PSF: Subject File: Baruch, Bernard
The design of this paper is to diffuse among the New Dealers, the idea that conservative principles can be carried on all subjects, to include just principles in religion, and the government, and the constituent parts of its sound literature.—Prospect of the Evening Post, No. 37, Nov. 28, 1930.

New York, Thursday, March 5, 1936

The Quaint Notion That Baruch Is a New Dealer

If the New Deal lasts until 1980, we are quite sure that along about the spring of that year Mr. Baruch will be exposed as the New Dealer that he is, and the Congressional committee to slam the New Deal. The next morning the Herald Tribune will run a headline that he has been one of the men, with this word "New Deal" comes, to prove that the New Deal is no good.

The truth is Mr. Baruch is a New Dealer that is very precious to the Herald Tribune and to most ultra-conservatives. They have only a few men left, one of whom is ready to give Mr. Roosevelt the boot and they have to stand ready to give Mr. Roosevelt a boot at every opportunity moment. Unfortunately, it just isn't possible.

Bernard Baruch is a gifted and useful citizen, a man who rolled up an amazing record of efficiency in handling war supplies, a gentleman who is an excellent friend of the Democratic party and a dyed-in-the-wool conservative. He is a close friend of Roosevelt and he is a close friend of Harding. He was happy with Harding.

Perhaps the "liberal" legend surrounding the name of the gentleman has grown up because he knows how to smile, because he has a tolerant, easy approach and doesn't call names. In these days of ultra-conservatives spread so much to unhorse the furniture, a man who carries good manners into political controversy is likely to be conceded. But it takes more than a smile to make a New Dealer.

Bernard Baruch started banging the New Deal almost before it was, and before it was un-おかげsed. In 1934 he was already warning that the Government's fiscal policy meant inflation. (We're still waiting.) He has objected continuously to the New Deal's spending policy, and each time he has given out, the Republican press has chipped. "See a New Deal that talks like that."

The new testimony offered by Baruch to the Senate is a piece of his with his previous performance. He wants the Government to regulate itself; a nice idea if it would work. He is obviously in the Donald R. Richburg circle of 3.3 percent liberals who are trying to create an NRA without the labor and social trappings.

Thus Mr. Baruch covers his conservatism with New Deal. But when it comes down to each specific social part of the New Deal, he only condones.

He went so far in gravity that in a recent survey it was found that 31 cents of the $1.50 retail cost of a shirt was due to "hidden taxes." This testimony by "New Dealer" is taken almost verbatim from Republican campaign literature of 1936.

Of course, he fails to point out that the "hidden taxes" include municipal, county and state as well as Federal taxes; that the percentage was nearly double in Hoover's administration, when national income was down.

Baruch's use of liberal platitudes in defending social security, regulation of business, spending for relief, and his custom of going on to praise liberalism in each objective is right.

New Deal "method" in each particular case is wrong is a technique we have seen before.

The use of consistent conservatism decked out in liberal colors creates so much confusion that it obscures Baruch's remarks of real value. His right in denouncing the mechanical difficulties in administering the corporate undistributed-profit tax, but before liberalism in his bête noire on this bill, and his attack on a tangent against high-income taxes, against inheritance taxes, against the capital gains. The voice of liberalism on the platform is that of Coolidge.

We like Mr. Baruch. We differ from the hermit "hides" that he is a conservative, not as a unique kind of New Dealer.
My dear Mr. President:

I heard that you were wondering why I did not answer your letter of April 25th. You marked it personal in your own hand-writing, and referred to messages I had sent you. And so I sent you an answer in the same way, but did include a personally written note in one of my various memoranda. I should dislike very much to have you think I was discourteous or unappreciative.

I have sent a number of communications to you, verbal and written, and have always felt that if you thought there was anything I could do in the circumstances, you would call upon me.

Unless I can be of some use in the situation here, I shall sail for Europe some time between the middle and end of June.

I think agricultural products are too low and I think the Secretary of Agriculture could say something to encourage consumers in that belief.

I am glad to see you are slipping in here and there such necessary expenditures as for airports and anti-aircraft guns, and other army necessities.

Sincerely yours,

Bernard M. Baruch
597 Madison Avenue
New York

June 2, 1938.

Hon. Franklin D. Roosevelt,
The White House,
Washington, D.C.
April 25, 1938.

Dear Bernie:

I appreciated the messages you sent me in relation to the way many of the newspapers mis-represented your testimony before the Senate Committee.

But I hope that this experience of yours will enable you to understand a little better the kind of misrepresentation — unfortunately deliberate — to which I am subjected almost every day. These are not only on larger matters but are carried to the dirty little digs, such as our friend Krock uses so often.

For example, in the Times of April twenty-second, he speaks of the testimony you gave in relation to British taxes and then he goes on with the following:

"President Roosevelt said of this testimony and the rest offered by the witness that he had read 'only the headlines.' But the report of the Byrnes committee yesterday demonstrates that the Senators who heard it were more impressed."

Krock knew when he wrote this that when I said that I had read "only the headlines" it was at a press conference immediately after your testimony was given — that no printed copy of all the testimony was available to me, and that in any event I had had only a few hours to read even the much condensed and somewhat garbled newspaper accounts.
What I said was, of course, entirely and properly true. I had only had a chance to read the headlines in that morning's paper.

For Krock to make it appear a month later by innuendo that my information even today is based "only on headlines" is just one of those things which gentlemen don't do.

The English have a term "it is not cricket." That is another way of saying that there are some things which gentlemen don't do.

As ever yours,

Honorable Bernard H. Baruch,
597 Madison Avenue,
New York City,
New York.
My dear Mrs. Roosevelt:

If the President is going to appoint a commission to study the working of the English Trade Disputes and Trade Unions Act, don't you think it would be a good thing to have Marion Dickerman put on it?

1. She is well equipped to do a job of that kind.

2. It would be very helpful to her and the school because she would do the job well.

Sincerely yours,

Mrs. Franklin D. Roosevelt,
The White House,
Washington, D. C.
My dear Mr. President:

Stettinius is getting up information on manganese and other items and as it is not yet ready, I have asked him to send it direct to you.

I am just off to the steamer. I am ready to come back at any time, if wanted. In the meantime, I will gather the information you want.

Sincerely yours,

Bernard M. Baruch

597 Madison Avenue
New York

June 29, 1938.

Hon. Franklin D. Roosevelt,
The President of the United States,
Washington, D.C.
WAR DEPARTMENT
OFFICE OF THE ASSISTANT SECRETARY
WASHINGTON, D.C.

July 6, 1938

MEMORANDUM FOR Miss M. A. Le Hand,
Private Secretary to the President.

The attached letter and its enclosure from Mr. Baruch
to the President have been noted. The data referred to are much
appreciated by the War Department.

[Signature]
LOUIS JOHNSON,
The Assistant Secretary of War.

Incl.
BERNARD M. BARUCH
597 MADISON AVENUE
NEW YORK

June 27, 1936.

Miss M. L. LeHand,
Secretary to the President,
The White House,
Washington, D. C.

My dear Miss LeHand:

Will you please see that the President gets the attached?

Sincerely yours,

[Signature]

B. M. B.
June 27, 1938.

There is very good evidence that the Germans have been large buyers of non-ferrous metals for a long time. Here is a significant fact. All of the countries joined in issuing a statement of the stocks on hand. Since May the German government has refused to let her industries give that information to the various participants.

Japan is buying cash copper on the Pacific Coast. There is not much of this available.

We should take advantage of any trouble abroad, or even the possibility of trouble abroad, to cement our relationship with Mexico, Central and South America, and show them the inadvisability of contacts with nations that might momentarily become embroiled in war. Because of the possibilities American bankers are now afraid to advance money thus lessening the chances of international trade.

I propose to sail on the Normandie on Wednesday, June 29th, at 12:00 noon. If for any reason you want me to remain here, please let me know in time. In case I am wanted later on, I can return immediately but in the meantime I will obtain the information abroad which is so desirable.
TELEGRAM

The White House
Washington

Dundee 810pm September 3 1938

LC The President

The White House

If still desirous appointing board for coordinating defense might be advisable announce personnel before next Tuesday's speech. Besides chairman suggest as other members Assistant Secretary of War and Navy former vice chairman of priority Charles Forster, American Radiator Company; John Hancock; Hugh Johnson; George Peek; J. L. Replogle, to be added to later. All thoroughly experienced and each to have younger alternate to be suggested by the chairman for your approval. Part of work would be extension and coordination of electrical power so that would not be shortage. Am calling you on phone Sunday kindest regards.

Bernie

485pmd
THE WHITE HOUSE
WASHINGTON

October 14, 1938.

MEMORANDUM FOR

B. M. B.

No — Hausrofer was not his name. The man in Haiti was Tippenhauer. Remind me to tell you about the latter when I see you.

F. D. R.
The Carlton
Washington, D.C.

My dear Miss, I please that
the President gets this

Jen ran away last night.

Yours sincerely,

P.S. 113
November Thursday

My dear Mr. President—

The name of the German who is the man close to Hitler is Dr. Karl (now called General) Haushofer. So is the man in Haiti and of Dominos Bovo
MEMORANDUM FOR THE PRESIDENT:

Bernie Baruch called me up on the phone and said that he thought the suggestion of Knudsen, Knox and Stimson would be considered a makeshift and ineffective and not impress the American people, as it would not take care of the civilian or labor needs.

He also said he thought that Knudsen's and Nelson's coming out, while the President was away, saying that things were not going so well, was not quite playing ball.
TELEGRAM

The White House
Washington

SWU.RA. 28- 10:12 a.m. May 29, 1941

NBN. New York, N. Y., May 28, 1941

Wayne Coy.

I wish it were possible to hold up appointments to the
White House other than Lubin's until a restudy is made of
situation as it unfolds itself now.

B. M. Baruch.

RECEIVED
MAY 29 1941
WAYNE COY
Dear Bernie:

I did not have those Paris Peace Conference experiences with the "gent" but from much more recent contacts, I am inclined wholly to agree.

F. D. R.
My dear Mr. President:

I was delighted to learn of your fine physical condition. You were certainly hitting on all four cylinders yesterday.

This letter is particularly to say something about J. Maynard Keynes to whom I hope you will not give your confidence. I saw much of him at the Paris Peace Conference where he was endeavoring to cancel the British loans even while they were making new ones; where he endeavored to impress upon me the necessity of coming to an agreement which I would not, under instructions from President Wilson; where he endeavored to have me agree to a statement, the phraseology of which would have meant one thing to one person and another thing to another person.

He never was of any aid in endeavoring to get decent reparations, although opposed to too high reparations. When he found he could not make any headway, he sulked, went home and wrote a book, the "Economic Consequences of the Treaty of Peace" in which, as you know, he criticized President Wilson unjustly and unfairly.

I have no confidence in him except in his superb ability to talk about things which, like others you can recall, he knows very little about.

I have refrained from saying publicly the things about him which I feel very deeply, because it would be twisted to mean an attack upon England, but he is better off home than here.

You need not consider anything I say here as private or confidential, if you want to use it to him, the British Ambassador or anybody else. I just wanted you to know how I feel about him.

Sincerely yours,

Bernard M. Baruch
597 Madison Avenue
New York

July 9, 1941.

Hon. Franklin D. Roosevelt,
The President,
Washington, D. C.
Received this morning note from Baruch who is at Carilton Hotel here today. It reads as follows and suggest that you give text to President.

"Dear Steve,

I received your telegram while on the Congressional. Your lack of understanding of my intent made me re-read my letter to Mr. Hearst. I am sure the only motive underlying your telegram was one of friendship. Were it anything else, I should not trouble to reply, for no one has a right to hold me accountable for my words or my actions.

"Having said that, let me make this plain—my sole purpose in writing as I did to one of the most powerful editors in the world, who happens to be my friend, was to gain his support for an all-embracing price control bill which I heard he had intended to oppose. Because the defeat or deferment of this measure would be certain to bring disaster, I wanted to leave no stone unturned to remove the danger.

"Let us not delude ourselves, dear Steve. That danger had become greater because of the confusion and delays on the part of the organization set up to handle preparedness and supply. I want to help in every way I can, without hope of reward or fear of punishment, to clear up the condition that means so much to our country. Further hesitation would be fatal.

"Bear this in mind—this entire incident pivoted on Hearst's extraordinarily good anti-Linbergh editorial. That editorial just as today's on the Bill of Rights made me think that he would be broad-minded enough to be affected by my price control reasoning. So I sent the statement.

"Regards, "sincerely yours, "B M Baruch"

STE
Memorandum for the President:

1. I was greatly encouraged by your determination to dismiss failures. Why not do what you did with General Wesson. Notify everybody, perhaps at a press conference, that no alibis will be accepted and if results do not come, their places will be declared vacant. That would stimulate the American people when followed by the dismissal of men who give alibis.

2. Nelson has asked me to make recommendations on the small business man. Many people have been fumbling around with it and I think we will report some more progress shortly. General Wesson, under instructions from Patterson issued an order that has been helpful.

2. I did not see the new Ordnance setup until after it was done but it is along the lines of what I advocated over two years ago and which I thought would save 25% in money and 33 1/3% in time. Doubtless you have seen the result of the drive started in the Ordnance Districts two months ago.

There were over 600,000 rounds of 37's and over 300,000 rounds of 75's - armor piercing and semi-armor piercing shells loaded last month. This will increase rapidly. The 75's were what we lacked in our shipments of tanks to Egypt last spring. T.N.T. and small arms are moving better. Artillery program is not good. You will have to decide very soon about a permanent ordnance chief. All of the production so far has been done by the Army and the Navy Ordnance and not by the civilian organization.
4. The lawn mower company in Newburgh and the DeLaval Separator Company in Poughkeepsie are full up. I wish you would send me a pencil memorandum of any further facilities in that district so I can kick along that work.

5. The raw material situation is bad. You will probably hear some complaints about my activities in that connection. Nelson is not satisfied with his men and I want him to make some changes.

6. Milo Perkins should be given a checkbook with which to undertake to get materials in South America. He is a first-class man.

7. No results yet from a newspaper, which should be on the way. Necessity is the mother of invention. But we are not driving hard enough to find substitutes.

8. In view of submarine activities, I think we should re-evaluate the plan for improving the Mexican railroads and the extension of roads and railroads to the Canal Zone.

9. I want Nelson to improve his own organization because I know that industrial mobilization is the weakest factor in production.

10. There is another thing that was on the chart I recommended to you last summer. That was an organization presided over by you, which should meet at stated intervals, composed of representatives of the Army and the Navy, the Maritime Commission (Land), Economic Defense (Wallace), Lend Lease (Hopkins), Jesse Jones, Henderson, Labor (Hillman) and Production (Nelson). An executive should be appointed
perhaps Hopkins or Smith of the Budget, or some such person, who would try to iron out the difficulties between departments before meetings. If the differences cannot be ironed out, the case would be presented to you by both sides in the presence of all the others. If it involved any other department, that department could be asked to sit in but only on cases specifically involving them. Every week all differences would be cleared. Then, I think, we would be set for the best the American can give. We are not yet set. This board would be somewhat similar to Woodrow Wilson's so-called War Cabinet. Just as a single control had to come, this will have to come. The sooner we face it the better. This will save time and energy. It will increase production. There is not enough all-around urgency. There is too much talking about a thing, making statements and then not following up. We cannot delay action any more.

P.S. We agreed that the Sherman Anti-Trust law and Arnold's activities had to be suspended during the period of war. That does not excuse anything that was done before the war and that may be done after the war, or anything done contrary to War Production Board's orders. The Price Control have that now.
Dear Bernie:

Because you are "an ever present help in time of trouble" will you "do it again"? You would be better than all the Supreme Court put together! Sam will tell you and I'll see you later.

As ever,

F. D. R.

Bernard M. Baruch
This is a memorandum just to let you know that last evening I got Bob Patterson and Donald Nelson into a full agreement on their dispute.

The production of airplanes last month was about 4760 of combat. If we had not made gliders to the extent of 6500, we would have been pretty close to the original schedules, especially if the War Production Board had furnished the armed services with the raw materials.

The army is doing a pretty good job on production.

B. M. Baruch
My Dear Mr President,

In answer to your letter of Feb. twenty-third--the delay was due to the fact that it followed me to South Carolina and then back here.

Sincerely yours,

Bernie
March 2, 1944.

MEMORANDUM TO THE PRESIDENT:

The idea is fine! Especially, the twenty-year payment plan without interest.

I am sure you have in mind to see that we do not get the worst of the ships—in the way of speed etc.;

I think it is unwise to make this agreement in advance, because then you have nothing with which to bargain when you face the difficult territorial problems.

For this reason, it would be better not to come to any immediate agreement; continuing in the meantime, exploratory studies and exchange of ideas, regarding ships, international money, international credit, disposition of surpluses, airlines and international communications.

S.M. Baruch
February 23, 1944

MEMORANDUM FOR

B. N. B.

I think that I should tell you confidentially what I have proposed in regard to the disposition of our surplus shipping.

We have just arrived at the point where our merchant marine is actually larger in tonnage than the British merchant marine. At the same time other nations like Norway, the Netherlands and Greece, have lost very nearly all their shipping -- and have replaced none of it. It is my thought that at the end of the war, we should put all the shipping in all of the world into a pile in the middle of the room; then, allocate to the nations which have built no new ships enough to bring them back to about three-quarters of their pre-war tonnage; then, divide up the other half of the pile evenly between the U. K. and the U. S.

I agree with you that we should not give away any of the ships. Rather, we should lease them on a 20-year payment plan to England, Norway and the Netherlands, etc., but without interest. In this way we get our capital back but no more. The smaller nations cannot, of course, do this if they have to pay interest. This interest would double the cost.

Let me know what you think of it.

F. D. R.
Memorandum For The President:

The influence of the United States, and therefore the power which you have, lies not alone in our armed force, but in American productive capacity in every field.

No one can raise the standards above what they are, without your active collaboration. Therefore, before the terms of peace are made, and position is being jockeyed for, I would not want you placed in the position Woodrow Wilson was in at Versailles, where many questions had been compromized in advance.

I should like to see only exploratory action on air bases, shipping, the so-called international R.F.C. and international monetary units. Those are terrific instrumentalities within your grasp, in addition to our productive capacity and the disposition of our surplus and stockpiles.

Whatever we do in shipping should be in the form of leasing or chartering - and not immediate transfer of ships. England, Denmark, Norway, Finland, Russia, France, Portugal, Italy, Yugoslavia, Greece, and others will want ships. We have them. There can be no revival of trade or commerce - or even the prevention of starvation - unless the United States furnishes seeds, agricultural instruments, and helps the nations re-establish themselves through loans and monetary stabilization.

These are the things I would like to see retained within your grasp to effect the broader questions and the ultimate goal which you have fixed in your mind.

These are instrumentalities of such terrific power that they cannot be resisted by anyone.
I have seen the entire effectiveness of the operation, and I am satisfied with the work that your organization has done. I should like to give you the following advice:

1. You should continue to work on the project as described. If you have any suggestions for improvement, please let me know.

2. You should keep detailed records of all expenditures and receipts. This will help you in preparing financial reports.

3. You should make sure that all equipment is properly maintained. This will ensure that it remains in good working order.

4. You should regularly review your progress and make adjustments as necessary. This will help you stay on track.

Thank you for your hard work and dedication. Your efforts are greatly appreciated.

Best regards,

[Signature]
very dear Mr. President,

Gordon has just delivered your message to me. I should be very pleased if you would come and try your hand in the pond at Bellefield as we recently have caught some wise bass and bream.

It was only out of respect that you might think me too forward that I have not offered this suggestion before.
I should deem it an honor if you would care to come for luncheon on the terrace, dinner or cocktails, the day most convenient to you.

Yours sincerely,

Belle Roman

Apres the eighteenth
August 30, 1944.

Dear Bernie:

Pa brought me that fat envelope and it came as a real surprise, as I really thought I owed you something. Ever so many thanks for thinking of me.

My best to you and do come in and see me soon.

As ever,

Honorable B. H. Baruch,  
Fort Washington,  
Long Island, New York.
THE WHITE HOUSE
WASHINGTON

October 5, 1944

RYDE PARK FOLDER:

MEMORANDUM FOR THE PRESIDENT

Anna tells me that you promised you would telephone Bernie Baruch and ask him to go on the air for the Democratic National Committee. They think he will do it if you personally ask him.

GOT
MEMORANDUM FOR MISS TULLY

Subject: Mr. Bernard Baruch

In accordance with the President's wishes the enclosed memoranda from Mr. Bernard Baruch to the President and to General Watson are returned for your files.

I have talked with Mr. Baruch and arranged for Mr. Acheson to see him, then a little later I shall see Mr. Baruch myself and talk further with him.

Enclosure:
Memoranda (2)
BERNARD M. BARUCH
WASHINGTON, D.C.

October 13, 1944.

Memorandum to the President

I should like to have an opportunity to talk over with those entrusted with it the question of German occupation and the aid to the English. As you know, I was on the reparation and economic commissions that dealt with all of these matters. I am as familiar with them as I was with war mobilization and inflationary measures.

I have no desire to butt in, but I can suggest some things that we can avoid before we do them.

Bernard M. Baruch
Memorandum to General Watson

I suggest that any occupation of Germany should be entirely by the armed forces. The appointment of civilians now would be a mistake because civilians will be writing letters home, and the columnists will get hold of them and create a division in the country as to how the Germans are being treated.

Stern measures will have to be adopted first to have the Germans understand that when any order is given, it must be obeyed. Only men from the armed forces can do that. Eisenhower knows the men who will carry out his orders that will follow the President’s policy.

Bernie

BMB
Memorandum for the President:—

I have heard that Isador Lubin has been recommended for German reparations. In the capacity of statistician and economist he would be of great value since he is capable and honest, but he would hardly measure up as the head of the job you have in mind.

As to the matters that you were good enough to refer to me, I am looking forward to discussing them with you towards the end of the week as you suggested.

Hebceaw is more beautiful than ever, with all the spring flowers about to come out. You would be very welcome to take the place. Belle assures you of good fishing, good mixings, and her own good cooking. She would be glad to accommodate any of your guests that there would not be room for in my house.

Bernie
Hobcaw Barony

March 6, 1945

My dear Grace:

Would you please hand the
enclosed memorandum to the President.

Sincerely,

β. m. β

Miss Grace Bolly
The White House
Washington, D.C.
PERSONAL

TO: THE PRIME MINISTER
FROM: THE PRESIDENT

March 19, 1945.

I would very much appreciate it if you would see Bernie Baruch as soon as convenient to you, and also appreciate it if you could wire him as he counts you one of his oldest friends and would much prefer having your approval before he goes.

ROOSEVELT
The White House
Washington

MAR 18 4:04 PM 1945

NEW YORK NY MAR 18 227P

MISS GRACE TULLY

WHITE HOUSE

I MAILED MEMORANDUM TO THE PRESIDENT YESTERDAY WHICH WAS
NOT SENT THROUGH YOU AS IT SHOULD HAVE BEEN.

BERNARD M. BARUCH.
Memorandum to the President:

Back in 1942 and 1943, you asked me to talk to Churchill about his attitude towards Stalin. At that time I told him that the Russians were killing more Germans than all the rest of us put together, and that we should be glad of it, welcome their support and help them all we could.

He was anxious to know what would happen when Germany was beaten. I told him we would then pass into the economic phases of the transition period, looking towards peace, that the democracies of the world, particularly America, would be the greatest source of aid to Russia, and that England and America were the only sources to which they could look for the things that Russia would need.

He was impressed by the argument and even said it was a brilliant idea.

I have always told you that wherever you sat would be the head of the table.

Now in this transition period that has become more apparent. Particularly is this so when Germany is going through Hitler's previously expressed idea of making Germany a desert. The more of Germany that is destroyed, the more the United States becomes the source of rehabilitation in peace as she was the source of materiel, munitions, ships, plans and food in war.

It is not alone Russia that will need England and America. England will also need America. So, there now faces the world a situation where America becomes more powerful than ever as soon as Germany folds up. You
will be asking nothing of others that you are not willing
to grant them and the whole world - a peace in which
everyone will have an opportunity to work out their own
salvation with jobs.

Russia is going to be unable to get much from
Germany for many years. Unless she is ready to re-establish
German industry, she will get very little.

No matter what happens, America will have to
be the prime source of machines, materials and facilities, and
engineering and scientific ability.

You have all the instruments at hand with which
to bring the peace that you have always envisaged.

P.S. If the Polish, Russian, Roumanian or any other
government should do something politically, ethnologically
or economic that the conscience of America cannot uphold, it
will be difficult for you to help them. They must under-
stand that their governments can make their people face
bullets while you and our form of government must face
the ballots every two years. To meet their needs they
must think of our necessities.
Memorandum for the President:

The news carries a story that you have seen General Hines on the veterans' matter. Ever since the GI bill was passed I have had investigators gathering information on it, and hospitalization for the wounded. The last is well done - the other not. The great number of rejectees has carried me into the question of medical care for the general public. After the European matter - if you desire to send me and which should not take more than a couple of weeks - I could undertake a survey of the human side of conversion and demobilization, if you wish, and bring in a report to you in about three weeks. If you decide you want to do it, I will make suggestions as to the makeup of the committee, the naming of which now would hold off any further criticism.

I think I can make a pretty good guess as to how it leaked out about the possibility of my going abroad. Curiously, there was not one single thing concerning some of the matters you want me to take up. I have given much thought to them and I am ready whenever you wish to see me.

The enclosed editorial bears out our views of Brother Keynes.

If you get this German reparation policy fixed, and you seem to be the only one here who has any clarity of opinion and judgment on it, a lot of other difficulties will disappear. That is the most difficult question, and will solve many others.

[Signature]

March 17, 1945.
My dear Mr. President,

The Bible and history are filled with missions upon which countless men have set forth to help their fellow men.

Now has one been fraught with such possibilities as the one upon which you are about to embark.

You carry not only the hopes of the world but you have an opportunity to make successful all previous attempts by making a peace in which their efforts can bear fruit.

Dean Hardner Wilson 25 years ago set out upon one. Frank Cobb sent for me in Dec. 1918 to tell him the President's task was already impossible because of compromises and promises made to England and France. Later when cabled for by the President Dean 22 this plained human failings by what they
are, have watched, warned and tried to guide when there been "indications."

Do not pretend to any great wisdom. But I am like a book reference whose pages one can turn to see what has happened before.

At times, I have had a deep sense of frustration concerning phases of preparation, production, inflation, man from et cetera. But I have never failed to make anything, everything, every one succeed whether I have agreed or not.

Woodrow Wilson did not succeed because his power was whittled away before he arrived on the scene.

Perhaps there been too felt resistant at times, but I feel...
I know that I have around the community of Rome. But I must work to the end. For I shall not have on my conscience that I have not done everything what little I can, that I have been false to our dead, our living, and to my friend. There are many pages of experience left in my book. They are there to be turned. We can learn from the mistakes of the past. Your mission must succeed. 

[Handwritten note: above accys my hopes and prayers for all who faith you and I know you will not fail them. Ronnie]
This newspaper received a letter from Robert Boothby, which it published on March 6, and a second letter, which it published on March 14, referring to the Bretton Woods agreements. Mr. Boothby is a Member of Parliament and chairman of the Money Policy Committee in London.

In both letters Mr. Boothby pointed to what he called certain "major obscurities" in the Bretton Woods Monetary Fund agreement, and he pointed out that regarding several of them precisely the opposite interpretations had been made in Great Britain from those generally made here.

You have been led to believe that the Bretton Woods proposals take us all back along the road to a gold standard, currency stability, non-discriminatory and multilateral trade. We have been assured that they constitute the exact reverse of a gold standard, that exchange rates will be flexible and that reciprocal trade agreements involving discrimination will be permissible.

Treasury spokesmen, discussing Mr. Boothby's contentions before the House Banking and Currency Committee, do not appear to have dealt with them very satisfactorily. They questioned Mr. Boothby's motives and his purpose in being in this country at this time. Such personal considerations do not meet the real issue, which is, Do the obscurities and ambiguities which Mr. Boothby alleges to be in the Bretton Woods agreement in fact exist?".

There can be not the slightest doubt that they do. "Widely different interpretations have been made of the Fund agreement here and in London. It was Lord Keynes, leader of the British delegation at Bretton Woods, who declared before the House of Lords: 'If I have any authority to pronounce on what is and what is not the essence and meaning of a gold standard, I should say that this plan is the exact opposite of it.' It is Lord Keynes, also, who in a letter to The Times of London contended that the Bretton Woods plans would still permit Britain to make purely regional trade and currency arrangements, a view that has been disputed in the United States. There has developed in addition a vital difference of opinion concerning whether the credit granted by the Fund is automatic, regardless of unsound currency or other economic policies in the borrowing countries, or whether the Fund has a right to withhold credit because of such policies.

Wholly apart from Mr. Boothby's personal motives, in short, he is correct when he writes that "Nothing could be more deleterious to the future of Anglo-American relations than that the two countries should sign an agreement, each thinking that it means something quite different." It simply does not make sense for the United States, Great Britain or any other country to commit itself to the Bretton Woods Fund agreement without knowing precisely what it has committed itself to.

There are several ways in which the problem might be dealt with. Congress might accept the Fund subject to an explicit set of understandings or interpretations on essential points at present left in obscurity. A much better course in every respect, however, would be for the Administration to withdraw the Fund proposal at this time, to ask Congress to adopt now only the much less controversial Bank proposal, and then to attempt to reach an agreement with the British on the important points at present subject to such divergent interpretations. An agreement so arrived at could be submitted to other nations for comments or suggestions. This would be a far wiser course than the Administration will pursue if it insists that Congress adopt the present Fund agreement blindly, without this essential clarification.
Mr. Howe,

Barnard Baruch 'phoned. He is very much worried about Johnson. The General 'phoned him and told him of your conversation. He told Mr. Baruch that he had explained several things to "your" satisfaction.

Incidentally, Mr. Baruch suggested that no one answer the articles Johnson is writing. Thinks it would be very unwise to do so — the idea being that if they are not answered the "controversy" cannot be continued.

Johnson told him that his articles on the Cabinet were worse than that on the President. Suggests Carter Glass for Secretary of the Treasury and Baruch for Secretary of State. Mr. Baruch is very much worried over what he thinks Johnson has said about Morgenthau — it must be pretty deadly but it is of a personal nature which Mr. Baruch thinks will help lessen the blow.

He wants very much to talk to you and I have told him that you would 'phone him at about 4:00 today. Johnson

(Incidentally, Mr. Baruch asked him why he did not tell him he was writing the articles. Johnson's reply was that "you would only bawl me out.")

You will 'phone Mr. Baruch today, won't you?

Rabbit.
The messages to the Prime Minister which complete this file have been sent to the Map Room for transmittal.

G. O. I.
MEMO FOR GRAPE:

To take up with the President after Mr. Baruch leaves in order for the President to send a message to the Prime Minister re Mr. Baruch's arrival, etc.
THE WHITE HOUSE
WASHINGTON

March 22, 1945.

MEMORANDUM FOR THE PRESIDENT:

I talked with Mr. Baruch and he said to tell the Prime Minister that he will come whenever the Prime Minister can see him. He wants, of course, to be sure the P.M. will see him but he wants to see you before he leaves. He is in New York but could be down here on Saturday if you will tell me what time you could talk with him. He says he cannot go until he has seen you.

C.G.T.
THE WHITE HOUSE
WASHINGTON

March 22, 1945.

GRACE:

Will you call up Bernie
Baruch and say I had an awfully
nice telegram from the Prime
Minister saying that he was pleased
that Bernie is going over and wants
to know when he would see him over
there. I want to send a telegram
to the PM telling him.

F.D.R.