

Is it your judgment that the Congress would be willing to appropriate the necessary hundreds of millions of dollars?

Mr. PATMAN. Well, of course, there are other ways of doing that. You know, if you will permit me to digress just briefly, we have monetary authorities headed by the Federal Reserve. It is their duty to keep interest rates low, not high, in the public interest. They can do that. They can fix the interest rates at whatever they want to on Government obligations and our huge national debt is so large that whatever interest rate is fixed on the national debt becomes the interest rate clear across the board.

That can be demonstrated over a 14-year period, from 1939, June 30, to June 30, 1951, or extend it on to 1953.

During that period of time when we had a Federal Reserve Board operating in the public interest we had very reasonable interest rates. If we had those same interest rates now we would be saving \$8 billion a year this year just on the interest rates on the national debt alone.

So, the Federal Reserve could be brought into this. In fact, I am contemplating right now offering an amendment soon to require the Federal Reserve to make available at least \$10 billion in credit for housing programs in this country. We have a billion.

Last time it was H.R. 14026 that was passed for 1 year, to September 21, and then we must have had a premonition of something; we decided we would not extend it for more than 1 year which will expire September 21, this year, in which we interrogated Mr. Martin, the Chairman of the Federal Reserve Board about it, and asked him if he would be willing to make available to the housing industry loans in the way of purchasing their paper so that they would have money to make loans.

He said he would not like to do it, personally did not favor it, but that if we wrote it into the law he would carry out the law.

We wrote it into the law but he has not carried it out. I think when we get this bill up for consideration in the near future, the next 30 or 60 days, I have a feeling that our committee will write a direction and a demand that the Federal Reserve make available housing credit like we contemplated when we extended that act.

It can be done and I hope it will be done, and the interest rate could be not 6, 7, or 8 percent—this business of the market fixing the rate is all phony—but the rate could be 3 percent like those good provisions in the Housing Act now, nursing homes and things like that, and they could carry it for 3 percent, there is no question about it. It is just a question of making the Federal Reserve carry out its duties.

Mrs. GREEN. Thank you again, Mr. Patman. It is my understanding that today marks the first day of the 40th year you have served in the Congress, is that right?

Mr. PATMAN. Yes, ma'am; thank you.

Mrs. GREEN. May I, on behalf of the committee, commend you for the fine record you have made and for your very effective service rendered this committee as a member of the Texas delegation and as a watchdog of the purse strings.

Mr. PATMAN. Thank you, ma'am.

Mrs. GREEN. Mr. Quie.

Mr. QUIE. I have received information from some banks showing the cost of student loans. They usually start out with the cost of money to them at 5 percent.