

How to Pay for the War

Immense war appropriations are being considered by congress. We support these appropriations because a large sum of money must be immediately available.

Probably it will be necessary to follow these appropriations with others.

The important thing is to be clear in our own minds as to how to deal with the indebtedness which the issue of bonds and certificates will represent.

The debt must be paid by taxation of all incomes, except very small ones, on the lines suggested below. Our committee recommends that incomes below \$2,000 a year be exempt from

taxation, for the reason that people of such moderate means will be taxed enough for the increased cost of living due to the war.

This is the committee's policy. We believe that it is a just one. It is also in substantial accord with the policy of the President outlined in his speech of April 2, when he asked congress to declare war. Speaking of the war, Mr. Wilson said:

"It will involve also, of course, the granting of adequate credits to the government, sustained, I hope, so far as they can equitably be sustained by the present generation, by well conceived taxation."

If these "adequate credits" (the war bonds

and certificates) are not paid for by an income tax, how will they be paid? They will be paid chiefly by the wage earning classes and the people of moderate means in taxes and revenues, and in the increased cost of food, fuel, rent and other necessities of life, caused by high taxes and revenues. For, in the long run, it is the consumer who shoulders the burden of taxation.

The country must have large and prompt appropriations. But let us guard against hastily adopting, during the first emergency of war, unwise and unjust methods of finance.

We ask the earnest attention of every patriotic citizen to the declaration and pledge printed below.

DECLARATION!

Will You Stand by Your Country?

In WAR, the country needs two things: MEN and MONEY.

Rich and poor must be ready to make patriotic sacrifices. But the poor man will make the greatest sacrifice. He will do the bulk of the fighting, because he forms the bulk of the population. He will offer to his country more than life itself—for, if killed, or disabled, he leaves his wife and children helpless, dependent on charity or the state.

But war does not only demand its toll of human life. It requires a limitless expenditure of money. Never in the history of wars has money been so necessary to military success. (Great Britain alone is spending THIRTY-FIVE MILLION DOLLARS a day as her share to the war's expense.)

What, then is the duty of all citizens of means, those who have a comfortable sur-

plus, and especially all who will remain at home protected by the sacrifice of the nation's young manhood? The least that can be done by the men and women with bank accounts, the men too old to fight, and all other people of means who do not go to the front, is to bear their share of the nation's burden by the free and prompt offering of their wealth to the nation's cause. America needs more than spoken loyalty from its citizens who stay at home. It needs real support.

In war, the burden of fighting must be carried by those who are physically strong and fit to fight. The burden of finance must be borne by those who are financially strong and able to give. Above all, the war must be paid for as it proceeds, in dollars as well as in lives. There must be no crushing legacy of bonded debt to be paid in taxes by the men who have done the fight-

ing and their children. Let us make this a cash war, a pay-as-you-enter war. Let all loyal citizens who have incomes above their immediate necessities volunteer their wealth.

The people of the United States have never failed to respond to their country's need. They never will. In our Civil War a million men (a quarter of the whole population of military age) volunteered at Lincoln's call during the first year. But the nation's private fortunes did not volunteer. They declared for patriotism, while they profited on the country's necessity. Congressional committees disclosed gigantic graft and thefts from the government in war contracts. The public need not be reminded of the experiences during the Spanish-American war. Let us not forget these bitter lessons of history.

In the name of honor, justice and the country you love, sign the pledge below.

- E. W. SCRIPPS
- JOHN P. WHITE
- SAMUEL McCUNE LINDSAY
- HAROLD HOWLAND
- W. P. MONTAGUE
- FREDERIC C. HOWE
- A. J. KELWAY

- JOHN L. ELLIOTT
- OWEN R. LOVEJOY
- HENRY MOSKOWITZ
- JOHN J. HOPPER
- AMOS PINCHOT
- JOHN D. FACKLER
- WILL IRWIN

- SUMNER GERARD
- WILLIAM T. CREASY
- GEORGE P. HAMPTON
- ALEXANDER M. BING
- GEORGE FOSTER PEABODY
- GEORGE W. ALGER

PLEDGE

I hereby request that the Congress of the United States shall immediately enact legislation providing substantially for the following measures:

1—That there shall be levied on all net incomes in excess of \$2,000 (for unmarried persons) and in excess of \$3,000 (for married persons) an annual war tax, beginning at 2 per cent, and increasing on a sliding scale to a point which will permit of no individual retaining an annual net income in excess of \$100,000, such war tax to continue until all bonds and

other obligations issued for war purposes are paid.

2—That all war supplies or war service, including transportation, shall be furnished to the government at a reasonable profit, to be fixed by congress.

3—That congress shall enact legislation pre-

venting the sale of necessities of life during the war at excessive profits.

4—That intentional failure to supply the government with correct figures as to income or as to profits on such sales and service, and that furnishing the government with defective war supplies, shall be a felony, punishable by imprisonment.

prompt enactment into law of such measures.

I pledge myself to support and use my influence, in so far as I am able, to further the prompt

Issued by AMERICAN COMMITTEE ON WAR
FINANCE, 60 Broadway, New York
Send Your Contribution to Aid This Work.

Signature

Address