

TAXES CHIEFLY BLAMED FOR HIGHER PRICES

Five Years Bring Astonishing Increase in Costs to Government.

ALL SCALES ARE UP

By HARRY B. HUNT,
Staff Correspondent of the Newspaper Enterprise Association.

WASHINGTON, Jan. 12.—The increase in the cost of living, proportionately, hasn't hit the individual half as hard as the increase in the cost of government.

The bureau of labor statistics shows the index figure for the cost of living as 188 compared to costs in 1913-14 and '15. If an index figure was established for the cost of government, on the same basis, it would stand somewhere around 400. The result is that the increase in cost of living is, to a very appreciable extent, the result of the increased cost of government and its consequent high taxes.

The cost of Uncle Sam's government to each of his citizens, men, women and children, in 1910, was approximately \$4, and his total government expenditures, exclusive of the postal service, \$318,917,000.

By 1900 the per capita cost had more than doubled, up to \$8, covering the costs of the Spanish-American war and the "extravagant" expenditures incident to the "imperialistic" policy that kept us in the Philippines and in Cuba. Appropriations for 1900 amounted to \$385,033,000.

For 1920 congress appropriated a total of \$783,000,000, about \$7.75 per capita, and by 1915 this had increased to slightly more than \$8 per capita.

FOUR AND A HALF BILLION APPROPRIATIONS ASKED

Estimates presented to the present congress, however, for the year from June 30, 1920, to June 30, 1921 call for appropriations of \$4,473,693,355.62, or, on a basis of population of 110,000,000, just \$46.66 per capita! Where has the cost of living anything on that?

It would be conceivable, however, for us to figure next year's governmental expenditures on the basis of estimated expenditures compiled by the experts of the treasury department. These estimates the government's cash outlay for the fiscal year 1921 at \$3,973,787,985—or \$36 per capita. That is believed to be the irreducible minimum!

Entire cost goes approximately \$1,900,000,000 in fixed charges resulting from the war.

Interest on the public debt will amount to \$1,017,500,000. Sinking fund charges take \$287,500,000. In all, the total fixed charges to be met by the government in 1921 stands at \$1,343,553,000 before any appropriations are made for current expenses.

Of this amount \$376,574,875.52 is interest on loans to foreign governments, the greater part of which interest has been waived by this government for the next three years, but accumulates as a credit to our account against the time of ultimate settlement.

GROSS PUBLIC DEBT EXCEEDED 26 BILLION

The nation's gross public debt amounts to \$26,210,350,269, of which amount \$8,925,361,000 had been added since April 6, 1917, when we entered the world war. Loans to the allies and other European countries represent about 40 per cent.

The mere physical job administering Uncle Sam's money chest, as a result of our bond issues and war taxes, is expected to cost \$808,331.36 for the current year, and the total expenses of the treasury department to aggregate \$73,405,101.36, as against \$60,258,012.88.

A flat sum of \$21,000,000 is asked to cover costs of collecting war revenue taxes. For enforcing the new national prohibition law, including allowances for chemists to test suspicious beverages, \$1,000,000; for police, \$1,000,000; and liquor, \$1,000,000 to ferret out law-breakers. \$4,000,000 is to be provided.

Including administrative costs, the revenue bureau alone expects to need next year no less than \$42,288,000, as against \$28,288,000 for the current year. Part of this money, however, would be paid directly back to taxpayers in the form of refunds amounting to \$12,000,000 of tax illegally collected in previous years.

Paper costs, too, affect Uncle Sam's expenses, the mere blank forms and stationery needed for next year's work amounting to \$214,400, as against \$90,000 for 1920.

NATION'S INCOME FOR NEXT YEAR, FIVE BILLION.

Uncle Sam's total estimated income for the year ending June 30, 1921, is placed by treasury experts at \$6,620,350,000, and his probable expenses at \$6,620,350,000, leaving a balance of \$1,881,002,015.

On the basis of the \$1,881,002,015 allotted deficit for the current year of \$3,908,888,543, even if revenue amounted to the \$5,620,000,000 "estimated"—which many fiscal authorities now doubt—June 30, 1921, then, promises to find the treasury still with a deficit, after providing for the sinking fund, not figured above, of \$2,293,336,228, if our present program of appropriations and expenditures is carried out.

Included in the estimates for 1921, however, are largely increased estimates for the military establishment which the American people will, doubtless, wish to study closely. Just why our army

DECLARES WORLD GOING TO DEVIL

Rev. McCaslin Says, Everything's Topsy-Turvy.

"What is the matter with the people?" was the question upon which Rev. J. C. McCaslin, pastor of the Mansur Park Methodist Protestant church, based a sermon Sunday.

Answering the question, he declared:

"People are self-centered, money-mad and pleasure-crazed. They have left God out of their program entirely. There is no Christ in the dancing, gambling, movie-film, sex-obsessed society of the world."

Asking the question, "What is the matter with the church?" he answered as follows: "She has compromised with the world, the flesh and the devil. She is lukewarm and indifferent to her God-given mission of soul winning. In recent years she has been so busy reforming society before she got her members regenerated that she has forgotten how to get people converted to God."

"What can she do about it?" Rev. McCaslin asked and continued: "It is hardly necessary for me to waste words. The average politician is peanut-visioned, graft-rotten and Satan-possessed. He has about as much real interest in God, home and the vital welfare of the country as a hog has in heaven. One question, what is he hellen? God have mercy! Multitudes, besides politicians, are seeking first of all for themselves everything in the world before they even think of God."

"In this old, sin-cursed world everything seems to be topsy-turvy, out of balance and going to the devil because we have forgotten God."

Costs should mount next year, as against the current year when the business of the war was not yet wound up, many will fail to understand. Perhaps they should not.

That is for the public and the congress to decide. Just what activities the army is proposing for next year, and the amounts they would cost, will be reviewed in tomorrow's story on the cost of government.

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