

justment at Washington for approval and prompt payment. Failure of parties to agree resulted in 75 per cent payment subject to subsequent adjudication in the Court of Claims. By this method the "frozen assets" due to the sudden stopping of war were released within ninety days of November 11, in the great majority of cases. Thus the stupendous commitments aggregating \$12,000,000,000 at that date were mainly melted into commercial resources at the service of peace time industry. In the item of motors, for instance, the cancelations were \$271,000,000, in the Purchase and Storage orders of over a billion dollars. Ordnance and Aircraft had \$10,000,000,000 of contracts pending. During the first six weeks \$3,000,000,000 of these contracts were canceled. At the end of two months probably half of the contracts were still running, but rapidly tapering down to the vanishing point. Such was the case with small arms. The industries which had served well in war were thus not hurried back to peace conditions, with the abnormally high prices for raw materials and a labor situation that required careful handling.

The clearing up following the war covered a most extensive field of financial, industrial and commercial readjustment. In liquidating the contract work the policy of a gradual release of labor and industry justified itself by results. That this was accomplished without so much as developing an unemployment problem of any significant proportions is in itself a credit to the government, to contracting concerns and to the country in general. In the liquidation of the material resources involved, the government realized a cash price of \$400,000,000 for its war assets in France, or almost as much as the Liquidation Commission asked for it. This sum should be compared with that of \$1,839,787,989 as the total amount expended by the American Expeditionary Forces abroad between April 6, 1917, and June 1, 1918. The process of salvaging is still going on in domestic quarters. And though there have been flagrant cases of delinquency in the custody of war property, the main trend of settlement has exceeded the rate of progress anticipated by the business community. The