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J. Patrick Coolican:

Coolican: GOP's Ed Goedhart an unexpected foe of farm subsidies

By J. Patrick Coolican (contact)

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I thought I had Ed Goedhart trapped. The Republican assemblyman from Amargosa Valley is a true believer, which is always admirable in politics, where the usual tactic is to avoid and evade.

Goedhart has sponsored a bill to create a Tea Party Nevada license plate, an idea that would be acceptable if paired with another that created a MoveOn.org license plate to honor the left-wing equivalent of the tea faction.

In 2009, he was one of just two members of the Assembly to vote against a bill that required insurance companies to pay for the treatment of autism, treatment that costs tens of thousands of dollars per year per child. Finally, someone standing up for the long suffering, underdog insurance industry in the face of Big Autism.

Last month, Goedhart was the only "nay" vote on a bill that will give preferential treatment to government contractors if half their crew are Nevada workers, 25 percent of materials come from in-state and their vehicles are registered here. This is a lame attempt at protectionism and will inevitably increase the cost of government contracts, so it's not such a bad "nay."

But I was particularly interested in Goedhart's views on agriculture. He's a manager at Ponderosa Dairy, which milks 9,400 cows twice a day.

Tea Party members' alleged passion for cutting government spending and deficits can quickly dissipate when that government spending and deficits benefit them.

For instance, more than 60 percent of self-identified Tea Partyers want to preserve Social Security and Medicare. Taken together with military spending, which is usually off the table, that's more than three-fifths of the federal budget.

On farm subsidies, the hypocrisy is often in full bloom. Rep. Vicky Hartzler, newly elected Republican from Missouri, said during the 2010 campaign that government should "leave us alone." Fine, but it's an amusing sentiment considering that her farm had received nearly \$750,000 in subsidies in the past 15 years. Naturally she had some ridiculous explanation for how farm subsidies are somehow different and must be protected.

Ponderosa Dairy has received about \$150,000 in federal farm subsidies in the past decade or so, a fairly insignificant amount for a large operation.

More intriguing is that government is deeply enmeshed in the entire dairy industry, with prices set by an incredibly complex formula that few people understand.

Sallie James, a fellow at the libertarian Cato Institute, calls it "central planning," evoking the old socialist Eastern Bloc.

It's a system that dates from the 1940s, when the government wanted to make sure this highly perishable product was available to all Americans at a decent price.

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In general, it's a little funny for a Tea Partyer such as Goedhart to be in the milk industry. Like a teetotaler tending bar.

So when Goedhart called me this week, I expected him to tell me government's involvement in dairy is necessary for national security or some such.

But here's his response: "I would like to see all farm subsidies go bye-bye."

About his fellow Tea Partyers' support of farm subsidies: "I think it's being hypocritical. If we're going to have free markets, let's do away with all the subsidies.

"I can out-hustle, outwork and out-innovate my competitors. I'm happy to take that risk," he says.

Of course, given the size of Ponderosa Dairy — it's a massive factory farm compared with small dairies in New England, for instance — getting government out of the dairy game would work to Goedhart's advantage. Ponderosa and other large dairies would plow the mom and pop operations out of business and have the freedom to use market power to raise prices. Conveniently, milk is what economists call an "inelastic" good, meaning price has little effect on demand because families need it and will buy at nearly any price.

"We don't say little ma-and-pa delis should stay in business and save them, so why should we with farmers?" Goedhart says.

There are no subsidies for iPhone manufacture, he notes.

On this, he's sort of wrong. The early Internet was originally developed by the Defense Advanced Research Projects Agency. That's the government.

It was also government that gave us the Hoover Dam, without which Southern Nevada would barely exist, as well as the interstate highway system that connects us to all those tourists in Southern California.

Still, credit Goedhart for his consistency, and his refusal to take himself too seriously: "Even if I'm consistently wrong, at least I'm consistent."

Coolican's column appears every Tuesday and Friday.

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