

This blitzkrieg to which I have reference is just as directly connected with the war, however, as any mass bombing could be. It is an economic blitzkrieg, which, if it should develop on the scale on which it now threatens, would be infinitely more damaging to the economy and morale of our State and Nation than the most destructive bombing attack could be.

Here attention is directed to the dire condition in which the smaller industries of our State and Country now find themselves. It is the result of the temporary chaos occasioned by the necessity for a quick swing from normal peace production to all-out war production.

Right here in Frederick, as well as in practically every city and town in Maryland, there are numerous industries employing 50, 100, perhaps even several hundred men, which face difficulties and possibly complete shut-down, due to lack of materials. Some of them undoubtedly can be helped, but unless we as a people are more skillful in solving this problem in the immediate future than has been the case up to this time, it is a recognized fact that many of these small industries will have to go out of business, thus releasing many thousands of employees to complicate further the already disturbed labor situation of the Country.

When first it became apparent that every possible avenue of production would have to be utilized to supply for our Army and Navy the vast amounts of material and clothing, food and other supplies necessary to carry on this highly organized and highly mechanized modern warfare, as well as to take care of the ordinary needs of our civilian population, the general reaction was, that here was the employment problem of the Country solved, temporarily at least.

However, when it was learned that of the several billion dollars worth of initial contracts placed by the Federal Government, 75 percent had been awarded to 56 corporations, the Country gradually began to be aware of three disturbing facts. One was that there inevitably would be delays, serious delays, in transforming these huge plants from peace work to war work, for new machines and re-tooling were necessary, and strain as we might, these things take time.

Secondly, such concentration of war contracts in a relatively few centers of production immediately began to induce an influx of workers and their families into these areas, to the point where there soon ensued an overcrowded situation that caused snarls of many kinds, and that of itself produced additional delays. At the same time, is caused untold inconvenience to many thousands of our people, forced them to submit to housing conditions that were anything but desirable, complicated the school and traffic situations and, in general, made for a worsening of conditions rather than a betterment. At the same time, from the standpoint of possible future attack by hostile planes, it exposed our defense production capacity to destruction on a far greater scale than could possibly ever materialize if the defense industries could have been spread over a greater area.

Thirdly, it left many plants and many towns and cities either without prospect of stable operation and employment, or created a state of uncertainty that is becoming worse as each succeeding month emphasizes the increasing shortage of practically every type of necessary raw material.