

FASHIONS IN WAR FINANCE

by
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FASHIONS IN WAR FINANCE

I. The history of fashions

1. The change from hiding reality to utilizing reality to the best advantage.
2. We should utilize what we have learned in the general field of fashions in the field of finance.

II. The realities of war-time economics - the size and importance of the job

1. Who determines it? (Chart I)

- A. Armed forces.
- B. Congress appropriates and Treasury raises funds.
- C. Principal sources of funds.
 - a. Tax revenues.
 - b. Borrowing.

2. How much money is needed? (Chart II)

Expenditures.....	\$107 billion
Receipts.....	<u>38</u> billion
Deficit.....	\$ 69 billion

94 cents of every dollar spent for war

III. Can the fashions of finance be adjusted to the real needs of the armed forces? Are adequate funds available? (Chart III)

Where are these funds?

7. What will be the result if we try to hide from reality? (Chart IV)

7. Conclusion

The proper fashion of Government finances will be durable and will remain in style for a long time.

The improper fashion will be adequate to clothe us for a temporary spree but will be inadequate to meet the morning-after headache.