

One Year	\$1.50
Six Months	.75
Three Months	.40

Very reasonable and made known on request.

Entered as second-class matter February 25th, 1910, at the post office at Ahoskie, N. C., under the Act of March 3rd, 1879.



WAIT AND SEE.

In publishing this issue of the Herald, there are no excuses to make as to volume and appearance. In fact, this office has been too busy endeavoring to provide some means by which this paper will continue publication, that it is indeed fortunate to edit and publish this week. Our sole purpose in getting out this issue is to validate the legal advertisements that were inserted last week and previous to last week.

Here another issue of this paper has gone to press (if there is to be another) the Editor will be in the service of the United States. The Herald has gone to no little trouble in trying to continue publication, and the solution is not yet at hand. But it is our hope to continue publication, if by any means it can be done without a financial loss to the owners. And, it is certain, that this cannot be done, unless this paper continues to enjoy its present patronage. For the present at least, we shall give it a try-out. If we cannot succeed, the publication will be discontinued until Manager and Editor return from war time activity.

However, we do promise to the people of Hertford County a newsy, well edited, and creditable newspaper, containing each week eight pages, home print. An added feature will be the very latest war news right up to the time of going to press. Every service that we now have will be maintained, in addition to the above feature. The office will be open to receive patrons and friends, and every department of the business will be open and ready for business, as usual.

We could not close without adding a word of genuine appreciation for the encouraging letters that have been written to us, since making last week's announcement, and for the whole-hearted generosity of our subscribers. Their attitude towards the present situation in which the County paper is placed will be ever remembered and appreciated by the publishers.

Yet, we must add that the Herald cannot subsist, nor can it be published, without a financial loss, unless our people give to it their patronage, good will, and support. This, we believe, will be forthcoming from a people who have hitherto stood loyally by us in building up what "they say" is a creditable weekly newspaper.

SOMEWHERE IN FRANCE.

A patriotic play, "Somewhere in France," to be given at Como High School, Como, N. C., Wednesday evening at 9 o'clock (government time), April 10. Admission 25 and 15 cents. Refreshments will be served.

To Cure a Cold in One Day.

Take LAXATIVE BROMO Quinine. It stops the Cough and Head; he and works off the Cold. Druggists refund money if it fails to cure. E. W. GROVE'S signature on each box. 30c.

CN WHEATLESS DAYS

USE NO OTHER CRACKER BAKERY OR BREAKFAST TABLES CONTAINING WHEAT.

"THE 'RICH MAN'S WAR' A HATEFUL CALUMNY"

American Business Men Ready to Make Sacrifices Without Stint.

TAXES HERE AND ABROAD.

American Taxation the Most Democratic in the World.

By OTTO H. KAHN.

Nothing is plainer than that business and business men had everything to gain by preserving the conditions which existed during the two and a half years prior to April, 1917, under which many of them made very large profits by furnishing supplies, provisions and financial aid to the allied nations. Taxes were light, and this country was rapidly becoming the great economic reservoir of the world.

Nothing is plainer than that any sane business man in this country must have foreseen that, if America entered the war, these profits would be immensely reduced and some of them cut off entirely, because our government would step in and take charge; that it would cut prices right and left, as, in fact, it has done; that enormous burdens of taxation would have to be imposed, the bulk of which would naturally be borne by the well-to-do; in short, that the unprecedented golden flow into the coffers of business was bound to stop with our joining the war, or, at any rate, to be much diminished.

But it is said the big financiers of New York were afraid that the money loaned by them to the allied nations might be lost if these nations were defeated, and therefore they maneuvered to get America into the war in order to save their investments.

Proof That the Charge is Absurd.

A moment's reflection will show the utter absurdity of that charge. Let us assume, for argument's sake, that the allies had been defeated. Let us make the wildly improbable assumption that they had defaulted for the time being upon these foreign debts, the greater part of which, by the way, is secured by the deposits of collateral in the shape of American railroad bonds and stocks and of bonds of neutral countries, aggregating more than sufficient in value to cover these debts. Let us assume that the entire amount of allied bonds placed in America had been held by rich men in New York and the east instead of being distributed, as it is, throughout the country.

Is it not perfectly manifest that a single year's American war taxation and reduction of profits would take out of the pockets of such assumed holders a vastly greater sum than any possible loss they could have suffered by a default on their allied bonds, not to mention the heavy taxation which is bound to follow the war for years to come and the shrinkage of fortunes through the decline of all American securities in consequence of our entrance into the war?

Not only is the "rich man's war" an absurd myth; the charge is a hateful calumny.

Business men, great or small, are no different from other Americans, and we reject the thought that any American, rich or poor, would be capable of the hideous and dastardly plot to bring upon his country the sorrows and sufferings of war in order to enrich himself. Business men are bound to be exceedingly heavy financial losers through America's entrance into the war. Every element of self-interest should have caused them to use their utmost efforts to preserve America's neutrality, from which they drew so much profit during the two and a half years before April, 1917. Every consideration of personal advantage commanded men of affairs to stand with and support the agitation of the "peace-at-any-price" party. They spurned such ignoble reasoning; they rejected that affiliation; they stood for war when it was no longer possible, with safety and honor, to maintain peace, because they are patriotic citizens first and business men afterwards.

Our Income Tax and Taxes Abroad.

(1.) The largest incomes are taxed far more heavily here than anywhere else in the world.

The maximum rate of income taxation here is 97 per cent. In England it is 42 1/2 per cent. Ours is therefore 50 per cent. higher than England's, and the rate in England is the highest prevailing anywhere in Europe. And in addition to the federal tax we must bear in mind our state and municipal taxes.

(2.) Moderate and small incomes, on the other hand, are subject to a far smaller rate of taxation here than in England.

The rich man can spend only a relatively small sum of money unproductively or selfishly. The money that it is in his power actually to waste is exceedingly limited. The bulk of what he has must be spent and used for productive purposes, just as would be the case if it were spent by the government, with this difference, however, that, generally speaking, the individual is more painstaking and discriminating in the use of his funds and at the same time bolder, more imaginative, enterprising and constructive than the government with its necessarily bureaucratic and routine regime possibly could be. Money in the hands of the individual is continuously and feverishly on the search for opportunities—i. e., for creative and productive use. In the hands of the government it is apt to lose a good deal of its fructifying energy and ceaseless striving and to sink instead into placid and somnolent repose.

There need not be and there should not be any conflict between profits and patriotism. I am utterly opposed to those who would utilize their country's war as a means to enrich themselves. The "war profiteer," as the term is generally understood, is a public nuisance and an ignominy. Exorbitant profits must not be tolerated, but, on the other hand, there should be a reasonably liberal disposition toward business and a willingness to see it make substantial earnings.

For, taxation presupposes earnings. Our credit structure is based upon values, and values are largely determined by earnings. Shrinkage of values necessarily affects our capacity to provide the government with the sinews of war.

The Conscription of Men.

Reverting now to the subject of the conscription of men, I know I speak the sentiment of all those beyond the years of young manhood when I say that there is not one of us worthy of the name of a man who would not willingly go to fight if the country needed or wanted us to fight. But the country does not want or call its entire manhood to fight. It does not even call anywhere near its entire young manhood. It has called or intends to call in the immediate future perhaps 20 per cent. of its men between twenty and thirty years of age, which means probably about 4 per cent. of its total male population of all ages. But it has called from incomes, business profits and other imposts falling principally on the well to do, approximately ninety per cent. of our war taxation, not to mention the contributions to the Red Cross, the Y. M. C. A. and other war relief activities.

Let me add in passing that the children of the well to do have been taken for the war in proportionately greater numbers than the children of the poor, because those young men who are needed at home to support dependents or to maintain essential war industries are exempted from the draft.

Our Laws Favor Sons of the Poor.

The draft exemption regulations discriminate not, as in former wars, in favor of the rich man's son, but in favor of the poor woman's son.

I realize but too well that the burden of the abnormally high cost of living, caused largely by the war, weighs heavily indeed upon wage earners and still more upon men and women with moderate salaries. I yield to no one in my desire to see everything done that is practicable to have that burden lightened. But excessive taxation on capital will not accomplish that; on the contrary, it will tend to intensify the trouble.

Taxation must be sound and wise and scientific and cannot be laid in a haphazard way or on impulse or according to considerations of politics, otherwise the whole country will suffer. History has shown over and over again that the laws of economics cannot be defied with impunity and that the resulting penalty falls upon all sections and classes.

The question of the individual is not the one that counts. The question is not what sacrifices capital should and would be willing to bear if called upon, but what taxes it is to the public advantage to impose.

I do not say all this to plead for a reduction of the taxation on wealth or in order to urge that no additional taxes be imposed on wealth if need be. There is no limit to the burden which in time of stress and strain those must be willing to bear who can afford it except only that limit which is imposed by the consideration that taxation must not reach a point where the business activity of the country becomes crippled and its economic equilibrium is thrown out of gear, because that would harm every element of the commonwealth and diminish the war-making capacity of the nation.

In America incomes of married men up to \$2,000 are not subject to any federal income tax at all.

In England the income tax is:	
4 1/2 per cent. on \$1,000	1,500
4 1/2 " " " " " "	2,000
7 1/2 " " " " " "	3,000

(These are the rates if the income is derived from salaries or wages; they are still higher if the income is derived from rents or investments.)

The English scale of taxation on incomes of, say, \$3,000, \$5,000, \$10,000 and \$15,000 respectively averages as follows as compared to the American rates for married men:

Income tax rate on	In England.	In America.
\$3,000	14 per cent.	2-3 of 1 p. c.
5,000	18 per cent.	1 1/2 p. c.
10,000	20 per cent.	3 1/4 p. c.
15,000	25 per cent.	5 p. c.

(If we add the so called "occupational" tax our total taxation on incomes of \$10,000 is 6% per cent. and on incomes of \$15,000 9% per cent.)

In other words, our income taxation is more democratic than that of any other country in that the largest incomes are taxed much more heavily and the small and moderate incomes much more lightly than anywhere else and incomes up to \$2,000 for married men not taxed at all.

(3.) It is true, on the other hand, that on very large incomes—as distinguished from the largest incomes—our income tax is somewhat lower than the English tax, but the difference by which our tax is lower than the English tax is incomparably more pronounced in the case of small and moderate incomes than of large incomes.

The "Excess Profits" Tax Here and Abroad.

Moreover, if we add to our income tax our so called "excess profit tax," which is merely an additional income tax on earnings derived from business, we shall find that the total tax to which rich men are subject is, in the great majority of cases heavier here than in England or anywhere else.

(4.) It is likewise true that the English war excess profit tax is 50 per cent. (less various offsets and allowances), whilst our so called excess profit tax ranges from 20 per cent. to 60 per cent.

But it is entirely misleading to base a conclusion as to the relative heaviness of the American and British tax merely on a comparison of the rates, because the English tax is assessed on a wholly different basis from the American tax.

The American excess profit law (so called) taxes all profits derived from business over and above a certain moderate percentage, regardless of whether or not such profits are the result of war conditions. The American tax is a general tax on income derived from business in addition to the regular income tax. The English tax applies only to excess war profits—that is, only to the sum by which profits in the war years exceed the profits in the three years preceding the war, which in England were years of great prosperity. In other words, the English tax is nominally higher than ours, but it applies only to war profits. The normal profits of business—i. e., the profits which business used to make in peace time—are exempted in England. There, only the excess over peace profits is taxed. Our tax, on the contrary, applies to all profits over and above a very moderate rate on the money invested in business.

We Tax Normal Profits, They Tax Only War Profits.

In short, our lawmakers have decreed that normal business profits are taxed here much more heavily than in England, while direct war profits are taxed less heavily.

You will agree with me in questioning both the logic and the justice of that method. It would seem that it would be both fairer and wiser and more in accord with public sentiment if the tax on business in general were decreased and, on the other hand, an increased tax were imposed on specific war profits.

(5.) Our federal inheritance tax is far higher than it is in England or anywhere else. The maximum rate here on direct descendants is 27 1/2 per cent. as against 20 per cent. in England. In addition to that, we have state inheritance taxes which do not exist in England.

(6.) Of her total actual war expenditures (exclusive of loans to her allies and interest on war loans) England has raised less than 15 per cent. by taxation (France and Germany far less), while America is about to raise by taxation approximately 28 per cent. of her total war requirements (exclusive of loans to the allied nations and of the amount to be invested in mercantile ships, which, being a productive investment, cannot properly be classed among war expenditures).

We men of business are ready and willing to be taxed in this emergency to the very limit of our ability and to make contributions to war relief work and other good causes without stint. The fact is that, generally speaking, capital engaged in business is now being taxed in America more heavily than anywhere else in the world; we do not complain about this; we do not say that it may not become necessary to impose still farther taxes; we are not whimpering and squealing and agitating, but—we do want the people to know what are the present facts, and we ask them not to give heed to the demagogue who would make them believe that we are escaping our share of the common burden.

Something New For Spring And Summer

We have just received a complete line of Men's, Boys and Women's Shoes, Hats, Shirts, Collars, Ties, and other late Haberdashery.

Every Article Has Our "QUALITY SERVICE" Behind it, and is There With the Style.

Our Line of Boys' Clothing for the Spring and Summer is Complete.

Carter Bros. & Co.
"The Quality Shop"
AHOSKIE, - - - N. C.

WYNN BROS.
Murfreesboro's Greatest Store
Murfreesboro, - - - N. C.

Now is the Time to do Your Easter Shopping.

Every department is replete with choice selections

A glance at our magnificent line of Dresses, including Beautiful Taffetas, Satins, Crepe De Chines, with clever Tunic and Ruffled Skirts, some beautifully Beaded and Embroidered, others in smart tailored effects

PRICES RANGING FROM \$10.00 TO \$35.00.

Nifty Line of Easter Coat Suits and Coats.

Waist in Beaded Georgette, Crepes, Satins and Crepe De Chines.

Wynn Bros.

My Spring Stock of Millinery is now ready for your inspection. No special opening. Yours to serve,

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HAM-AND-EGGS and a cup of steaming, stimulating Luzianne. What better start could anybody have for the day's work!

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