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

THE "b" IN DEBT.

Somebody once said that the "b" in debt is silent and was probably stuck there to supply the sting. And that might be said of the public debt. It does have a sting because it now stands at 278 billion dollars. It is called the national debt or the public debt but private individuals must finally pay it. Now, one of the interesting things about the history of our national debt is that in only one single year in all of the 157 years of our national life under the Constitution, were we as a nation out of debt. That was in 1836. Andrew Jackson was President. Jackson carried on a fight with the Bank of the United States which had been created as a depository for public funds. In this fight, he took the money out of the United States bank, paid off the debt and also distributed some of the funds to state banks. But before and after Jackson, the nation always had a public debt.

HISTORY OF THE DEBT.

In 1790, when Washington was the President, the new government assumed some of the state debts which were incurred by the Revolutionary War and so the new nation started business with a debt of 76 million dollars. In 1816, as a result of our War with Great Britain, the debt mounted to 127 million. Then came 1836, the only year when we were debt free. In 1860, just before the Civil War began, the debt was 65 million or about 3/2 per capita. In 1866, when the war was over, the debt hit 2 1/5 billion or $77 per capita. In Cleveland's time (1893) when the World's Fair was being held in Chicago, it dropped to 961 million or a little over $14 per person. When we finished the War with Spain (1899) the debt rose to 1 2/5 billion or a little over $19 per person. During the next 18 years it dropped a bit and when we started into World War One, the debt was 1 1/3 billion or $12.36 per person. Once more after that time, it rose and fell. The high point of our war debt was in 1919 when it stood a little over 26½ billion or about $250 per person. In the next 11 years, it was reduced to 16 1/5 billion or about $131 per person. From then on the course has been upward. In 1940, just before World War II, it went to 43 billion or $326 per person. The high point is now when the public debt stands at 278 billion or $1985 per person.

AND DO NOT FORGET THE INTEREST.

If Uncle Sam paid interest on the debt at the same rate that obtains for private loans, the annual interest would be an awful headache. At 5% the interest every year would be close to 14 billion, - nearly 5 times as much as the whole cost of government in 1932. But the Federal Government finances its debt at a rate slightly under 2% so that the yearly interest is roughly about 5 billion dollars. Even that is a staggering cost for the privilege of borrowing money. When you add 5 billions of interest to 5 billion for ordinary expenses of government every year and another 5 billion for veterans, it becomes quite obvious that the annual expenditures of government will remain at a high level for a long time. Moreover, this 15 billion does not include public works, the post war army and navy nor a huge housing program. Management of the public debt therefore becomes one of our greatest problems.