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Against Stabilization

As Provided in Agreement Signed to Pave Way for Monetary Fund.

TO THE EDITOR OF THE SUN—Sir: The agreement for the International Monetary Fund made at Bretton Woods states as one of its purposes: "3. To promote exchange stability, to maintain orderly exchange arrangements among members and to avoid competitive exchange depreciation."

Assume that such purpose is constitutional; it would have been denied by Jefferson, Jackson, Van Buren and others, but probably is constitutional now under the ruling in U. S. v. Butler, 297 U. S. 1. We now have a national government with broader powers as opposed to the representative republic of limited powers under which we attained a degree of prosperity of all the people, especially of the workers, not equaled elsewhere in history.

So, assuming our politicians have the power to get our property by taxation, and to use it for trading in foreign exchange, why permit them to do it "to promote exchange stability"? The agreement recognizes that currency and gold are different, and that currencies and convertible currencies are different. These different terms can be understood from the agreement.

The agreement provides (Article IV) (a): "The par value of the currency of each member shall be expressed in terms of gold as a common denominator, or in terms of the United States dollar of the weight and fineness in effect July 1, 1944."

The word currency is illustrated by the currency of the United States. The weight and fineness of the dollar on July 1, 1944, were, and are, 15 5/21 grains of gold 0.9 fine (President's proclamation of January 31, 1934). But under various acts of Congress, proclamations and orders, the people were forbidden to ship gold abroad;

were ordered to put their gold in the banks; then the title to the gold was passed to the United States. Confiscation! The currency consists principally (\$22,000,000,000 out of \$26,000,000,000) of written promises by the United States to pay dollars to the bearer on demand. But the dollars, that is, the gold, are not paid, and it is a crime to own gold. Such currency is intrinsically worthless.

Convertible currency consists of written promises to pay coin, e. g. dollars, which coin is paid as was done here prior to 1 A. M. Monday, March 6, 1933, when the currency was repudiated by the President's proclamation.

Stabilization of currencies means, then, that some politicians (governments) get together and agree that so many of these worthless papers of one country shall be given for so many of another country, like the Tripartite Agreement as to pounds sterling, francs and dollars.

Read the agreement for the fund; it is too long and involved to summarize here. I charge that it will give a strangle hold on foreign commerce. Foreign commerce is supplementary to and affects agriculture, mining, industry and domestic commerce, and is in turn affected by them.

I suggest that we correct our own morals; get back our Constitution; repeal our regulatory, autocratic laws and restore the gold, liberty and freedom to the people.

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