

Shackles on Commerce

MANUFACTURERS in Holland buy steel from West Germany without battling local tariffs, and in Central America, similarly, trade walls have fallen.

"Since the end of World War II national policy of the United States has recognized that liberalized international trade is essential to promote and preserve the strength of the non-communist world. For nearly two and a half decades the presidents have backed the removal or lowering of tariff barriers and the creation of common markets in Europe and Latin America," states The Springfield Union of Springfield, Massachusetts, in an item sent by Harry C. Fletcher.

The idea of a common market was pioneered 180 years ago in the United States, but we seem to be "retrogressing back into local protectionism" which penalizes the out-of-state seller. In all but a few of the 50 states, American commerce is fettered by restrictions which take the forms of taxes, regulations and administrative rulings.

Arkansas publishers can sell magazines by subscription without paying a sales tax, but out-of-state publishers are

denied this exemption. Six states rule against persons who trade cars bought in other states. Florida, Kansas, Louisiana and North Carolina tax products made outside the state but exempt the identical product manufactured within the state.

Discriminatory taxation is the culprit which results in aggravation and competitive disadvantage to the seller and higher prices to the consumer. In the case of wine, Georgia, which has only one local winery, places a tax of 20 cents a gallon on domestic wine, but raises the levy to \$1 a gallon on wine from California or New York. On wine of high alcoholic content the tax is 50 cents a gallon for the local product and \$2 for all "foreign" wines.

Such indiscriminate taxation of products in interstate commerce is forbidden according to Article I of the Constitution, which denies to states the right to levy duties on imports and exports. But despite protests, Congress has ducked the issue and courts have often declined to invalidate state measures. People talk about this "balkanization of the economy" but few are doing anything about it.



Of all the things you can buy with money today, land is one of the best values. In a time of inflation, when cash is worth less each year, land you own has a solid value. It is real and is not called "real estate" for nothing. Except for the depression years of the 1930's, land in the growing areas of the country has gone up steadily in value. You have seen lots in your area double or triple in value. But do you know that land prices in general have increased 16.8 percent each year since 1950? That is a faster growth than money invested in savings banks, savings and loans, or in many stocks.

**Dr. Carl Norcross in The Bluebird Letter edited by
Elmer Russell Greenlee, Muncie, Indiana**