Bill:

Attached in Winding to Conference dated July 3, 1933

See Public Papers 1933 p. 264.

5/29/77
FDR Wireless to London
Economic Conference July 5, 1935.

Original presented to
FDR library by FDR Jr.
Memorial Day Ceremonies
FDR Library, Hyde Park NY
May 28, 1973. Received by
Director.
Dear Grace:

I was searching through my file yesterday for something for Mrs. Roosevelt and Franklin, Jr. was standing over me and discovered this document.

He gave it to me a long time ago to keep for him and that was the last any of us thought of it. He tells me now that you have been searching frantically for it and I am terribly sorry that I did not know you were looking for it, as I might have recalled it or at least made a search.

Franklin says this is personal property, that his father gave it to him, and he wants it back.

M.T.S.
Phillips

Acting Secretary of State

Washington

Please send following to Hull as soon as possible:

Quote: Herewith is statement from which I think you can see Monday morning as a message from me to you. If you think it best not to give it out that in London let me know at once and in that event I will withdraw it here as a White House statement.
I would regard it as a catastrophe amounting to a world
tragedy if the great conference of nations, called to bring about a more
real and permanent financial stability and material prosperity
of all nations, and their people, should the advance of any serious
effort to consider this tremendous problem, on the early solution
of which modern civilization depends, allow itself to be diverted
by the adoption of a purely artificial and temporary experiment
affecting the monetary exchange of a few nations only. Such action,
such diversion of purpose at this time can have but one result. A
feeling that the major work of the conference has been accomplished.
A further excuse for a continuance of the basic economic fallacy that
underlies so much of the present world-wide depression. Incidentally,
those nations which have lacked the ability or the courage to face
boldly their present peril by reducing government expenditures;
increasing government income, and by joining other nations in
restoring international trade, will continue to postpone balancing
their national budgets, lulled by the specious fallacy that the
achieving of a false and temporary stability in international exchange
on the part of a few large countries only, will prove a cure-all of
the world depression. The conference was called to achieve a particular
but not be diverted from such an achievement. Until that
settlement they are other business before
singular lack of proportion and a failure to remember the larger purposes for which the economic conference originally was called together.

If I do not recall the thought that such action should be made an excuse for the continuance of the basic economic errors that muddled so much of the present international stability.

The world will not long be lulled by the obvious fallacy of achieving a temporary and probably artificial stability in foreign exchanges on the part of a few nations countries only.

The sound internal economic system of a nation is a greater factor in its well-being.
THE WHITE HOUSE
WASHINGTON

than the price of its currency in changing
terms of the currencies of other nations.

It is for this reason that reduced cost
of government, adequate government income,
and ability to service government debts,
are all so important to ultimate stability. So too
old fashions of so-called international bankers
are being replaced by efforts to plan
national incomes with the objective of

...
THE WHITE HOUSE
WASHINGTON

I must frankly say that the United States issued a dollar which a generation hence will pay debts and buy goods in the same purchasing and debt-paying power as the dollar value we hope to attain in the near future. That objective involves more to the other nations than maintaining a fixed ratio for a month or two in terms of the first and the frame.

Our broad purpose is the permanent stabilization of every nation's currency. Gold or gold and silver, can well continue to be a metallic reserve terminal medium.
But this is not the time to dissipate gold reserves. When the world works out concerted policies in the majority of nations to produce balanced budgets and a living within their means, then we can properly discuss a better distribution of the world's gold and silver supply to act as a reserve base of national currencies.

Restoration of world trade is an important factor both in the means and in the result. There also, ordinary exchange fixing is not the true answer. We must rather mitigate existing embargoes and exchange of products which one nation has and the other nation has not.
THE WHITE HOUSE
WASHINGTON

The conference was called to meet and perhaps to cure fundamental economic ills. It cannot but be diverted from that effort.

End quote.

Franklin Roosevelt
This is the project of and to be filed with other documents.

Franklin D. Roosevelt, Jr.