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THE CONGRESSIONAL FRONT.
By Congressman Everett M. Dirksen.
16th District.

HOW MUCH DOES A DEPRESSION COST.

In the course of the hearings conducted by the Temporary National Economic Committee, testimony was offered by Mr. Isador Lubin, Director of the Bureau of Labor Statistics to show how much the depression has cost, measured by the yardstick of normal times. He estimates that 119 billion dollars was lost in non-agricultural wages, 20 billion dollars in dividends, 39 billions in farm income and 62 billion for assorted items. After allowing 97 billion for price adjustments, he arrives at a net loss in national income for the years 1930 to 1938 inclusive of 133 billion dollars. We'll let you figure out how much 133 billion is.

NOTE TO INVENTORS.

If all the recommendations made to expedite the granting of patents and to prohibit the abuses incident to the leasing of patents are finally enacted into law, the score will be about as follows: (1) There will be a single court of patent appeals. (2) The life of a patent will be 20 years from date of filing the application in order to force action. (3) Changes will be made in Patent office procedure to hasten action. (4) Renewal applications will be abolished. (5) The inventor will be permitted to enjoy public use of the invention for only 1 year instead of 2. (6) It will be unlawful to lease patents with restrictions on the amount of articles that might be produced under such a lease. (7) It will be unlawful for the patentee to make a lease containing restrictive clauses. (8) The sale, assignment, or lease of a patent will have to be in writing. (9) Violations of the proposed provisions with respect to the leasing of patents and the placing of restrictions upon the amount of goods to be made thereunder would be punished by forfeiture of the patent to the United States. It could then be sold to anyone who might desire to purchase the rights from Uncle Sam.

DO YOU OWN AN INSURANCE POLICY?

If you do, you help to finance states, cities, counties and school districts; you help finance railroads, public utilities and industries; you help finance farm and home mortgages; you help finance the national government. Here's the reason. On the last day of December 1938, the 49 largest legal reserve life insurance companies had their reserves invested in a diversified list of bonds and obligations which embraced 11% of the direct and guaranteed debt of the United States, 9.9% of the state and local debts, 22.9% of all railroad bonds, 22% of the debt of public utilities, 15% of the industrial debt, 11% of the farm mortgages and 14% of the urban mortgages of the country. Whenever you pay an insurance premium, a portion of it goes to expense and the balance goes to reserve. This reserve is invested in bonds and obligations. Thus, every premium payment aids in financing the business of the nation and in making it possible for the Federal government to carry on the programs which have been authorized by Congress. Who said the average man has no interest in the national debt. Since there are 64,000,000 policy holders, it means that men, women and children have an interest in the conduct of government, both state, national and local. Since 1890, the population of the U. S. has doubled but insurance assets have multiplied more than 25 times.

THE "SPLENDING" BILL.

The pending bill to spend and lend 2½ billion dollars which has run into a snag in Congress has been dubbed the "splending" bill. Here is what it's for, and how it works. The purpose, as stated in the bill is to provide employment thru' a program of sound financing that does not burden the taxing power of the government. That means that it is so contrived as to get around the statutory debt limit of 45 billions which we will reach about June 30, 1940 on the basis of appropriations made by this Congress. To get the money, the Reconstruction Finance Corporation, at the direction of the President is authorized to issue notes, bonds and debentures in the approximate amount of 2½ billion dollars. These bonds may have a maturities of 40 years. They are sold to banks, individuals, trust companies, insurance companies and the money deposited in a special account in the Treasury. Whenever the President directs, the RFC notifies the Treasury to place a certain amount of money in one or more special accounts to be used for the things authorized by the act. Here are the things that may be done. The Public Roads Administration may spend up to 750 millions for post roads, toll roads, grade separations, bridges, tunnels, highways and etc. The Public Works Administration is authorized to lend 350 millions for the prosecution of non-federal public works, such as schools, court houses, paving and similar projects. The RFC may spend up to 500 million on railroad equipment which it can lease to railroads. The Rural Electrification may loan 500 million for the expansion of lines into rural areas so that people now without electric power may have this benefit. The Department of Agriculture may loan 500 million for the expansion of the rural security program thru' tenant loans etc. Since most of the money is to be used for long term loans on projects which are supposed to liquidate themselves, the program has been called a self-liquidating program. There are many who think otherwise. The bonds issued by the RFC become public obligations of course, and the taxpayers, whether in this or a succeeding generation are expected to pay them off together with interest, in the event that the projects on which the money is loaned do not prove out.

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