

International Financing

International peace calls for world financial stability. There cannot be confidence and friendship among nations, any more than among persons, unless their business relations are orderly and mutually advantageous. That calls for a good system of currency exchange.

For these reasons, the action of President Roosevelt in calling an international monetary conference to discuss postwar financial problems is of extreme importance in world affairs. In some very vital respects, that conference in the seclusion of New Hampshire's woods beginning July 1 may have as much bearing upon the future peace of the world as any other conference following the close of hostilities.

A great deal depends, therefore, upon how this conference proceeds. The invitation by President Roosevelt went to 42 nations and the French Committee of National Liberation. The list includes the major countries of the world except the Axis countries. Their discussion will touch on many complex problems. They must feel their way along new paths.

While the world will be watching the labors of these monetary and financial experts in their New Hampshire retreat, Congress will also be looking on. For Congress holds in its hands the power to undo everything done by the experts. In its constitutional capacity of regulating the finances and fixing the value of the money used in or by this country, Congress must decide whether the United States shall enter any agreement reached at the international monetary conference.

Some members of Congress have already shown a critical attitude toward the conference because the planning for it has gone on without more than nominal consultation with Congress. About a month ago Secretary of the Treasury Morgenthau held a private conference with a group of congressmen at which he announced plans for the conference that has now been called. Following this some Republicans in the House complained publicly against the idea of only a two-hour explanation of matters which the financial experts had spent months upon. Later on, it was complained, Congress will be asked to pass upon financial commitments it had no hand in considering.

Perhaps the complaints are not valid, but they are worth considering. The nation well remembers events of 25 years ago when the Senate refused to ratify international agreements entered into by President Wilson. Congress at present is in something of the same jealous attitude where its prerogatives are concerned.

The real fate of this international monetary conference rests not so much with the conferees themselves, as with the men back on Capitol Hill. That is a point to be remembered in all arrangements for the conference, and in all of its deliberations.