and we would pay it back 2½ percent a year over a 40-year period. That is my proposal now. We can do that.

Now, of course the committee didn't see fit to recommend that, but for some reason the Federal Reserve Board resolved not to let the interest rates go above 2½ percent and from 1939—at that time it had been 2½ percent—and never after that did the interest rates go above 2½ percent until the end of the Truman administration in 1952, in fact, until the beginning of the Eisenhower administration, in 1953.

The Eisenhower administration floated two substantial bond issues, one of them 2⅜ percent and one of them 2½ percent, which proves conclusively that the interest rate was delivered at 2½ percent and below, so it can be done. Those 14 years, 1939–1952, were the roughest years in the history of any country on earth—inflation, deflation, wars, shooting away a quarter of a billion dollars, a half billion dollars, a day on the battlefields sometimes. We had ruinous inflation facing us; we had a terrible depression; we had long lines of hungry people and we had over 10 million unemployed during part of that time, so if the Federal Reserve Board can keep interest rates at 2½ percent and less during a 14-year period as rough as that one they can do it any time and, of course, we all know they can do it any time. That is what they are there for. They have the power to do it and they can do it, but by reason of their failure to do it our interest burden today on the national debt alone is $14.2 billion.

Now, $6.7 billion of that is absolutely excessive. It is exorbitant. But we are having to pay that extra interest on the public debt because of the action of the Federal Reserve Board.

Now, the same proposal that I had back then I have now, to finance the Government's part of the war cost by the Federal Reserve.

Now, you can't call that unorthodox unless you call the Federal Reserve unorthodox. You know, for many years at one time the Treasury could borrow money from the Federal Reserve directly at the request of the Secretary of the Treasury under terms fixed by him, but after World War II was over this was changed.

Now the law reads that the Treasury could still borrow up to $5 billion directly from the Federal Reserve. They did it not very long ago, a few months ago. It is being done right now, so it is the same principle as I am advocating right now to save the ruinous cost of the war.

For every billion dollars we borrow, Mr. Chairman, eventually we will pay back $2 billion like it is being run right now. We will pay back $2 billion. Every schoolhouse that is built for a million dollars we will have to pay $2 billion. This is ruining our country. The people can't stand that indefinitely.

Our country just can't take it. The truth is we have two governments here in Washington. One government is presided over by elected people like ourselves and the President of the United States who is elected. But the other government is a banker's government operated through the Federal Reserve. They are ruining the banking affairs, and they are running in conflict. We don't control them.

You know, Mr. Eisenhower told Mr. Martin the Federal Reserve was independent and he believed that. Of course it is not independent under the law. There is no law granting them independence. It was never proposed in Congress that they be independent. It was never dis-