

AT PRESENT little excitement is caused over the appropriation of another one or three or five billion dollars by our Congress. Mr. and Mrs. Haussenpfeffer may discuss it over their breakfast rolls and coffee. Or perhaps in their consideration of things more important, it is not even given passing notice. He may read that the public debt has hit a new high—until it reaches the sky there is no high quite like each successive “new” one—. He may even note that mounting taxation is making it impossible for business and industry to pay their taxes and stay solvent, but he doesn't worry. Not Mr. Haussenpfeffer!

He pays his rent and lets the landlord worry about the taxes. It is his turn to laugh at those landlords and businessmen, and he hasn't enjoyed such a good laugh since the night he saw the W.P.A. theater project. But Mr. Haussenpfeffer's is only the first laugh. Co-equal in density with his good friends next door, he does not even recognize his own taxes when he sees them. He does not know that he pays any. No—Mr. Haussenpfeffer is not so rich that he does not miss a few hundred dollars a year—they just manage to get it from him by not telling him that it is taxes.

Not so long ago, a delegation of “small businessmen” descended upon Washington for a Presidential conference. Except for the antics of a few of them, publicized to prove why small business stays small, little attention was paid to the group. Few knew that their chief object in convening was to protest against Federal expenditures and the consequent, exorbitant increases in taxation. And oddly enough, the sympathy for small business came, not from the communities which it serves—but from “big business” which is itself in a shaky boat. And the Haussenpfeffers who should have at least applauded the efforts of the businessmen, sat back and agreed that business should be taxed and taxed. It never occurred to them that they would be the ones to pay it.

WHEN they hop a bus in the morning, how many persons even suspect that they are being taxed? When they petition their local utility or transportation or some other service for a reduction in rates, it just never occurs to them that they could have their ten cent fare for three and four cents less, were it not for the taxes it contains.

For a case in point, let us take the Fifth Avenue Coach Company (New York City), which is, relatively, a small company. In the course of one year, this company must make 127 separate

Until the Consumer Learns

by Mark Meecham

and distinct reports to public agencies of the city, state and nation, at an approximate cost of \$10,000.

During 1937, this company paid the following taxes:

New York Utilities	\$79,982.32
New York City Sales	6,960.52
New York State	
Unemployment	40,650.42
New York State Utilities ..	40,186.89
New York State Gasoline ..	116,476.33
Federal Unemployment ..	4,470.28
Federal Old Age Pension ..	21,117.80
Federal Gasoline	32,228.03

In addition to:	
New York City	\$235,637.57
(Real estate, franchise, license)	
New York State	39,761.87
(Franchise, gross earnings, licenses, etc.)	
Federal Government	9,659.63
(Income tax, capital stock, excise taxes)	

Or a total of \$627,131.66 in taxes which must be paid for the privilege of existing and carrying on operations. The Haussenpfeffer's would doubtless be surprised to learn that the Fifth Avenue Coach Company had to carry 6,271,317 passengers free last year just

to pay its tax bill. They might be surprised to learn, too, that the direct taxes borne by this company, amounted to \$499.71 for every employee in its service. In addition to its direct taxes, the business pays an indirect tax on everything that it buys. That is the Government “take” from the company itself.

The employees received \$2,193,354.25 in salaries last year. Of that amount they were directly taxed \$18.26 (average) through payroll deductions. In addition the employee paid an average of \$223.14 out of his salary in “indirect” taxes. The grasping hand of taxation gets him coming and going. Putting it bluntly, during 1937, the government took from this one company and its employees, \$741.11 for every person it employed.

ALTHOUGH a solitary unit, the aforementioned company has a counterpart in all business, big and little. Manufacturing alone employs more than seven million wage earners. More than four and a half million of these work in the 159,995 establishments employing 500 workers or less — in what are called “small” businesses. Yet

each of these establishments pays its limit in city, state and federal taxes,—and the money they pay in wages is again taxed from the employee to the tune of \$117 or \$223 and more in hidden taxes. Before they have finished, they will find that government has collected on every phase of the operation.

The same is true of big business. Although its practices may be, and often are, anything but commendable, the fact remains that big business is big because it serves so many people. And the stalwart citizens who blandly urge that it should be taxed some more, are only inflicting higher costs upon themselves.

The appropriations during this session of the 75th Congress totalled more than \$12-billion. In plain English, it spent that much money. The new tax bill hopes to collect about half that amount. Somehow, to pay for current expenses, Mr. America will be called upon to contribute again as much as he is already scheduled to pay. It is an endless cycle that goes around and round. As long as the people want W.P.A., and A.A.A. and F.R.A., the government will be obliged to spend money; as long as it spends money it must collect it. As long as it collects, industry and business, big and small, must pay. And as long as they pay, the consumer—you and I—must pay through taxes, direct and indirect. And we will keep on paying until the American consumer wakes up to the realization that he is paying the whole bill.

The day that happens—if ever—will be the day the cycle breaks.

But until the taxpayers—and even relief recipients and dolesters are taxpayers under the present set-up—protest against the wholesale investment of \$12-billion of their money in every thing from Congressional junkets to winning primary elections for the New Deal, the rolling circle will continue to gather momentum and indebtedness, as expenditures continue—ever upwards.

Let Business Be Taxed!

The every-day citizen who gleefully shouts: “Let business be taxed” is raising his own cost of living just as surely as if he asked for it himself. Until the consumer learns that he pays the bill no matter who is assessed, he will part with a greater and greater part of his purchase dollar.

for ART'S

BY

JEAN PERRIN

SCHWARTZ

In the name of art, a bureaucratic administration now offers to the American people, a measure more likely to result in the prostitution of fine arts than their promulgation. The \$34-million spent last year on W.P.A. art projects, was but a foretaste of the official art that will color American .

life if the verdict of the House Patents Committee on the Federal

Arts Act is taken seriously.

Nor is the least of the proposal's potential beneficiaries the parasitic politician

whose energies under the act will undoubtedly be directed to the gentle art of dispensing patronage.

Long before the mythical hoof of Pegasus struck an inspirational font from Mount Helicon, men used the arts to communicate their thoughts to one another. And ever the merit of man's particular mode of expression has been determinative of the longevity of his message—or the longanimity of his audience.

Organs will peal Handel's "Largo" long after "Bei Mir Bist du Schoen" will have been properly confined to a jazz mad oblivion, only because its composer was able to convey to men through his music a message worthy of retention. Da Vinci's "Mona Lisa" remains in the Louvre to inspire visitors who could not even name the artist's contemporaries. Elizabeth's patronage may have made Shakespeare prosperous, but it took his genius for artistic expression to immortalize her. For then, even as now, the criterion of an artist's true worth was the judgment of his fellowmen.

"But all that is so foolish," say the Washington bureaucrats. "Many people are really artists, but they are unemployed. The rich have all the art and that is not right." So last January they brought in a spicy little bureaucracy bill, under the co-authorship of Representative Coffee and Senator Pepper—a bill to create a Federal Bureau of Fine Arts, and for the Government (since the art of the ages is the "jealously guarded possession of the few"), to make its own artists, writers, sculptors, dancers and musicians.

It seeks a wholesale subsidization of the fine arts, and is another big step in the direction of totalitarianism, a step which already has been taken in Nazi Germany and Bolshevik Russia.

When a government bureau sets out to determine the standards of culture, the fine arts cease to be anything more than propaganda for the government establishing the standards. Murals which used to be artistic in their de-

piction of historical America, have become—since W.P.A. money furnished the purchasing power—sordid glorifications of New Deal politics. One typical example of federal art is the ugly looking mural in the new Hightstown

schoolhouse, depicting the persecution and flight of the Jewish people from Europe and their happiness at being received with open arms by the United States. The whole theme is about as American as the "Internationale," and

the point, if it can be called that, is supposed to be the beatification of the open door policy of Secretary Hull in regard to alien refugees.

Nor is there anything, when a government takes over the arts, to

