

6/18/36

THE BUDGET

We favor reduction of Federal expenditures, balancing of the budget, and retirement of the national debt as rapidly as is made possible by continuation of the improvement in business, employment and the annual national income, which is already more than twenty billions of dollars greater than in 1932.

The last Republican Administration made a tragic failure of its attempts to balance the budget because of failure to adopt effective measures to stop the ruinous deflation which resulted in a shrinkage of the national income by more than one-half, thus drying up the source of revenue necessary to balance the budget.

By the constructive measures through which the Democratic Administration has revived business activity, supplied employment and restored the incomes and buying-power of our people, it has established the only sound and sure means by which the budget can be brought into balance and debt reduced.

Abandonment of these policies of fundamental restoration would jeopardize the recovery evidenced in every phase of the nation's life.

BANKING AND CURRENCY

We indorse the monetary policies by which the Administration has made the dollar the soundest money in the world today. The nation's credit was never more secure.

We pledge continuance of policies that make for an honest dollar, providing justice alike for debtor and creditor, and an equitable relationship between prices of agricultural and industrial products.

We approve continuance of the discretionary power vested in the Executive to defend the dollar in the international markets so long as the interests of American producers and workers can be put in peril by excessive depreciation of foreign currencies. It is essential that the United States be prepared to act promptly and effectively to meet whatever contingencies may arise in the international monetary situation.

We favor stabilization of world currencies under conditions which will protect the interests of American agriculture, industry and trade, and promote the international exchange of goods and services.

We oppose a return to that type of gold standard which would again make American agriculture and industry helpless against a world-wide fall in prices, put the American dollar at a competitive disadvantage with depreciated currencies abroad, or expose the nation's reserves to raids for the benefit of private hoarders and international speculators. Such a course would invite a recurrence of national disaster such as we experienced under the former gold standard that has broken down throughout the world.

We oppose any resort to the printing presses.

We pledge continued adherence to the policies by which the Democratic Administration rescued the banking and currency system from the worst

collapse in all history and restored that system to greater strength and stability than ever before.

We indorse the policies by which banker control over the money system has been replaced by control through a public body representing the public interest.

For the first time in our history deposits of the great mass of our citizens have been made secure against loss. We pledge a continuance of coordinated monetary and fiscal policies that will avoid the twin evils of inflation and deflation and thus promote the orderly economic progress essential to enduring prosperity.