

THE NATIONAL TAX RELIEF CONVENTION

OF THE

MANUFACTURERS AND MERCHANTS FEDERAL TAX LEAGUE

HELD IN CHICAGO AT THE CONGRESS HOTEL

NOVEMBER 9 AND 10, 1923

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PRESIDENT'S ADDRESS

By OTTO CULLMAN

(President of the Cullman Wheel Company, Chicago)

MEMBERS OF THE MANUFACTURERS AND MERCHANTS FEDERAL TAX LEAGUE, FRIENDS, LADIES AND GENTLEMEN:

It is not often that a body of such distinguished men and women as I see before me, representing so large a variety of industrial activities, and coming from so many states in the Union, gets together for the purpose of discussing so presumably dry a subject as taxation. It is not often either that a body such as this assembles for the purpose of seeking—earnestly and intelligently—ways in which to obtain relief from the crushing tax burdens that are bearing down upon us. It is therefore not merely a great pleasure but an honor for me, as President of the Manufacturers and Merchants Federal Tax League, to welcome you here; and to express the hope that before our Convention is adjourned some genuine light will have been shed on this all-significant but unfortunately little understood subject.

Importance of the Problem

It is needless, I am sure, for me to point out to this audience the far-reaching and profound importance of the tax question. Taxation involves more than a mere raising of public revenue. It involves our business, our freedom; indeed, it involves the very peace and prosperity of all society. For while the amount of revenue raised by taxation is of considerable importance, the **manner** in which the revenue is raised is of **vastly greater importance**. As one economist has truly observed:

“Taxation may create monopolies, or it may prevent them; it may diffuse wealth, or it may concentrate it; it may promote liberty and equality of rights, or it may tend to the establishment of tyranny and

despotism; it may be used to bring about reforms, or it may be so laid as to aggravate existing grievances and foster hatred and dissention among classes; taxation may be so controlled by the skillful hand as to give free scope to every opportunity for the creation of wealth or for the advancement of all true interests of states and cities, or it may be so shaped by ignoramuses as to place a dead weight on a community in the race for industrial supremacy."

I think therefore I may safely say, and I believe no one will dispute me when I say it, that the proper solution of the tax problem is the greatest need of our nation to-day.

The League—Its Origin and Purpose

But, lest there be misunderstanding, just why are we here? To deal with the tax problem as it concerns the federal government only?

MR. DAMOCLES HAD ONLY ONE SWORD HANGING OVER HIS HEAD



—Morris for the George Matthew Adams Service.

No; I am glad to say that the Organization of which I have the honor to be President, has taken no such narrow view of the matter.

It is true that the Manufacturers and Merchants Federal Tax League was organized in 1920 by a group of business men for the purpose of guiding our unscientific federal revenue legislation into saner channels, and this is still the chief object of the League. We have now had bills carefully prepared and introduced into Congress which, when we get them through, will prove a vast step forward in remedying the absurd and harmful revenue legislation hatched out by our national legislature. We will of course hear more about these bills before the Convention is over.

Will Deal With State and Local Taxation, Too

But to limit tax discussion at this time to the federal aspect only would be more than mere shortsightedness on our part; it would be a gross dereliction of our highest duty. For taxation as it pertains to state and local affairs is of equal importance to taxation as it pertains to national affairs, if indeed not more so. For the total amount of revenue collected by state and local governments is not only larger than the total amount collected by the national government, but the abuses and the losses involved to the public are even greater.

So I am glad to say that we will consider the tax problem at this gathering, not merely as it affects the business man, the merchant,

the manufacturer, the laborer, the farmer—in a word, the producer, wherever he may be, but as it relates to state and local governments, as well as national.

Best Speakers Secured

It was the hope of our good Mayor, the Hon. William E. Dever, that he could be with us in person this morning to deliver a few words of welcome to you, but he just informs me that he is being unavoidably detained, and that he has sent his friend Alderman Wiley W. Mills to speak in his behalf.

We are glad indeed to have Alderman Mills with us. Before calling on him, however, I cannot refrain from extending a word of congratulation to the Convention on the quality of all the speakers that the management has been able to secure for this occasion. They are men who are representative of all branches of industrial activity—the business, the farm, and the professional fields; men who are thoroughly grounded in the fundamentals of economic science; and men who have spent, not only years, but frequently their whole lives, studying the tax problem as it pertains to industry in general, and their own occupation in particular. I feel confident therefore that they speak with the highest authority, and that what they have to say is of the profoundest importance to us all. Listen to them!

TIME FOR A RESCUE ACT



—Cartoon by McCay, courtesy of the New York American.

[Alderman Wiley W. Mills here addressed the audience for fifteen minutes in behalf of the Mayor, the Honorable William E. Dever.]
