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QUOTATIONS FROM MR. MILLER

Going off the gold standard a blunder.

Hearings before a subcommittee of the Committee on Banking and Currency of the United States Senate, 1935, pages 683-684.

"Senator Glass. Vastly more fear and more wide-spread fear occurred by taking us off the statutory gold standard than would have prevailed had we remained on the statutory gold standard.

"Mr. Miller. I have no hesitation in saying that I agree with you 100 percent.

"...Mr. Miller. I think the most serious blunder that any country can make in the monetary field is voluntarily, by its own action, to suspend the gold standard. I think we would have been pushed off of the gold standard by the pressure of events, but there was no occasion for us voluntarily doing it. Events would have done it, and we would have been off the gold standard with, I think, a vastly better national prestige today than we have. I think wisdom, foresight, would have seen that and would have let the natural course of events take place. In other words, play the gold standard to a finish, even though it takes the last dollar of gold you have. We knew that we were in a creditor position and that the gold would come back here after the frantic fear had played itself to a finish."

Nature, not man-made plans, the cure for the depression.

Hearings before the Committee on Banking and Currency of the United States Senate, 1932, pages 225 and 239.

"I say for the time being keep hands off of the sick patient and stay out of the sick room except to feed, and bathe and keep the patient warm.

"Senator Brookhart. Let him die?

"Mr. Miller. He will not die.

"Senator Blaine. Who is the doctor that you will leave in charge of the sick patient?

"Mr. Miller. Nature is doing her work. She must be our main reliance. Let us not underestimate our recuperative powers. You can interfere and meddle, but in my judgment with very little good result. We are simply repeating our own history over again. We have never had a breakdown that has not surprised us, and our resort inevitably is to what I call baby psychology. We

take resort particularly to cheap money devices in the hope and even in the belief that they will somehow or other wipe out mistakes, forgive debts, and set us all in good shape for a forward movement."

"...I hope you do not misunderstand my position there. We are trying to assist nature but I do not think that this assistance alone will accomplish results any more than I think it is possible to make the weather change by manipulating the barometer."

Board should select its own chairman.

The Banking Bill Considered in the Light of 1927-1929," June 24, 1935, pages 37-38.

"What then can the new banking legislation do to improve the situation of the Federal Reserve Board and insure a more competent performance by the Federal Reserve System in the field of open-market policy should the Federal Reserve Board be invested with ultimate authority and responsibility?

"My answer is to make the Board master in its own house by giving it an assured position of complete independence both in law and in fact. So far as can be done by statute law, it should be immunised against any form of interference, pressure or influence, be its source financial or political.

"In order to give the Federal Reserve Board a position as nearly immune from such influences as possible, I have proposed that members of the Board should, if not immediately then in due course, be appointed for longer terms of service, that they should not be removable except by impeachment, that members reaching the age of seventy should be given an allowance on voluntary retirement, that the title of the Federal Reserve Board should be changed to the Board of Governors of the Federal Reserve System, and finally that the executive head of the Board should be a chairman elected by the Board instead of a Governor appointed by the President."