

Baby Formula Was Branded As Evil Long Ago, So Shortages Are No Surprise Today

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June 13th, 2022

As surreal as it may be to contemplate today, four decades ago international regulators were unrelenting in their crusade to get <u>baby formula</u> manufacturers to <u>cease</u> dispensing free samples of their products to mothers. What would millions of American parents not give today for some free formula for their infants at a <u>time</u> when in sizable regions of the country more than 90 percent of formula products are only available sporadically, and stories abound of panicked mothers visiting store after store after store only to discover empty shelves.

During the Reagan era, baby formula was, to the left, the pediatric equivalent of crack cocaine being peddled by greedy multinational corporations out to sicken babies and bankrupt families. They had the audacity to encourage mothers to consider their carefully formulated product as a superior alternative to breast milk. After a 6 1/2 year international boycott organized by activists, leading formula maker Nestle agreed to, among other things, explicitly promote breastfeeding as superior to its own wares. That's like Tesla telling you you should buy a Porsche.

One would imagine that baby formula disappearing from store shelves would be a cause for celebration to the industry's critics, but instead the same firms accused of force-feeding babies to death with their toxic brew are now accused of starving them. Illinois-headquartered Abbott Nutrition, which supplies as much as 40 percent of formula sold in the United States, went into full crisis communications mode, <u>apologizing</u> for a February recall over a rare bacterial contaminant. Rival manufacturers weren't equipped to boost supply to swiftly make up the difference.

The real culprit in this, however, is government. Since baby formula makers are in essence child predators, they have to be regulated to the point of absurdity. The Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) federal assistance program is the largest purchaser of baby formula in the country, and it <u>uses</u> sole-source contracting, in which the states buy formula far below retail prices. WIC recipients are severely limited in the brands of formula they can buy using the program. So when a <u>shortage</u> crisis occurs, the poorer Americans who use WIC are left unable to turn to alternative products.

Labyrinthine regulations written four decades ago with the intention of enhancing safety have <u>limited</u> the market to big U.S. manufacturers with the resources to handle the Food and Drug Administration's complex regulations, the most onerous formula rules in the world. Consequently, Abbott, Nestle, Reckitt, and Perrigo make up 90 percent of the market, with only 2 percent of the market filled by non-U.S. firms.

As Cato Institute trade economist Scott Lincicome <u>points out</u>, high tariffs, typically 17.5 percent, for imported formula, are devised to protect our domestic dairy industry, with imports from Europe "subject to a complex system of 'tariff rate quotas'" that "increase even further once a certain quantity threshold is hit." Foreign manufacturers are required to register with the FDA at least 90 days in advance and undergo annual inspections conducted by the agency thereafter. And the agency routinely seizes improperly labeled infant formula entering the country.

The European Union is the largest producer and exporter of infant formula in the world, and its products meet FDA nutritional requirements, yet they are routinely seized by the FDA.

With much fanfare, President Joe Biden has invoked the Defense Production Act to commandeer commercial jets to bring in formula from abroad. But as Competitive Enterprise Institute senior fellow Ryan Young notes, the aircraft can only bring in formula that passes all FDA regulations—regs that were designed to keep foreign formula out. Far preferable would be simply to accept the approval of responsible foreign regulatory bodies.

Perfectly safe European formula is available now to fill American shelves and nourish infants during the present crisis. We have the regulatory state, inept poverty programs, and politicians serving the vested interests of our domestic dairy industry to thank for it not being available to this country's parents and their small children.