
Mr. Kelly: From Washington, DC, transcribed, United States Senator J. Allen Frear reports again to the people of Delaware on current congressional affairs. Ladies and gentlemen, Senator Frear.

Senator Frear: Thank you, Mr. Kelly. Last week, I discussed the pending request by the Secretary of the Treasury to secure congressional approval of an increase in the public debt limit of five billion dollars. Since that time, the full membership of the House of Representatives has acted favorably on the matter. And this week, the issue has moved to the Senate Finance Committee, where the Secretary of the Treasury has again presented his recommendation in favor of a higher debt ceiling. While it is evident that Congress is anxious to provide adequately for our military necessities during the coming year, some members of the Senate, after again reviewing the government’s financial picture, have indicated that an increase of something less than five billion dollars in the public debt limit may be satisfactory. True, the additional five billion dollars now being sought is for a temporary period. But if, for example, the government could maintain its financial stability with an increase of only three billion dollars, we would be better off, financially, insofar as Federal monetary obligations are concerned. In suggesting the possibility that a three billion dollar increase in the public debt limit may be sufficient, I do so with the conviction that anything we can do to eliminate the prospect of excessive government spending will, in the long run, benefit the American people. The existing public debt weighs heavily upon all of us and will continue to do so for several generations to come, unless it is materially reduced. And even with the urgencies of national defense, we cannot saturate the American people with so much debt that our economy will be placed in serious jeopardy. With no tax relief presently in sight, and with a disturbing number of small businesses and small farm failures, plus a significant increase in unemployment, Congress and the executive branch of the government must look realistically toward our domestic problems and take whatever steps are possible to shore up these obvious weaknesses in our economic structure. In this connection, anticipated increases in defense spending should be felt in the next six months, and will undoubtedly help to restore conditions in some depressed areas. But let us remember that with government spending at peak levels and with similarly high taxes, the ability of taxpayers to save for whatever future rainy days
may come is strongly limited. To return briefly to the specific question of the debt increase, the Secretary of the Treasury has promised Congress that the government will exert all of its abilities to achieve the utmost economy in Federal operations and to manage the public debt as best it can in the national interest. I am sure that such assurances are given in the best of faith, but I am likewise just as sure that little urging is necessary on the part of the government to increase its spending once congressional authority has been given. If we can solve the government’s present financial problem only by temporarily lifting the public debt limit by five billion dollars, I’m sure this action will promptly be taken by the full Senate. On the other hand, I believe it is just as patriotic, just as desirable, and in fact, incumbent upon the Congress to protect with vigilance the people’s investment in our government. In other words, we want the government to have what it clearly needs, with anything in excess of that should be retained by the people for these reasons. I would like to see, if humanly possible, a modification in the debt limit increase up from five to three billion dollars, believing that prudent use of existing Federal funds may make such a decision possible without jeopardy to our national welfare.

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Mr. Kelly: Thank you, Senator Frear. From the nation’s capital, you have heard United States Senator J. Allen Frear in his regular report to the people of Delaware on current congressional affairs. Senator Frear will be heard again next week at this same time, speaking from the Senate Office Building in Washington.

[End 05:18]