

Calvin Coolidge Says:

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NORTHAMPTON, Mass., Feb. 18.—We still have a small body of thought that considers the national debt has been reduced too fast. It is claimed that the surplus should have been applied to a reduction of taxes. By the same reasoning it would be proven that taxes should be kept down and money borrowed to meet running expenses. It was a great saving to the taxpayers to reduce the debt when the value of the dollar was low. It takes about twice as much cotton, corn, wheat, copper and other materials now to make the same payments as it did two or three years ago.

If it is argued that liquidation of the debt disturbed financial conditions one answer to that is that for every dollar the national debt was reduced state and local governments increased their debts over a dollar.

Besides these reasons any one who knows the enormous pressure on the Congress by organized minorities knows that if the revenues had not been used to reduce the debt they would have gone into additional expenditures rather than tax reduction. Great interest charges have been eliminated. Sound finance calls for payment of debt and makes the revenues of each year meet the expenditures.

CALVIN COOLIDGE