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# Who Will Pay?

[c. June 10, 1917]

by Scott Nearing

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When the war began the American people were told repeatedly that this was not to be a “rich man’s war and a poor man’s fight.” The rich were to shoulder the financial burdens in the same spirit that the poor shouldered the burdens of campaigning. It was taken for granted that the bankers, manufacturers, and real estate operators would not see active service — most of them were too old for that, but it was expected and confidently asserted that they would be generous in their support of the war.

Public confidence in the intention of the business interests to finance the war when the \$2 billion Liberty Loan was advertised to the country on the installment plan. The business interests do not as a rule buy on the installment basis. Working people do buy that way. Apparently the business interests were depending on the working people to finance the war as well as to fight it. There are a hundred banking firms in the country that could easily have carried the entire loan — \$20 million to each firm. There are a hundred business concerns that could have done likewise. But they did not do it! Instead they asked the people to do the buying.

Folks began talking about it.

The people were asking who would pay for the war, after all. They were already paying high prices. Would they be compelled to put up the money for the bond issue, too?

Then came the Revenue Bill. During the past two months incomes both personal and corporate have soared skyward. A few people have been making hundreds of millions. The Revenue Bill proposes to take a small fraction of this huge increase.

But in addition to that, the bill proposes considerable increases of the tax rate on beverages, cigars and tobacco, advertising and insurance, transportation, manufacturing, a stamp tax, and a further tax in the form of increased postal rates. In other words, the measure proposes to tax the things which the average man uses. The money is to be raised from the consumer — the man in the street.

With astounding frankness the House committee (May 9, 1917) on page 2 of its report, states its position: “Your committee believe the American people were never in a more favorable condition to pay a reasonable amount of taxes for war purposes in addition to those for normal purposes than at the present time. Your committee has endeavored to distribute equitably this additional burden of taxation and so to levy the proposed taxes as to necessitate as little readjustment or disturbance to business as possible.”

Business is not to be disturbed. The people are to pay. This is a democracy, we are told, but when it comes to raising revenue, the world over, the same crowd pays the bill.

*Edited by Tim Davenport*

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