

Noah D. Alper's Brief Cases

LABORATORY ODDITY NOW BIG TAX COLLECTOR

It was once reported in Brief Cases that when Prime Minister Gladstone was told by physicist Faraday that they had been able to induce a current to flow through a wire, he asked, "and pray what good is that?" The reply was, "It may one day give you something more to tax."

The Tax Foundation recently stated that this phenomenon which made possible a spark plug had resulted in the collection of \$188.8 million in the fiscal year 1961 on spark plugs and other auto parts. This sum (eight per cent) is of course but a splinter portion of the total taxes related to an electric current flowing through a wire.

UP, UP AND OVER?

Real estate investment is heading for a new high and it is going to be dramatic and interesting to observe, according to Charles G. Haynesworth who is quoted in an article in *The Appraisal Journal*. He notes that real estate is regarded as one of the best investments for "yield, tax shelter and hedge against inflation" and shows how post-war syndicates or private investing groups have attracted small and large investors. "More than 85 companies offered nearly \$400,000,000 in securities to the public in 1960," we read, "three billion dollars were invested in real estate syndicates by over 110,000 individuals . . . this amount of investment in equities could control over ten billion dollars of properties."

FARMERS, TARIFF AND MISSING LINK

"Farmers are showing a new interest in imports from foreign countries of items that affect their production expenses," according to Roger Fleming, secretary-treasurer of the American Farm Bureau Federation, as quoted in the *St. Louis Globe-Democrat*.

"If farmers could not utilize imports of production supplies like barbed wire, bale ties, baler twine and petroleum products to help hold down production costs, the already serious cost-price squeeze would be even worse," he said. "If we don't use the land, labor and capital to produce for export, a lot of these agricultural resources will go into production of commodities for a domestic market already over-supplied—and that would compound our problem."

Almost universally admitted is the logic of trade being a two-way street deal, and conducive to higher productivity and standards of living, and peace. Yet the political pendulum swings up and down as a middle-group of voters switch for or against freer trade because of the wage and employment changes. Henry George exposed the missing link in Protection or Free Trade, but the over-all tax problem is not considered.

ABSENTEE OWNERS LACKING IN PRIDE

"It seems to us that the towns in the better agricultural districts where family farming is the rule not only have the greatest charm, but also a feeling of well-being. . . . In the absentee-owned, tenant farmed country, towns tend to run downhill. Here business drags, there is less pride in the schools and churches, and out in the countryside the farmsteads grow shabby."

"This land has to provide three profits: one for the absentee owner, one for the farm management firm that supervises the operation and one for the tenant farmer. Much of this income is drained away and leaves the neighborhood. And sadly, much of it comes from government subsidy, since these farm lands tend to raise only the subsidizing crops. Nothing is more unfair, in fact, than to blame the bad features of the farm program on the family-owned farms when the great bulk of subsidies goes to the big one-crop farms and factory-type farming operation."

—Written from Guelph, Ontario for the *St. Louis Globe-Democrat* by Leonard Hall, a well-known Conservationist, whose home is in the Ozarks