

activity of the country would be chilled and demoralized.

We ought not to borrow. We ought to resort to taxation, however we may regret the necessity of putting additional temporary burdens on our people. To sell bonds would be to make a most untimely and unjustifiable demand on the money market; untimely, because this is manifestly not the time to withdraw working capital from other uses to pay the government's bills; unjustifiable, because unnecessary.

The country is able to pay any just and reasonable taxes without distress. And to every other form of borrowing, whether for long periods or for short, there is the same objection. What we are seeking is to ease and assist every financial transaction, not to add a single additional embarrassment to the situation.

The people of this country are both intelligent and profoundly patriotic. They are ready to meet the present conditions in the right way and to support the government with generous self-denial. They know and understand, and will be intolerant only of those who dodge responsibility or are not frank with them.

The occasion is not of our own making. We had no part in making it. But it is here. It affects us as directly and papably almost as if we were participants in the circumstances which gave rise to it.

We must accept the inevitable with calm judgment and unruffled spirits, like men accustomed to deal with the unexpected, habituated to take care of themselves, masters of their own affairs and their own fortunes. We shall pay the bill, though we did not deliberately incur it.

In order to meet every demand upon the treasury without delay or peradventure, and in order to keep the treasury strong, unquestionably strong, and strong throughout the present anxieties, I respectfully urge that an additional revenue of \$100,000,000 be raised through internal taxes devised in your wisdom to meet the emergency.

The only suggestion I take the liberty of making is that such sources of revenue be chosen as will begin to yield at once and yield with a certain and constant flow.

[See current volume, page 771.]



While the Committee on Ways and Means was deliberating over a bill to provide for the deficit, the following was introduced by Congressman Warren Worth Bailey of Pennsylvania:

That a supertax of five per centum be, and is hereby, laid on all incomes, however derived, of \$20,000 or over, for the purpose of covering any deficit in Federal revenues resulting from losses in customs receipts due to the present war in Europe, said supertax to be assessed and collected in the same manner and under the same regulations as the tax on incomes provided for in the Act of October third, nineteen hundred and thirteen, entitled "An Act to reduce tariff duties and to provide revenue for the Government, and for other purposes": Provided that any moneys derived from the supertax on incomes of \$20,000 or over in excess of the amount necessary to cover said deficit in customs receipts

shall become available for expenditures in support of the Naval Establishment: Provided further, That if a surplus should still remain after all naval requirements shall have been met, the residue shall be applied in the payment of pensions authorized under existing laws to soldiers and sailors.

[See Current volume, page 794.]



Part of Navigation Laws Suspended.

The President on September 5 issued an order waiving certain provisions of the navigation laws in order to facilitate registration of foreign built ships. The clause requiring naval officers to be American citizens is suspended, as are also provisions regarding measurement, survey and inspection. [See current volume, page 805.]



Progressive Nominations.

At the Nebraska primaries on August 18 Laurie J. Quinby of Omaha received the Democratic nomination for State Senator. In the city of Omaha he was "high man." His statement of principles during the campaign was as follows:

I am for Justice in Taxation—

A Tax is a Fine.

Therefore—

Tax Privilege—not Enterprise.

Tax Indolence—not Industry.

Tax the Source of the Speculator's Profits—not the Home.

Tax Franchises—not Personal Property.

Tax Unearned Incomes—not Household Goods or Tools of Production.

Tax the "Vacant Lot Industry"—not those who Build.

Tax nothing that Labor makes, that can hide or run away, or that could or would come to Omaha.

So long as Omaha is compelled by the laws of the State to place an annual fine on those who come here with capital to build factories, to open up industries, to establish mercantile houses and employ labor, so long will her development be checked.

I favor a move by which these cities may adopt their own system of taxation.

If the foregoing principles were put into effect, Omaha, South Omaha and their suburbs would become the most attractive community in America.

The Republicans nominated for Governor R. B. Howell, an advocate of public ownership whose campaign was made on that issue. He secured the nomination in the face of reactionary opposition. [See current volume, page 638, 664.]



In the California primaries on August 25 William Kent, the sole independent member of the present Congress, received the Progressive party nomination and possibly the Democratic nomination. His name did not appear on any ticket, but had to be written in by the voters. With returns still incomplete more than 11,000 voters are known