

1931, when the existing Moratorium was proposed, in the spirit of the agreement between Germany and the Allied Nations, signed at Lausanne on July 9 last, the people of the United States would almost certainly have been well out from under the ill effects of the economic and financial crisis before this time. It is the dawdling uncertainty and the lack of constructive and courageous leadership at Washington which have held, and are holding, us in the grasp of want and misery and distress, and which are injuriously affecting the whole world. Some of the statements constantly given to the press by leading members of the Senate and the House of Representatives are quite appalling in their lack of understanding, and in their complete disregard of the interests of the American people. They do not seem to care how long or how much we are kept in distress, in want and in unemployment. The statements which they so continually make are contradicted by every important economist in the world.

For a number of years we have been fooling ourselves with words about this whole international debt situation. We have said that the debt payments due to us bore no relation to the reparation payments to be made by Germany; but they did. The reason was that unless the reparation payments were made by Germany to its creditors, those nations would not be able to make the payments that were due to us. Moreover, the money with which to enable Germany to make her payments was obtained for several years in large part, if not wholly, by loans from the United States. We are, therefore, in the ridiculous position of loaning abroad the money with which to pay us debts owed from abroad. When we cease to loan, they must cease to pay. The whole situation is one which reflects grievously upon our practical capacity and our business sense.

While this strangulation of the world's agriculture, industry and trade has been going on, our national annual earning power has diminished from some \$82,000,000,000