

Freedom Matters

A Weekly Newsletter

Dane County, Wisconsin

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We are a free people in a republic, under a constitution which limits the powers of government to those necessary to secure the unalienable rights of each person to their life, liberty and property. Yet, when a legislature is in session, no one's life, liberty or property is safe. It's the curse of a democracy. That's why we have a republic instead. *Freedom Matters* dedicates itself to the fight to restore our republic. Most of the press and courts fail to do so. They've forgotten that freedom matters.

Do Not Call -- The Newest Multi-Million Dollar Tax

by Michael Byrne

At Freedom Matters we hold to a basic principle that if there is government involved in your life there is probably an infringement on your personal freedom. We find that government seeks ways to promote itself into situations in order to "serve the citizens" because there is a "need."

The definition of "need" seems to have been broadened to include any annoyance anyone can identify that is widely shared enough to be familiar at least as an annoyance to most people. If I'm getting vague here that is exactly the point I'm trying to make. Government employees (especially politicians) we pay with taxes (forcibly collected by statutes) are now spending their time identifying annoyances they can then write regulations to "solve for us."

This week saw a new example for Wisconsin. One of our star state Senators, Jon Erpenbach of Middleton, decided that Wisconsin citizens were suitably annoyed enough at telemarketers that he should help "protect" the people against them. Hence the "DO Not Call" list. The law sets up an office with administrators who log in requests from the annoyed citizens who wish to be free of those awful calls from sales people wherever they may be from.

The list is maintained by these newly created bureaucrats and sold to the direct merchandising industry.

The Industry's Response.

"We don't think it's necessary. Under current law if you tell me, 'Don't call me any more,' it's illegal for me to call you," says Jerry Cerasale of the Direct Marketing Association (DMA). Also, under current federal rules, telemarketers may only call from 8 a.m. to 9 p.m.

A better alternative, Cerasale says, is the DMA's voluntary Do Not Call list established in 1985, which has 4.5 million registered households. He says

his group's 5,000 member companies, such as AT&T and Sears, account for about 80% of telemarketing calls, and all agree to observe its Telephone Preference Service.

The industry's Direct Marketing Association keeps a voluntary national Do Not Call list. Join free by sending your name, address and phone numbers to: Direct Marketing Association, Telephone Preference Service, P.O. Box 9014, Farmingdale, NY 11735. Or register online for \$5 at www.the-dma.org.

What Can a Poor Taxpayer Do?

So, I'm wondering if there is any list I can get on called the "Do Not create any more government workers List." Then I can sign up real soon before the next "danger" to the public is identified by a politician hoping to build a resume of "accomplishments."

The Effect on Retail Business

Meantime, in the public interest I've hunted up for some data so you can see what we are doing on those telephones.

Consumers spent \$274 billion on telemarketing in 2001, according to the Direct Marketing Association (DMA) up 8.5% from the year before. Business-to-business sales were \$387 billion, up 10.4%. In uncertain economic times is it the job of government to impede commerce?

Telemarketing is the second-fastest-growing segment — behind the Internet — of the \$1.86 trillion direct-marketing industry that ranges from catalogs to e-mail to 800 numbers on TV. Telemarketing continues to grow, because it works and there is big money at stake. Taxes come from commerce by the way,

Adults say telemarketing is:
Reasonable and effective: 18%

Rude and pushy: 77%

Source: Public Agenda for The Pew Charitable Trusts.

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Readers' Bulletin Board. e-mail us your comments. Include your name, for publication by *Freedom Matters*

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I cannot help wondering, was this by any chance a **phone survey** the Pew people did? What is the cutoff in terms of percentage above which we need a new law. For example I bet at least 96% of us are annoyed at politicians...

In a survey by the American Teleservices Association, 41% of Americans acknowledged making purchases over the phone in the last year, vs. 45% for the Internet. So clearly we are conflicted about our Need to be Protected from the phone!

Need some more data to help you find the deep conviction necessary to join your fellow Wisconsinites in this most courageous act of civil obedience to the political wind? Women were more likely to buy than men: 45% vs. 37%. The Northeast was the most fertile region for phone pitches.

What Is Its Economic Impact?

An estimated 7,000 telemarketers employ, directly or indirectly, about 6 million people, says the DMA, and employment is predicted to grow at a rate of 3.8% through 2005.

The trade group argues that job cuts would fall heavily on women, minorities and students. It says women make up 60% of the industry workforce, minority workers, 33%, students, 26% and single mothers, 25%.

Is This Censorship?

Whose phone is it, anyway? In its 66-page comment on the FTC's proposed rule changes, the DMA argues that Do Not Call lists violate commercial free speech, as well as levy, in effect, a new tax on business. Too bad the tax just pays for the list. Government paying for its own activity is I suppose laudable, but how much will prosecution of violators cost, and what about the lost marketing value?

What Is Its Cost to Consumers?

At what price? The federal folks who want this estimate it will cost about \$5 million a year to create and maintain the national list.

The industry analysts say the agency is lowballing the cost, and it claims the list could cost more than \$100 million per year and require a small army of new FTC attorneys to handle complaints.

How Effective Will It Be?

"Is this a big make-work project?" asked industry spokes people. Here is the real joke on the citizens at least as far as I'm concerned: Even with a list in place, consumers could still get phone pitch-

es from industries and groups, including some heavyweight telemarketers, regulated by agencies other than the FTC. Among them: phone companies, airlines, banks, brokers, charities and political campaigns. Jerry Cerasale, senior vice president of government affairs for the Direct Marketing Association, the biggest trade group for telemarketers, says so many exempt industries means a national list would cover 50% of calls, at best. "We've found that banks and telephone companies are two of the largest users," he says.

We Control Our Own Phone.

Simply put, Do Not Call lists maintained by the government are totally unnecessary, and are an expensive and poorly effective solution besides. So are industry lists.

The best solution is this. We control our own telephone.

The simple solution to calls you do not want? Simply hang up. If you want to be polite, immediately say "No, thanks," and hang up.

For greater control, get caller I.D and screen your calls, or unlist the number. An additional control is to get an answering machine. Then you don't have to run to the phone when it rings, and you can call back or not as you please.

The great thing about these personal measures you can take, is that they control calls that the Do Not Call lists will not and cannot stop. The other great thing is that they do not inflate your tax bill, nor increase the consumer cost of goods because of another layer of government regulation.

In short, there are alternatives to the choice of taxing everyone just to make sure that certain people have "peace."

After Do Not Call Lists, Where Next?

Soon to come...Do not Mail lists, do not drive here lists, do not build here lists, stop e-mailing me lists, do not eat the following items lists, and the list could go on and on.

We cannot keep adding onto government, to have it do the things we can and should be doing for ourselves. Every unnecessary thing the government does for us is one more infringement on our freedoms, if for no other reason than it costs us more in taxes.

And you thought you were free...