You are a wine connoisseur. You know your varietals and are careful to select your wines based on a firm understanding of the regions, climate and annual growing conditions. How do you feel about politicians selecting your champagne? This paper explores the effect of government subsidies and regulation of champagne production following the destruction wrought on the region by the joint assault of the phylloxera epidemic and Kaiser Wilhelm's Army. Subsequent to the First World War, the French government subsidized the replanting of only certain varietals (the "Big Three", Pinot Noir, Chardonnay and Pinot Meunier), then locked their status into the new Appellation d'Origine Controlee (AOC) system, forever altering the incentives of wine growers. As a result, some indigenous varietals -- Arbanne, Fromentau (Pinot Gris), Marsanne, Petit Meslier, Pinot Blanc, even Gamay -- have become all but extinct in the region, except for the vineyards and bottles of a few traditionalists; these hold-outs are allowed to cultivate existing vines, but forbidden from planting new rootstock of grapes other than the Big Three. In this paper, we use insights from the New Institutional Economics and Public Choice theory to examine the unexpected consequences of government action, which have altered the options of champagne drinkers worldwide.