

HENRY GEORGE HERALD

PUBLISHED BY THE

HENRY GEORGE SCHOOL OF SOCIAL SCIENCE

577 N. Vermont Ave., Los Angeles 4, Calif. NORMANDY 5-8398

"LET no man imagine that he has no influence. Whoever he may be and wherever he may be placed, the man who THINKS becomes a light and a power."
—Henry George

"THE great work of the present for every man, and every organization of men, who would improve social conditions, is the work of education."
—Henry George



MARCH

1928

Vol. 12, No. 3

Foreign Trade Program

The Administration is waging what is generally considered a losing fight in its request for a five-year extension of the Reciprocal Trade Agreements Act, giving the President authority to cut tariffs by five per cent a year for the next five years. Not only that, but there is a move by protectionists to take more and more control of tariff rates away from the executive department.

The recession has undoubtedly strengthened the demand for stiffer tariff rates (from companies and industries not in healthy competitive positions), as has the rising tide of products from expanding industries of several foreign countries.

However, rash action in reversing our freer trade direction of the last 24 years may well be like cutting off our nose to spite our face. In fact, it may even be like cutting off our head. Nine per cent of our industrial production, representing some 4,500,000 workers, is engaged in producing things for export. The total volume last year was almost \$20 billion, more than the total value of the 1947 automobile industry product. It should never be forgotten that we have to accept imports in order to pay for exports. Cutting down or eliminating imports would ruin far more industries and cause far greater unemployment than those which might be hurt by competition from low priced imports.

The even greater danger from raising tariffs is that Russia would be given the green light to take over in the economic field with a host of nations. This danger has been pointed out by Administration spokesmen. The very best way to "win friends and influence people" internationally is to trade with them. This lies in their impelling pocket-book interest with ours.

"Trade not aid" has become quite a cliché. However, there is profound wisdom in it. Foreign nations would, in general, much rather trade with us than receive aid. Aid is humiliating, and continued pouring out of aid may even tend to alienate them. Furthermore it becomes a blackmail weapon in that, if this aid is withdrawn, the recipient country might turn to communism.

(Continued on P. 2)

Symposium on Recession to Be Commencement Feature

The date is --
Monday, April 14th
The time is --
7:45 P.M.
The place is --
the main auditorium of the Southern California Gas Company, 810 S. Flower Street, Downtown Los Angeles. The event is the Winter Term Commencement and Alumni Conference of the Henry George School.

Leading spokesmen from labor and industry and prominent members of the School will discuss the current "Recession." The audience will take it from there and participate in discussion groups which will consider the various aspects of the Recession. Your views and questions, summarized, will then be presented to the reassembled audience and the panel.

Desert and coffee will be served during the "buzz" sessions, but time will remain to greet and converse with old and new friends.

Radio Program Features Local Georgist in Explanation of Land Tax Doctrine

On the popular KFI radio program, "The Night Owl", Ben Hunter, the M.C., read a letter from a Fairhope, Alabama, listener Wednesday night, March 5th. The writer incidentally mentioned that Fairhope was a "Single Tax" town.

Our wide awake Jack and June Kennedy (even though it was 2:00 A.M.) immediately telephoned the station and their subsequent one-half hour conversation with Ben Hunter was heard on radio far and wide. Mr. Kennedy explained the Fairhope plan, told about the Henry George School, its classes, its location, and something about George's doctrines. Other listeners joined in the conversation and Jack demonstrated that George's ideas are diametrically opposed to socialism. (One of the listeners had claimed that George was a socialist.) These conversations continued for two nights and at their termination Ben Hunter expressed a keen interest in the School. The Kennedys promised to send the eager Mr. Hunter a copy of Progress and Poverty. The switchboard was kept open at KFI until 5:30 A.M. on March 6th to receive listener inquiries. The response was unprecedented.

The School is still receiving telephone, mail, and personal inquiries. Jack and June are responsible for one of the "best breaks" the School ever had.

(More news on P. 2)

Foreign Trade Continued

Trade is much cheaper than foreign aid, too. Expanded trade which results from lowered, not increased tariff barriers and quota restrictions, can result in savings to American taxpayers (as a result of the consequent lessening of foreign aid) of billions of dollars a year.

And if freer trade can accomplish so much, completely free trade can accomplish even more. There are, of course, many questions attending such a proposal, which are taken up in a special course offered from time to time by the Henry George School, on the Principles of International Trade.

Bill Drafted to Reduce Improvement Tax

Vernon Kilpatrick, Lynwood Assemblyman, and a graduate of our local Henry George School, has drafted a bill for introduction to the California State Legislature, which would gradually reduce the rate of tax on improvements and personal property over a ten year period, until it reaches 50% of the tax rate on land. In this it is similar to the method by which Pittsburgh and Scranton, Pennsylvania, have gradually reduced their taxes on improvements and increased their taxes on land values. This bill could be a giant step toward introducing incentive taxation in California.

Property Tax Bill Introduced

Assemblymen Erwin of La Puente and Bonnell of Huntington Park have introduced bills in the Assembly which would limit the increase in property assessments to 5% a year. These bills were intended to aid land speculators whose properties might be tripled or quadrupled overnight due to construction of freeways or other public improvements. It might also have the unexpected effect of practically eliminating assessment of new improvement on real property. It is probable that these two assemblymen did not realize the possible effect of this legislation or they would not have introduced it. Unfriendly critics, however, claim that since both Erwin and Bonnell are quitting the Assembly to run for county supervisor, they have no interest in the legislation, but only seek publicity.

HENRY GEORGE HERALD

Published by

HENRY GEORGE SCHOOL OF SOCIAL SCIENCE
577 N. VERMONT AVE., LOS ANGELES 4, CALIF.

Baltimore Considers Elimination of Repressive Taxes On Business

The Mayor of Baltimore, Maryland, Thomas D'Alesandro, has recently proposed the gradual elimination of the city's manufacturers' inventory and machinery tax, of the tax on advertising, and reduction of the city cigarette tax and the merchants' inventory tax.

"Many people are blaming the manufacturers' tax for unemployment and other business ills," D'Alesandro asserted. "This gives the city a bad name throughout the country. We are blamed for layoffs which have nothing to do with taxes, but are due to the recession."

D'Alesandro should know that taxes on production, while they may not have single-handedly caused the recession originally, have a definite depressing effect on business and industry and, further, that their elimination will tend definitely to stimulate the economy. At any rate, he says that he will appoint a commission to study alternative sources of funds to compensate for the \$22 million loss in city revenues. He might try the one tax that neither causes an increase in prices to the consumer nor penalizes the businessman for producing goods.

Chavez Ravine and The Dodgers

If we decide to give Chavez Ravine to the Dodgers, it may prove to be a very expensive gift. Experts estimate that the taxpayers would be out \$6,622,000 for the land alone, with an additional \$2,000,000 to be spent by the City for grading and \$2,740,000 by the County for access roads, plus ceding one-half of the oil rights.

On the other hand, Dodger fans claim that the City could then sell Wrigley Field on the open market; that the land under it is worth \$850,000, and the improvements over \$1,400,000. They also claim the Chavez Ravine deal would add \$300,000 extra income every year to local tax revenues. -- Take your choice.

Thomas Paine, in Agrarian Justice, proposed that all land values be taken in taxation.

Non-Profit Organization
U. S. POSTAGE
PAID
Permit 12842
Los Angeles, Calif.