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THE CONGRESSIONAL FRONT  
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WAR DEBTS

But for the brief press notice which appeared on June 15, the war debts resulting from the first World War and which are still owed to this country, would have been entirely forgotten. It so happens that June 15th is a semi-annual payment day which accounts for the brief public reminder that the debts still exist and are still unpaid. The moratorium on war debts which was imposed at the instance of President Hoover in 1931 has virtually killed all effort at repayment and only scattered payments have been made by the debtor nations with the exception of Finland. This little country has made payment on every debt on which an installment is due. The aggregate debts with accrued interest now reaches the staggering sum of little over 13½ billion dollars. The re-making of the European map intrudes some rather interesting problems in connection with war debts. Armenia for instance still owes \$25,000,000 but the status of Armenia at the present moment is almost unknown. Austria owes \$26,000,000 but nobody seems to know how, when or where payment will ever be made since Austria was taken over by Germany and the latter country refuses to acknowledge the debt. Similarly Russia in the day of Czar regime owed \$405,000,000 but the Revolutionary Russia of today refuses to acknowledge this obligation. Similar difficulties may arise in connection with the debt of Belgium, Hungary, France, Czechoslovakia, Poland and Rumania who have been overwhelmed by the Nazi Armies. Likewise the Soviet influence in Estonia, Latvia and Lithuania may make collection of this indebtedness virtually impossible. Thus the shadow of war falls athwart the/ of our own country. interest

A LESSON IN PUBLIC MORALITY

Some years ago, Congress enacted a law under which payments are made to states for the purpose of conducting agricultural research. These payments aggregate \$2,400,000 annually and are apportioned among the states on the basis of rural population. When the census figures for 1940 were disclosed it became manifest that some states lost rural population and would therefore lose a part of the funds under the above mentioned law. In fact, 22 states and 1 territory would lose a total sum of \$63,708. Then began a hue and cry that notwithstanding the census figures these states should receive the same amount that they had heretofore received and a concerted effort was made in that direction. The basic law still stands which provides apportionment of the funds on the basis of the rural population. But Congress was called upon by persons in such states to ignore it's own enactment and provide the extra funds for the states involved. Would you call that a lesson in public morality?

THE WORLD'S GREATEST SHIP BUILDING PROGRAM

The long-range program of the U. S. Merchant Marine which was initiated in 1938 calls for the construction of 500 ships to cost \$1,250,000,000. Eighty-six of this number have actually been delivered. The second part of the ship construction program calls for 200 cargo vessels referred to as ugly ducklings because they will be of box type design and render

themselves to speedy construction. The third component in this program calls for 222 ships to be built under the Lend-Lease Act for transfer to Great Britain. In addition 60 cargo vessels are under construction which were ordered by the British government and 86 vessels are being built for private account without the aid of the Federal Government. There are 760 merchant vessels that are being built or that are on order in the United States today and to carry on this construction program has required the building of 103 new ships ways either in existing ship yards or on new sites. This is by all odds the most colossal ship construction ever undertaken by any country at any given time.

#### PARADOX

The dictionary defines a paradox as something which appears contradictory. It is something which appears to be what it ain't. Well, it would seem to be a paradox to say that the more money we spend on national defense, the more unemployment we are likely to have. That sounds unbelievable. But let's take a look. The list of items on which defense has priority seems to be growing larger each week and is now as long as your arm. Take aluminum for example. Suppose you were a manufacturer employing 500 men making kitchen ware out of aluminum and suddenly you found that you could not get the material with which to work. You would have a choice of shutting down or using other materials or getting some defense contracts. But suppose your machinery was not adapted to other kind of material and couldn't be used on defense contracts. Then what? Obviously you would have to shut down. But what of the 500 men in your employ? They would be jobless. No less an authority than the assistant to the Chief of Defense Contracts Service stated recently to a meeting of the field officers of this agency recently that "already, not less than 10 entire industries whose supplies have been drastically curtailed or completely shut off must either close down or enter a new line of production." It is intimated that one-third of all American industry is confronted with the grim reality of lack of materials. The defense program is only now getting into high-gear. What will the situation be six months hence? And what about the idle men and idle machines that will result. Did you say paradox?