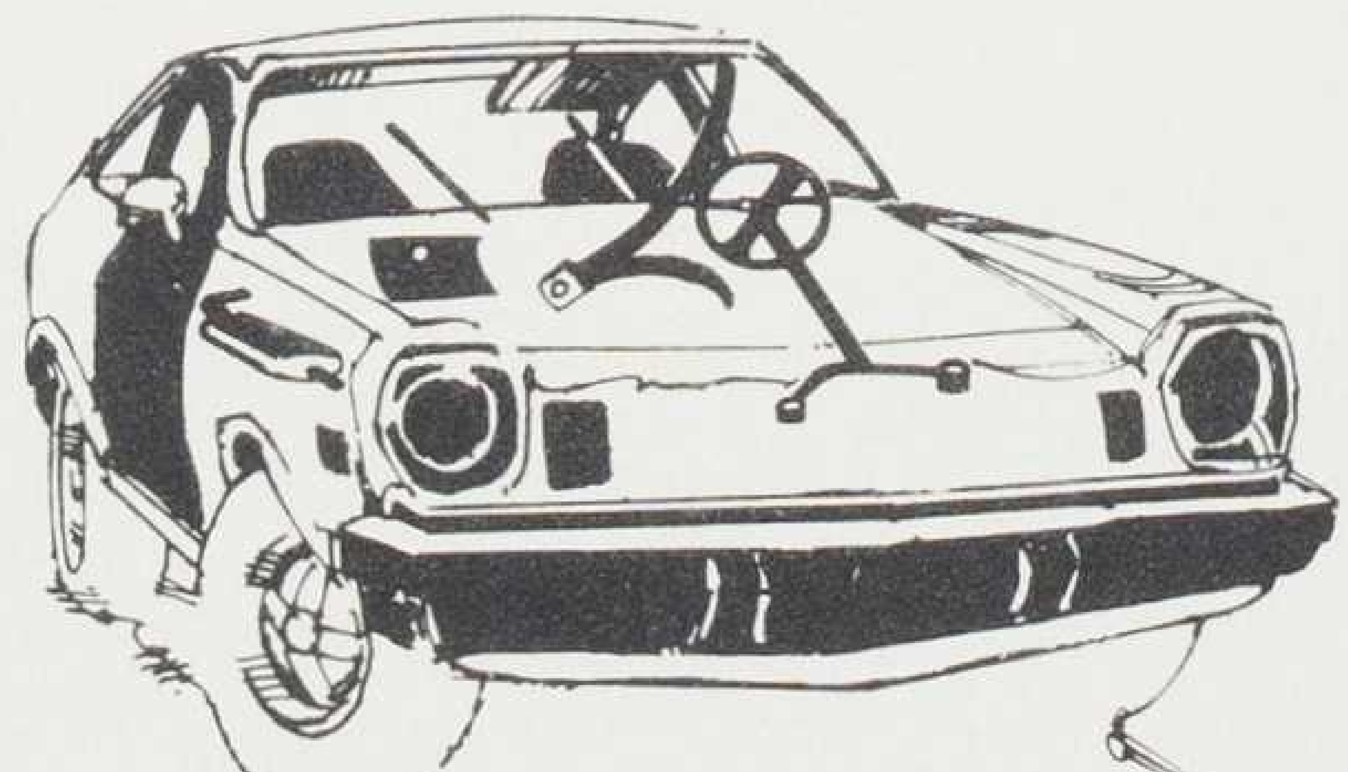
A country can tie up its economy with excessive CONTROL

FACT:

government regulations to "protect" consumers increase taxes and prices.



Federal controls add as much as $800 to the cost of a new car.

About ten years ago, our government decided to "protect" motorists, and ordered seat belts installed in every car.

Next government insisted on a seat belt ignition interlock, which added hundreds of dollars to the price. Then came more controls requiring catalytic converters.

Between corporate cost of research and development, new tooling facilities, auto firms' overhead cost of compliance and actual safety equipment — government regulations add as much as $800 to the cost of a car. Rising prices limit the number of people who can afford a new car and in turn, restrict employment in the auto industry.

Federal regulations increase the cost of a vast variety of consumer products, as Prof. Murray L. Weidenbaum documents in his book, *Government-Mandated Price Increases — A Neglected Aspect of Inflation*.

Dr. Weidenbaum points out that government causes prices to rise by requiring "actions in the private sector which increase the cost of production and hence raise the prices of products and services sold to the public." The Office of Management and Budget estimates that total cost of regulation may be as big as $130 billion. That's 8.1% of the 1976 Gross National Product — about $2,333 for every American family.

Before we demand more consumer "protection," we ought to remember: the price of government regulation is high and it's you — the customer and taxpayer — who foots the bill.

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