how such a senseless tragedy could have occurred, secretly finding a sense of relief in believing that it could never happen in their community, and certainly not to their children.

Meanwhile, Congress and the president collaborate their energies in an effort to construct new gun control policies, and pat themselves on the back, believing their involvement is a more than adequate response to the death of one little girl.

But how many more Kaylas will have to die, and how many more disturbed 6-year-olds will have to make headlines for murder before our country realizes the true issue at hand?

We're not dealing with a stone-cold killer, devoid of remorse or sorrow for his actions. In fact, the boy who shot Kayla Rolland knows little more about the world, or the crime he committed, than the pain and anger which fills his small body. To everyone who knew him, he was clearly troubled. His own father commented on how his son seemed to hate everyone, and recalled previous acts of violence, including one instance where the boy stabbed another child with a pencil at school. School officials also felt that the boy had behavioral problems, and despite three suspensions, made no recognizable effort to investigate the boy's family situation or provide professional counseling. He was obviously crying out for help in the only way a 6-year-old knows how, and was repeatedly ignored, in addition to being neglected.

How can we attribute this murder to the availability of firearms when countless people admit to witnessing all of the signs of a disturbed child? Because it allows us to sleep at night. The prospect that something could have been done by school officials, neighbors, family, friends, etc., is too frightening to explore. And the possibility that the foundation on which most American families are built is nothing more than quicksand, much too complex to resolve.

The gun should not be the focus in this murder. It was nothing more than the medium through which a scared 6-year-old boy decided to tell the world he hurt inside. President Clinton believes that a child trigger lock on the gun would have prevented this crime entirely. It is unsettling to think that the leader of our country is so naive as to believe that a lock on a gun would have extinguished this boy's danger to society.

The realization must be made that it could have been any weapon — a kitchen knife, a baseball bat or even the child's own physical strength. It was not an unquenchable curiosity about a gun which drove this boy to kill, it was the emotional distress he felt as a result of an unstable home life. It is clear that this child is nothing more than a product of his environment. Instead of squandering valuable time and resources on child trigger locks or background checks for weapons, Congress should be striving toward implementing programs that will teach parents how to be parents. There is no better gun control than a mother or father who teaches their child the potential danger and respect for firearms.

Let us not focus on the tender age of the murderer or lenient gun control policies, but rather recognize that it is our responsibility to acknowledge cries for help, and understand that the abuse and neglect of any human being can be dangerous to society as a whole.

Holly Stockton
North Farmington High School

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