

WAR DEBTS

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BY

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The chief obstacle to the return of prosperity to the people of the United States, and the one which may be most quickly removed by prompt and intelligent action at Washington, is that due to the so-called inter-governmental war debts. It is assumed that because these debts are debts, due on their face to the Government of the United States, the people of the United States would profit by their payment and would be relieved of the necessity of taxing themselves to make good the sums that would be lost were these debts not paid. These statements are true in form, but not in fact. Every day that this debt question remains unsettled, the difficulty of recovering from the depression in the United States is increased and every farmer, every wage-worker, every manufacturer, every transportation system and every public utility corporation is made to carry new and heavy burdens and to suffer new and heavy losses.

This is because the debts represent a series of conditions which have developed since the War, the total and united effect of which is to strangle the trade of the world, to deprive agriculture and industry of their markets, and to leave us all slowly stagnating under conditions which are already unbearable and which will become more unbearable, not only month by month, but day by day. Had the questions connected with these debts been carried to solution in June