

STRONG PAPERS, Strong to Norman, 1926 (List redone 5/2004, to include all materials)

1926

[January 6 (to Anderson)]
[January 10 (to Anderson)]
[January 15 (to Anderson)]
January 18
March 3
March 6
March 11
March 17 C
March 18C
March 18
March 18
March 26C
March 27
[March 29C]
[March 30C]
March 30
April 1
April 1
April 21
[May 15 (to Harvey)]
May 15
May 15
(May 18)
May 25
(May 25)
[May 27 (to Harvey)]
June 5
[June 5 (to Harvey)]
June 6
(June 11)
[July 5 (to Harvey)]
[July 22]
[August 10 (Harrison to Trotter, with letter to Prof. Harr and letter of introduction)]
August 18 (from Harrison)
August 20 (from Harrison)
August 21
August 27
[August 28 (to Osborne)]
(September 12C)
November 8
November 23
November 26
November 26
December 28C

[Oct 20 (Harrison to Peacock)]
[Nov 8 (S's secretary to Peacock)]

Note from original list: C = Cables

Letters and cables with deputy governors also included in Strong's files with a few others, such as that to Osborne. Also letters to ER Peacock, a director of the Bank of England, which were marked private for BS alone

Strong Papers Key:

[] = At earlier date, item was listed as present but no original or copy is now in Papers
() = At earlier date, item was not on list but original is in Papers and was copied if no copy existed

06/01/04

STRONG PAPERS, Strong to Norman, 1925 - 1926

1925

Jan.15
Jan.15
Jan. 24
Mar.9
Mar.9
Mar.20
Mar.21(not sent)
Mar.24
Mar.30
Apr.15
Apr.21
Apr.27
Apr.27
Apr.30
May 4
May 4
May 8 (fromsecy.)
May 9
May 11
May 14
May 18
May 18
May 21
June 1
June 6
June 12
June 12
June 13
June 13
Aug.1 (to Anderson)
Aug. 19
Aug.20
Aug. 23
Sept.19
Sept.26
Oct.2
Oct.2
Oct.3
Nov.7
Nov.10
Nov.20
Nov.27
Dec.3
Dec.7(to Anderson)

Misc. J.C. Robold + Co. to Strong
Nov.28 and Dec.2 on shipment of
statuette.

C-Cables

Note: Letters and cables with deputy governors also included in Strong's files with a few others, such as that to Osborn. Also letters to E.R. Peacock, a director of the Bank of England, which were marked private for E.S. alone.

1926

Jan.6 (to Anderson)
Jan. 10(to Anderson)
Jan. 15 (to Anderson)
Jan.18
Mar.3
Mar.6
Mar.11
Mar.17 C
Mar.18 C
Mar.18
Mar.18
Mar.26 C
Mar.27
Mar.29 C
Mar.30 C
Mar.30
Apr.1
Apr.1
Apr.21
May 15 (to Harvey)
May 15
May 15
May 25
May 27(to Harvey)
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June 5 (to Harvey)
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Aug.10(Harrison to Trotter, with letter to Prof Harr and letter of introduction)
Aug.18 (from Harrison)
Aug. 20 (from Harrison)
Aug. 21
Aug. 27
Aug. 28 (to Osborn)
Nov. 8
Nov. 23
Nov. 26
Nov. 26
Dec. 28C

~~Oct.20(Harrison to Peacock)
Nov.9(S's secy. to Peacock)~~

January 18, 1926.

My dear Norman:

This is simply to remind you that our last understanding was that you would agree with the other central bankers as to the form of letters to be exchanged with the National Bank of Belgium in case need arises for the purchase of bills.

You have already been advised of our stipulations, to which we believe you assented, that the capacity of the Bank to borrow money or to guarantee bills should be made clear and unmistakable; that they should give us the guarantee to repay in our own currencies, and that the Finance Minister or other appropriate Government official should undertake that no obstacle will be interposed to the shipment of gold.

It might be well to have the form of these letters prepared in advance and agreed upon so that there will be no delay over formalities.

I shall take an early opportunity to discuss the matter of the revolving credit, which you mentioned Friday night, with Mr. Morgan and his associates, and advise you what they say.

With best regards,

Sincerely yours,

Right Honorable Montagu C. Norman,
Governor, Bank of England,
London, England.

March 3, 1926.

My dear Monty:

This is just a line to advise you that my return home finds an accumulation of work and mail that is a bit staggering. I must have a few days to catch my breath and then I will get after all the various matters that have come from you, most of which have been held for attention until my return.

The desert holiday proved to be a great success. I did practically nothing the entire time that I was at Palm Springs, and for the first time in my life was even guilty of procrastinating in reading mail that came to me which did not seem to be pressing, but it has the uncomfortable consequence of piling up work for my return. I feel very fit, and of course greatly relieved about Katherine's baby, of which possibly you have not yet had particulars. She has a fine son, born on the 26th, which weighed $9\frac{1}{2}$ pounds, threatens to have auburn hair and has been named after Phil. Katherine is delighted and is very well and very much puffed up.

Unfortunately not so good news comes to me from Italy. My mother has been quite seriously ill and they feared the need for a rather critical operation. But the last report is that she is better and the operation has been deferred. All of this bears upon my plans a bit and early next week I must send you word whether it will be neces-

sary to go to Italy sooner than I had planned and just what will be the program about the Indian Inquiry.

Meantime, my best to you as always.

Sincerely yours,

The Right Hon. Montagu C. Norman,
Thorpe Lodge, Campden Hill,
London, England.

ES:M

CONFIDENTIAL

March 6, 1926.

My dear Norman:

Only today (Saturday) have I been free to devote time to reading the letters, documents, and cables relating to Belgium which have accumulated during my absence, which include your letters (with related enclosures) of February 5, 11 and 19, and Mr. Osborn's letter of February 5 addressed to Mr. Case.

In fact there has not yet been time for me to give these papers the study they require, nor have I had the documents examined and commented upon by some of our experts, who may have some views to express. But I shall not delay longer to write you on that account.

Mr. Harrison will examine the enclosures with yours of February 5 and the letters which have come to us directly from Belgium, and advise me next week whether they appear to be entirely in conformity with our understanding, which I have no doubt to be the case.

The following comments occur to me in reading yours of the 11th and the documents which accompany it:

(1) I agree that there is no prospect of an equilibrium of receipts and payments during 1926, but consider that to be primarily a question for the bankers to deal with, and I am willing, within reasonable limits, to be guided by their conclusions.

(2) A forced conversion might invite a calamity, and if conditions have reached so desperate a point as to justify this extreme measure, it

would seem to me but reasonable that the bankers should defer a stabilization loan until after it is disclosed whether the patient will survive an illness which justifies a major operation. But I gather from your cable No. 52 that it has since been decided to place a loan of 2,000,000,000 francs through the banks of Belgium. This I get from one of Morgan's cables in language suggesting that it may be substituting a forced loan for a forced conversion, the consequences of which might be to stimulate the Belgian banks to sell present holdings of short government obligations to compensate the amount of their participation in such a forced loan, or, failing a market for such obligations, it might oblige them to go to the Bank for accommodation, neither being satisfactory consequences of such a method of dealing with the December maturity.

(3) The rate of stabilization now mentioned seems to be either $4\frac{1}{2}$ to 1, or $4\frac{1}{2}$ to 1. At $4\frac{1}{2}$ to 1 (which is less than $4\frac{1}{2}\%$ per franc), it would seem that Osborn's calculations of the relation between domestic and external purchasing power of the franc were reasonably observed, if we can be certain that the theory underlying that calculation is a sound one, and I am not at all sure that it is. But it is an improvement over the original proposal of a ratio of one new franc to four old francs.

Osborn's memorandum is the most enlightening document I have yet seen, but here also there are certain points which are clearly unsatisfactory. These are:

(a) Autonomy. The new Bank Law has not secured that, and I cannot understand why it was not covered. It means that we must hereafter be more fully informed of the bank's condition.

(b) State Debt to the Bank. The last cable indicates that from one to two billion francs will be converted into a marketable security,

but the reasons suggested by Osborn for failure to do so, strike me as inadequate. Writing up the book profit on the gold at the lower ratio for the franc will somewhat increase the amount of reduction of the State Debt, leaving less to be repaid out of the proceeds of the stabilization loan. We understood and they agreed that about 1,500,000,000. francs would be left for conversion (not a very large amount). The uncertainty as to the market for the securities can be dealt with by some special arrangement with the Bank, as well as the arrangement as to paying interest, which need be paid, in fact, only in case the securities are marketed.

(c) Government Funds. It seems to me essential that all domestic balances should be kept on deposit with the National Bank, and I cannot see why there is any hesitation in adopting that as a fixed policy. It requires no legislation.

On all these points I shall be very much influenced by your own judgment. Possibly they are less important in fact than they are as evidences either of failure to understand our point of view, or of lax procedure in giving them expression. Every one of them was agreed to by Hautain, and, as I recall, by Van de Vyvere as well, before they left New York.

On the whole, I was rather encouraged by Osborn's memorandum, especially that part appearing under paragraph 5, - prices and the relation between the domestic and external purchasing power of the franc.

Comments on your letter of February 19 must be modified by the contents of your cable No. 52, which somewhat modifies your memorandum.

(4) The proposed three year loan of \$50,000,000 (with the terms made reasonably attractive) I believe could be sold in this market, but the bankers are the ones to advise, and they, as you know, are now carefully considering the proposal. The central bank credit I will discuss later.

(5) The provision that the entire proceeds shall go to the reserve of the National Bank of Belgium and existing credits be repaid or cancelled, leaves me in some doubt as to just how great a benefit will be gained, net. In other words, how the whole plan will work out. I have asked Morgans if they can prepare figures from the data in their possession, and cannot form any opinion until I have examined them.

(6) I have commented on paragraph 3 of your cable above, in referring to your memorandum.

(7) The pledge of revenues of the railway to the service of foreign loans never has appealed to me as sound finance. Personally, I prefer an advisor with a definite undertaking to develop revenues for the benefit of the national budget.

(8) Paragraph 5 of your cable is satisfactory if realized.

(9) As to paragraph 6 - the conversion should, by all means, be effected to the extent of 1,500,000,000. francs. There is no need to increase the Government's interest until the securities are sold by the Bank, which may never occur, and arrangements could be made to safeguard the Treasury against interference with the market for their short obligations, just as we do here.

(10) Paragraph 8 is satisfactory, but very indefinite.

(11) As to paragraph 9 - I find great difficulty in reconciling what has been done with the general tenor of our discussions. On my return home I was surprised (expressing it mildly) to learn that some 12,000,000. francs of Belgian bills had been sold with exchange guaranteed, through the First National Bank of Boston. And to say that I was astonished, on receipt of your cable, to learn that the National Bank had made uncovered commitments of forward exchange to the extent of \$55,000,000. without anyone knowing it,

is expressing it most mildly. A recent cable from Leffingwell states that this commitment is net, and that the Bank is uncovered to that extent. This simply means that unless \$35,000,000. of short foreign currency obligations can be kept floating abroad, the proceeds of the credits now contemplated, to the extent that repayment is effected, will be applied to that purpose instead of applying to the Bank's reserve. This, and the repayment of other obligations, considerably impairs the program, unless indeed the Bank has been successful in accumulating balances beyond the amount recently advised to us.

While I was not as definitely opposed to the issue of foreign currency obligations as you and the others, it was largely because I understood that the proceeds would be sold by the Treasury to the Bank in exchange for Belgian francs, and that the principal hazard was simply that the Treasury, upon the maturity of these bills, ran some risk as to its ability to float sufficient domestic Treasury bills to enable it to repurchase the valuta from the Bank. It now seems that these Treasury bills are franc bills sold abroad with the Bank directly obligated for the forward exchange cover. This puts the entire burden on the Bank, instead of leaving it with the Treasury, where it belongs, unless I am mistaken as to the form of the transaction. My understanding is that the equivalent of some \$12,000,000. or \$13,000,000. of these bills have been placed through Hope and Co., and \$12,000,000. or thereabouts are held by the Westminster Bank, besides those sold in this country and elsewhere.

It is discouraging to have this occur without any advice being sent to us, at the same time that we are being advised so hopefully of the improvement in the valuta position, which is only an apparent improvement and not a real one so long as these transactions are being made. It disheartens me a bit as to the future.

(12) As to the rate (paragraph 10), I prefer $4\frac{1}{2}$ to 1 as better than $4\frac{1}{4}$ to 1, and much better than 4 to 1, but must rely upon the studies made on the ground. The decree, once made, will settle the matter, and I hope that its publication will be deferred until we are certain that all factors of the situation have been disclosed and considered. The forward exchange commitment is a disclosure which has shaken my faith.

(13) I discussed the situation (paragraph 11) with Morgans yesterday. They are keeping Leffingwell so fully informed that I will not comment on their attitude.

(14) It is impossible for me to advise you now whether you can count upon our participation in the central bank credit. The position has been so materially altered that I feel obliged to take it up again with my colleagues, especially in Washington, which I am proposing to do on Monday, and am leaving tomorrow (Sunday) for that purpose.

At least on two points I have come to a very definite conclusion, and those are:

(a) That I am unwilling to recommend our participation in this credit to my own colleagues in New York, or to the other Reserve Banks, until you are yourself willing to cable me that you are satisfied that everything has been done that is humanly possible to insure a successful transaction, and that there will be adequate supervision hereafter to further insure that some unwise or ill considered act will not later affect the whole plan; and

(b) That the Bank must be freed of this forward exchange obligation which it has undertaken in behalf of the Treasury; that it shall be kept free hereafter; and that it will undertake as a matter of routine to keep both your bank and ours directly and fully informed weekly of all material changes in their position which have any bearing at all upon the monetary position, and

of all commitments not shown in their figures.

The difficulty about our participation will be to make a three year commitment. I frankly doubt whether it can be done. We could doubtless do it for a year, or some part of a year, and have some sort of understanding that if conditions are observed and continue according to the program set out, and no changes made without our assent, we will consider another year. But I would much prefer just to buy ninety day bills and keep on buying them, without definite commitment, so as to have the obligation hanging somewhat as a sword of Damocles.

Now I have written you very frankly and, of course, you will understand most confidentially, exactly how I am impressed on my return home and reading over all the papers. The impression is not a satisfactory one. It is rather discouraging. And the discouragement does not arise so much out of the figures and facts as out of the way the situation is being handled in Belgium.

The above you will understand is simply an elaboration of the cable which will be sent next week.

Sincerely yours,

P. S. - There was unavoidable delay in transcribing the above, but I send it without change, as well as copies of our last cables, Nos. 52 (yours of March 4th) and 23 (ours of March 8th).

Right Honorable Montagu C. Norman,
Governor, Bank of England,
London, England.

BS:M

March 11, 1926.

My dear Norman:

I have studied more carefully your letter of February 5, and the papers covering the Central Bank credit to the National Bank of Belgium to which it refers.

It seems to us that your letter of December 8 addressed to Governor Hautain, as well as his reply of December 15, are fully and accurately descriptive of our understanding of what was to be the terms of the credit so far as it concerns the Bank of England. It would, of course, be necessary for us slightly to vary the terms of these letters in order to relate the agreement to a purchase of bills by this bank rather than to an advance upon the security of bills.

It is, of course, not at all likely that any use will be made of this particular credit. The form, however, seems to be important in view of the pending negotiations which may possibly involve a further agreement on our part to purchase bills.

The undertaking which Mr. Janssen has given to you in his letter of February 3, a copy of which you enclosed in your letter of February 5, appears to be wholly satisfactory so far as it concerns the present \$10,000,000 credit. I wonder, however, whether it may be broad enough to cover any future credit which the Central Banks may extend along the lines of your letter of February 19 and your cable #54. There is, perhaps, no need to be too technical in our construction of the letter, but we should be assured that it covers not merely the negotiations which have already been arranged, but similar agreements which may be entered into in the future.

While Governor Hautain stated to me in his letter of February 20 that the Belgian Senate would vote within a short time upon the amendment to Article 8 of the organic laws of the bank, nevertheless we have not as yet heard whether that amendment has been finally approved by the Belgian Senate or received Royal assent. I presume that we will be advised as soon as the amendment has been adopted and approved.

Faithfully yours,

BS.

Right Honorable Montagu C. Norman,
Governor, Bank of England,
London, England.

Benj. Strong,
Governor,

Charge to the account of Benj. Strong 55 Liberty St. New York

\$

CLASS OF SERVICE DESIRED	
Full Rate	
Half Rate	
Week End	
Patrons should mark an X opposite the class of service desired; OTHERWISE THE CABLEGRAM WILL BE TRANSMITTED AT FULL RATES.	

WESTERN UNION



CABLEGRAM

NEWCOMB CARLTON, PRESIDENT

GEORGE W. E. ATKINS, FIRST VICE-PRESIDENT

Number
Number of Words
Time Filed

Send the following Cablegram, subject to the terms on back hereof, which are hereby agreed to

3/17/26

DEFERRED RATE

Plodgerite London

Distressed you are ill

Please keep me informed

STRONG

Charge to the account of Benj. Strong 55 Liberty St. New York

\$ _____

CLASS OF SERVICE DESIRED	
Full Rate	<input type="checkbox"/>
Half Rate	<input type="checkbox"/>
Per Letter	<input type="checkbox"/>
Week End Letter	<input type="checkbox"/>

Patrons should mark an X opposite the class of service desired; OTHERWISE THE CABLEGRAM WILL BE TRANSMITTED AT FULL RATES.

WESTERN UNION CABLEGRAM



NEWCOMB CARLTON, PRESIDENT GEORGE W. E. ATKINS, FIRST VICE-PRESIDENT

Number
Number of Words
Time Filed

Send the following Cablegram, subject to the terms on back hereof, which are hereby agreed to

DEFERRED RATE

March 18, 1926

Plodgerite London

Thanks delighted improved Leaving Washington for week

STRONG

CONFIDENTIAL

March 18, 1926.

My dear Norman:

Yours of March 4th has just reached me. It really discloses nothing of which I was not either aware or instinctively felt to be the case. There is altogether too much assumption in the minds of those who are looking askance at some of the things which you and I have attempted, rather vainly in some instances.

Of course I am going to Italy on account of my mother's illness, and certainly could not go there without seeing Stringher. I shall go with an open mind, and I guess you can assume that I shall leave with my hands free.

Volpi must not overlook the fact that he himself urged me to talk matters over with Stringher and is still expecting me to make the visit, as I learned directly from Rome.

Some things in Germany have disappointed me a bit, but the greatest of all disappointments is the outcome at Geneva. The effect in this country is bad and will get worse, I am afraid, before it is better.

I am distressed to learn that you are laid up, and as I cabled you privately yesterday, I hope you will keep me advised. Many thanks for your letter and best regards as ever.

Sincerely yours,

Right Honorable Montagu C. Norman,
Bank of England,
London.

ES:M

March 18, 1926.

Dear Governor Norman:

This is to acknowledge your letter of March 5 enclosing questions for American witnesses before the Indian Commission, which I am glad to have.

Sincerely yours,

The Rt. Honorable Montagu C. Norman,
Governor, Bank of England,
London, England.

WRB:R

Msb

CONFIDENTIAL.

Decode of cablegram from:—



FEDERAL RESERVE BANK OF NEW YORK, NEW YORK.

Despatched:

(time) Fri. 26th March 1926. (date)

Received ~~in C.C.O.~~ 7.45 p.m.

(time) Fri. 26th March 1926. (date)

(7489) 1/26—1500

N^o. 40. Confidential for Governor.

Your 75.

1. Strauss in Paris and leaving soon for Spain. Can be reached through Guaranty Trust Company, Paris Office.
2. Alexander has matter under consideration and will report decision as soon as possible.
3. May be necessary for me to delay sailing beyond 3rd April now made possible by Mother's improvement and must again defer final reply as to my own plans. Am writing fully.
4. Shall reply as to Ryan and Kelly as soon as I can consult them.

STRONG.

270 Park Avenue,
New York City,
March 27, 1926.

Dear Monty:

This is a very personal letter, but I must dictate it for want of time to write by hand. It is my first opportunity to write you for some time, as I have been terribly rushed.

First about my plans: I have had to cancel my passage to Naples on the third. Had my mother's illness continued serious I certainly would have sailed, but she is very much improved, in fact has been out walking, and will likely be able to return home the latter part of April. Meantime, we have gotten into a legislative tangle in Washington over some of the banking bills now pending in Congress. The House Committee on Banking and Currency has decided to make a rather extensive inquiry into some of our operations, especially those with which I have more concern than almost anyone else. They are also proposing to explore our Bank of England credit. Governor Crissinger has urged me not to leave until they know just how this will develop. Then, again, ybbe situation is complicated by your Indian Currency inquiry.

There is a strong feeling among some of my friends in Washington, that it would be a mistake for anyone of particular prominence or intimately associated with our government to appear at a public hearing; but the matter is left largely to me to decide as to my own appearance. Of course had I gone to Italy, it would have been impossible, but now that I am delayed by these hearings in Washington, it may be impossible also on that account. But if I am not delayed too long, I could, of course, sail directly for London, with the intention of appearing, or at least with the intention of deciding whether to appear or not after my arrival, and after opportunity to talk the matter over with you and with Mr. Hilton Young. This being the situation, I am getting together such data as I can on the whole subject, and if I don't use it myself, possibly it may be used by someone else.

Continued absence in Washington and Jack Morgan's illness delayed approaching others. I advised you by cable that George Roberts and Albert Strauss are both in Europe. Roberts' qualifications are exceptional; he was long director of the mint; he is a very sound economist, and a man whose reputation should give his words great weight. But of course I don't know what he would say, and it is highly desirable that you should explain the whole situation to him. Albert Strauss is a bit more theoretical; he is a man of wide knowledge; has studied this subject a good deal; and of course his statement should carry some weight as he was very largely responsible, - possibly more than anyone else - for the

preparation and passage of the Pitman Act. I think it was his original idea. In both cases I am somewhat troubled by the impossibility of these two men adequately preparing themselves. Mr. Warburg I have not approached as I did not feel it desirable to do so. I will talk with you about this later.

Yesterday I had a long talk with Cornelius Kelly, and am meeting him and John Ryan at lunch today in an effort to make up my mind whether either of them should be asked to appear. On the whole, I believe not. Very confidentially, the property which they control and run, and which is one of the largest copper producers, might well be closed, or certainly its operations rendered so much less profitable as to badly cripple them in case the silver market was largely lost. Cornelius Kelly is the President of the Silver Producers Association of America, and the mere fact of his appearance might stir up the silver miners to an organized effort to defeat the proposal, which would quite likely take a political turn and plunge us into all sorts of difficulties. We will decide finally at lunch today, and I will add a line to this letter advising you of the result. What I need especially to know is whether the hearings are to be public or private, and how long they will continue.

I think I can promise you that I will have all the data that can be had as to the effect upon the mining industry, and a good deal besides that. But you realize that it will be very difficult for me to discuss the highly technical problem of the Indian Currency from the Indian standpoint, and, at the same time, I would feel constrained to minimize the extent of our personal interest in seeing the project, at least for the present, abandoned.

I have called in the service of one or two men of large experience in mining statistics to aid in the preparation of the information, and we all agree that the estimate of 24 pence as the price of silver, if this project is definitely undertaken, is very optimistic as to be regarded by them at least as misleading, and possibly hazardous. The world will lose the market for one-half of its production, and will face the equivalent of an increase in production equal to over three years' normal output. And the estimate is that silver will sell at 50 cents, as against the present price of 65 cents. This seems to be based upon an examination of the price of silver over a long period of years, including values subsequent to the abandonment of bi-metalism by Germany. The minimum price was 50 cents I believe in this period, but the conditions are wholly dissimilar, and I would not be at all surprised to see the market value of silver promptly cut in half. We also have a feeling that there is a miscalculation in the estimate of the amount required under the plan to meet existing rupee liabilities. All of this will be developed in the course of our studies, and I will either send you the results or take them abroad with me.

We have been going through a difficult time with our stock market, but it is much better to have it over with. The big speculative boom in stocks is undoubtedly over. And I see little likelihood of its recurrence. The only question is whether the decline will continue at such a rate as to have a dampening effect upon business. We hope not.

You doubtless share my regrets that we seem again to have

drifted into a period where unadvised and possibly ill tempered public discussions of all sorts of questions, political and otherwise, seem to be stirring up bad feeling again. It will not help the gold standard. What I most dread is the possibility that American investors will become so distrustful of European conditions that they will button up their pocket books; and then indeed it is going to be hard for everybody.

A final word about my plans. If I go to England first, it means encountering your wet and foggy April weather, and I shall want to stay there just as short a time as possible, going immediately to Italy. After that, my plans are still to be made. But I might go from there to Vienna and make a rather leisurely trip through part of Central Europe, landing finally in Berlin. It may be that Garrard Winston will join me there part of the trip. What are your plans, and how will you be situated for taking some time off too?

My best regards, as always.

Affectionately,

The Right Honorable Montagu C. Norman,
Thorpe Lodge, Campden Hill,
London, England.

P. S. After my talk with Ryan and Kelly, I am satisfied that they could not go to London, and further that it is unwise for them to appear, all of which has been sent by cable.

March 30, 1926

My dear Norman:

Many thanks for yours of March 9 and the memorandum
Loose in file
on the Belgian Budget prepared by deSanchez. It is an interest-
ing document.

Faithfully yours,

The Right Honorable Montagu C. Norman,
Governor, The Bank of England,
Threadneedle Street,
London, E. C. 2, England.

PERSONAL AND CONFIDENTIAL

April 1, 1926.

My dear Monty:

This is to elaborate somewhat, privately, on what I am cabling you today in my number 44.

Mr. Mellan's absence in Bermuda has made it impossible for me to have a last word with him in regard to the Indian Commission matter. It seemed to be of such grave importance that I felt justified in consulting a few others beyond the men named in our cables of this week. I have discussed the project very confidentially with Dr. Stewart and Professors Sprague of Harvard and Hollander of Johns Hopkins. They all agree that a precipitate adoption of the gold standard by India would likely mean a calamity. Yesterday I had a very confidential talk with Reynolds, President of the First National, Alexander of the Commerce and Mc Hugh of the Mechanics. They all expressed like concern.

There at once arises, however, the ghost of politics and political reactions to my appearance.

I am asked how it is possible to justify my appearing in opposition to the project when it is really a semi-political question between Great Britain and one of her dominions. These gentlemen have all had some appreciation of the character of recent developments in India and how easy it might be for my appearance to be misconstrued.

Emphasis is given to this by the suggestion so frequently appearing in financial and other publications, and speeches made occasionally by men of prominence, that there is some secret program in existence upon which you and

I am working and which involves interference with monetary and financial affairs in other countries of a sort which is resented.

Of course, I cannot close my ears to these arguments. In fact, it is the first thing which occurred to me when the suggestion about my appearance was received.

Letters, and still more cables, are so unsatisfactory a vehicle for exchanging views that I have decided to sail by the first steamer possible after the hearings in Washington about which I wrote you recently have been concluded. This, I fear, cannot be before the "Olympic" on the 17th.

Desiring as earnestly as I do to be of some assistance, I nevertheless feel much doubt as to whether my appearance before the Commission will be a service or a disservice, and in any event I cannot undertake to do so unless others with whom I must consult are in entire agreement as to the wisdom of doing so.

You might consider this as also answering yours of the 9th. If there is any change, I shall of course cable promptly.

Sincerely yours,

The Right Honorable Montagu C. Norman,
Thorpe Lodge, Campden Hill,
London, England.

BS:M

April 1, 1926.

Dear Norman:

I am just in receipt of your letter of March 23rd with the various enclosures, which I shall read at the first opportunity.

Leffingwell is back, but I have had no opportunity yet to see him.

With best regards,

Sincerely yours,

The Right Honorable Montagu C. Norman,
Governor, Bank of England,
London, England.

BS:M

April 21, 1926

Dear Governor Norman:

The "Coal Report" which you were good enough to send came some weeks ago, but even an acknowledgment of it has been delayed by almost constant absences. I am, indeed, glad to have it. And if Volumes 2 and 3 can be sent to me later, I shall appreciate it.

With cordial regards, I am

Sincerely yours,

The Right Honorable Montagu C. Norman,
Governor, The Bank of England,
Threadneedle Street,
London, E. C. 2,
England.

On board s/s "Aquitania",
May 15, 1926.

My dear Norman:

Just before leaving, Mr. John P. Ryan called to see me in regard to Mr. Simmons' visit to London. You will recall meeting him at my office. He expects especially to be entertained in some way by the London Stock Exchange, but I am not acquainted with the details. He has it in mind to make a speech, and I believe the proper setting for a speech is a dinner. Would it be too much trouble to send out some of your Stock Exchange friends to see what they have in mind for Mr. Simmons, and if they are going to give him a party they might be warned that he will likely make a speech. I have used my influence to keep it as short as possible.

Sincerely yours,

The Right Honorable Montagu C. Norman,
Governor, Bank of England,
LONDON.

BS:M

Abcard s/s "Aquitania",
May 15, 1926.

Dear Norman:

I happened to meet the President of the American Bank Note Company, whose card is enclosed, and he said that he or his associates would be very glad indeed to be of any service in connection with your preparations to print the currency notes. He seemed to feel that there were many technical difficulties to overcome, in which their experience in very large printing operations might be of some aid, but he was also careful to explain that he understood that you were going to do the printing yourselves and he thought that was the proper course.

If you feel there is any advantage to be gained, he would understand if he were sent for, but if there is no advantage, you can tear this letter up.

Sincerely yours,

The Right Honorable Montagu C. Norman,
Governor, Bank of England,
LONDON.

BS:M

Personal

5
21.5.26

BENJ. STRONG

Hotel Chatham,
Paris, May 18, 1926.

*

Dear Monty:

The best I can do is to send you this dictated note, advising that we had a good trip across. All the arrangements were made to perfection, and consequently I avoided any fatigue.

Of course, since reaching Paris everyone has been after us, and so far as our talks have progressed, I see no light. Yesterday I had a long visit with Tom's partners and went over the same ground, more or less, that we discussed in London. Afterwards I spent a couple of hours with my friend talking things over very frankly. I shall have another visit with him today. Statements I made to him are sympathetically received and, I believe, fully understood. The difficulties are exactly those described to us in London. It really is more ~~in~~ need of a man than of a plan, and behind the man real patriotic cooperation by all parties.

I cannot write you very fully until I have had further talks, and possibly not until after I leave Paris, but you will hear from me just as soon as possible. In the meantime I shall ask Colonel Harjes to keep Tom advised.

Sincerely yours,



Right Honorable Montagu C. Norman,
Governor, Bank of England,
London.

BENJ. STRONG

Grand Hotel,
Rome, May 25, 1926.

and	✓

PERSONAL

Rec'd in 29th *

My dear Norman:

Thank you for yours of the 20th bringing me up to date in regard to your conversations with T. W. L.

I have been unable to write you about my own discussions in Paris for sheer lack of time.

It was, of course, impossible for me to decline M. Peret's invitation to see him Wednesday evening, but I took Governor Robineau and Mr. Warren with me and had a talk of about a half hour. I could simply explain that I had no power, practically or legally, to discuss credits with the French Government, but would be glad to explain what I had stated to Governor Robineau, with which the latter was in entire accord. And then I made it clear that a credit such as was discussed at the Bank in London was at the present time out of the question, in the absence of a comprehensive program.

There has been a great deal of discussion in the press, so far as I can gather all of it misleading, as usual, and all of it more or less embarrassing. The newspapers are nothing short of pests.

Robineau and I seem to be in perfect accord. The idea now being discussed is some political understanding between various parties and a similar understanding between the Bank of France and the French bankers. If that can be arrived at, the discussion seems then to tend towards turning over the monetary problem to the Bank, with special experts to advise. I have no details, but if there is any substance behind these suggestions, they of course are in the right direction. Just now, I am so weary of it all that I am

2.

Mr. Norman.

May 25, 1926.

more in the mood to listen than to go much further with it until after I have had a thorough rest.

I will let you know my plans later and try and coax you to join me.

Sincerely yours,

Reis: Strong

The Right Honorable Montagu C. Norman,
Governor, Bank of England,
Threadneedle Street,
London.

Grand Hotel,
Rome, May 25, 1926.

My dear Norman:

I am just beginning to read mail after a motor trip to Perugia, and find yours of the 20th about Mr. Ryan. He is a sort of advisor to Mr. Simmons, in some capacity which I do not clearly understand, and apparently has been in London for a few weeks in touch with the Stock Exchange authorities prior to Mr. Simmons' arrival.

Thank you very much for your aid. I gathered from your earlier letter and our talk in New York that you would be interested in seeing that whatever arrangements were made were suitable.

Sincerely yours,

The Right Honorable Montagu C. Norman,
Governor, Bank of England,
Threadneedle Street,
London.

BS:M

Hotel du Cap d'Antibes,
Antibes, June 5, 1926.

My dear Norman:

I am just trying to catch up with some mail.

Yours of May 31st suggests that Schacht is somewhat uncertain about my plans, as I indeed have been myself, so I am writing him today as per enclosed copy.

Also, I am sending you a telegram as per enclosed confirmation.

Yours sincerely,

The Right Honorable Montagu C. Norman,
Governor, Bank of England,
London.

BS:M
Encs.

Hotel du Cap d'Antibes,
Antibes, June 6, 1926.

My dear Norman:

Many thanks for yours of June 1st enclosing cutting from
the "Times".

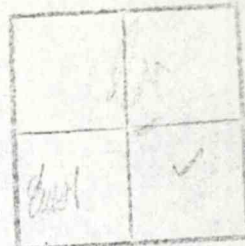
Yours very sincerely,

The Right Honorable Montagu C. Norman,
Governor, Bank of England,
London.

BS: M

BENJ. STRONG

X
Hotel du Cap d'Antibes,
Antibes, June 11, 1926.



My dear Norman:

Yours of May 19th has just reached me, after wandering about a bit for reasons which I do not wholly understand, but it was none the less warmly welcomed.

I am glad that we did what we could do in the Indian Currency matter and am glad to have you and your colleagues feel that it was worth-while.

The Professors got a real thrill out of the experience, and I cannot claim in their behalf that it was an act of self-denial or inconvenience, nor anything but a great pleasure. They had a good time, and personally I feel that they did a good job. Had I been in better form, possibly I could have contributed more myself.

What you write about M. Peret's visit is no more than I expected. He made a very poor impression upon me indeed.

I made a determined effort to avoid the embarrassment of declining a credit, in fact sent word in advance that I would be glad to accept his suggestion to call and discuss matters generally, but that it would be better not to raise that question. On the other hand, that was the only thing he wished to discuss, and he was there with his experts and all the data, just as though I had stepped into the room with a hundred million dollars in my pocket, ready to deliver it upon receipt of his story and the security.

I shall not burden you with any account of my doings, now that you are coming. We can talk it all over here with much greater advantage to both.

With best regards and many thanks, believe me

Sincerely yours,

The Right Honorable Montagu C. Norman,
Governor, Bank of England,
London.

Benj. Strong

COPY

New York
August 18, 1926

Bank of England

London

#47 STRICTLY CONFIDENTIAL FOR GOVERNOR

ONE Wireless dispatch from London under date August 17 published
yesterdays papers refers to current gold shipments from Australia
to this country as arrangement between yourselves and Commonwealth
Bank of Australia Sydney Australia

TWO Todays ticker service under San Francisco headline also refers to
shipments as being for your account stating that purpose is settlement
of international balances

THREE Regret publicity for which I have no explanation now unless it is
the London dispatch.

Harrison

COPY OF OUTGOING CABLEGRAM

New York, N. Y.
August 20, 1926.

Bank of England,
London, England.

No. 51 STRICTLY CONFIDENTIAL FOR GOVERNOR.

Your No. 63

- One Wednesdays report aroused considerable interest and was followed by extensive comments in yesterdays and todays papers.
- Two In the absence of some authoritative announcement papers have speculated at length as to cause and purpose of shipment.
- Three Consensus of press views is that movement is merely to relieve usual fall strain on Sterling which it has been stated will be augmented this year by unusual purchases of American coal.
- Four We have received numerous inquiries but have of course made no statement or explanation.
- Five Referring to your paragraph Four
(a) We have found in past experiences that informal discussion with reporters not for quotation usually satisfies them and makes for saner and less conspicuous

PAGE NO.2

publicity.

- (b) While it seems too late now to suggest that course as helpful in your present embarrassment (which could not have been anticipated) it may be worth your considering whether you want us to have any such informal discussion in connection with succeeding shipments which will no doubt be linked with current stories and very likely revive discussion on each occasion.

Six Greatly regret embarrassment to you although press reports give fairly natural explanation and reactions on this side are generally favorable.

Seven Will advise you if we learn any further clue as to origin.

HARRISON

Royal Hotel,
Evian, August 21, 1926.

My dear Monty:

Your note of the 17th just reaches me.

There seems to be one delay after another, and I am now almost certain that I cannot reach London by the 29th. So it must be a later Sunday, when I am to be in two places at once - three places at once will be too much for me!

I have not yet received the pictures from Mme. 't Hoofd, but am anxious to get them.

I did hear that the Schacht-Francqui plan had been torpedoed and am not surprised. Now let us hope that they settle down to a non-political settlement.

I am leaving for Paris on Sunday, and my present plan is to make some more visits from there, but will let you know later.

Best regards as always.

Sincerely yours,

The Right Honorable Montagu C. Norman,
c/o The Bank of England,
Threadneedle Street,
LONDON.

BS:M

Princess Hotel,
Paris, August 27, 1926.

PERSONAL

Dear Monty:

It looks as though further travels would have to end for me, as the time is approaching when I must be home at my desk.

In view of this, I am trying to get accommodations on the "Mauretania" sailing on the 18th, so as to go home with the Morrrows, and this means that I will be in London at the end of the first week or early in the second week of September. Will you be there?

I would have left earlier, but it is mighty difficult to get accommodations.

Best regards.

Sincerely yours,

The Right Honorable Montagu C. Norman,
c/o Bank of England,
LONDON, E.C.2.

BS:M



SHIP TO SHIP

MARCONIGRAM

SHIP TO SHORE



CHARGES	
SHIP CHARGE
COAST CHARGE
LAND OR CABLE CHARGE
TOTAL

SENT TO

DATE SENT

TIME SENT

BY

MARCONI WIRELESS™ THE COMPLETE NETWORK OF RADIO COMMUNICATION

PREFIX	OFFICE OF ORIGIN	NUMBER	No. OF WORDS	DATE FILED	TIME FILED
RADIO					

SERVICE INSTRUCTIONS

The Company only accepts this Marconigram subject to the conditions printed on the back hereof.

To Plodgerite Bank London

^{Sept 12}
arriving Saturday all well

regards

Strong ^{2:30}

PLEASE SIGN in the space provided on the back of this form giving cabin number and postal address.
ALSO Ask for OFFICIAL RECEIPT (GRATIS) which receipt must accompany any enquiry respecting this Marconigram.

THE MARCONI STATION on board this ship forms a link in the World's chain of Telegraph Stations and enables passengers to keep in touch with personal and business affairs throughout the voyage.

OUR MESSAGES BETWEEN GREAT BRITAIN AND N. AMERICA "VIA MARCONI"
It saves up to 3d. per word.

THE
MARCONI
 INTERNATIONAL
 M A R I N E
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SIGNATURE AND ADDRESS OF SENDER (NOT TO BE TELEGRAPHED).

Signature

B. Strong

Address

*To Bank of England
 London*

Cabin No.

A

**HOTEL RESERVATION BY
 MARCONIGRAM
 FREE OF CHARGE**

Passengers may send free of charge a MARCONIGRAM reserving accommodation at any of the undermentioned Hotels.

Via any coast station in Great Britain and Ireland for :

Name of Hotel :

SAVOY
 CECIL
 METROPOLE
 VICTORIA
 GRAND
 HYDE PARK
 CARLTON
 RITZ
 PICCADILLY

Telegraphic Address :

SAVOY HOTEL LONDON
 CECELIA LONDON
 METROPOLE LONDON
 VICTORIOLA LONDON
 GRANOTEL LONDON
 HIGHCASTE LONDON
 CARLTON HOTEL LONDON
 RITZOTEL LONDON
 PIQUIDILLO LONDON

Via "Chatham, Massachusetts" for the undermentioned American Hotels :

Name of Hotel :

McALPIN
 PENNSYLVANIA
 PRINCE GEORGE
 HOLLEY

Telegraphic Address :

McALPIN NEWYORK
 PENNHOTEL NEWYORK
 PRINCEGEO NEWYORK
 HOLLEYHO NEWYORK

Via any coast station in the Union of South Africa for :

Name of Hotel :

QUEENS SEAPOINT
 MARINE SEAPOINT
 ROYAL CAPETOWN
 CADARGA CAPETOWN

Telegraphic Address :

ROYALIST SEAPOINT
 MARINE SEAPOINT
 ROYAL CAPETOWN
 CADARGA CAPETOWN

In order that passengers may state their requirements briefly the following codes may be used :

CODEWORD :

CAESAR.
 HANNIBAL.
 HORATIUS.
 TIBERIUS.
 NERO.
 ADRIAN.

MEANING :

Reserve Sitting Room, Two Double Bedrooms and Bath for.
 Reserve Sitting Room, Double Bedroom, Single Bedroom and Bath for.
 Reserve Sitting Room, Double Bedroom and Bath for.
 Reserve Two Bedrooms and Bath for.
 Reserve Double Bedroom and Bath for.
 Reserve Single Bedroom and Bath for.

Excluded
C 2611

PRIVATE:

November 8, 1926.

My dear Mr. Governor:

I took your letter of October 29 up to Governor Strong today, and he read it with much interest. Since that letter was written you will have had word of his condition, and I feel sure you will, in the circumstances, understand this sort of reply.

Mr. Strong's principal comment was about the anti-tariff manifesto, which he was careful not to sign. In fact he said if only his head were a little better he could probably refer you to a passage in Uncle Remus which would exactly describe his own state of mind about that matter.

Further, he said: "I might indeed have been very helpful varnish for some of the other signers, but, as I recall, most varnish is dissolved in hot water, and I was perfectly satisfied when Mr. Bell asked me to sign the manifesto that it would be jumping into very hot water, which I would not relish."

Mr. Strong was interested in the account of the central bank credit to Belgium, and, particularly, in what you write about Italy. He said that he, personally, felt that it was unfortunate the offer was not made to Italy at the outset. "It would have put all of the central banks in correct position in relation to any important central bank. Not having been done, it was almost certain to produce the inevitable result it did when the offer was made."

All of this Mr. Strong asked me to write for him, and, at the same time, to supplement the word which Mr. Harrison has earlier sent by telling you of his present condition and plans.

11.8.26

I think you know that Mr. Strong's progress is now satisfactory, though necessarily slow. And he is still very weak. It looks as though it would be early December before he can be moved with comfort and safety. Then he is to go to the Broadmoor Hotel in Colorado Springs, where he will at first be under the care of a nurse, and in close touch with Dr. Webb at the sanitorium. The doctor's prescription is absolute rest, and while the length of his stay there depends upon how quickly he gets back his strength, we believe it will not be wise for him to return to the Bank before spring. Meantime, Mr. Governor, I know it will delight him to have your letters.

In conclusion, while Mr. Strong made no comment on your paragraph numbered five, I shall take the liberty of asking Mr. Harrison if he can write you concerning the Credit to the Bank of England. As you know, he is managing the foreign matters.

With assurances of my esteem, I am

Very truly yours,

Secretary to
Mr. Benj. Strong.

The Right Honorable Montagu C. Norman,
The Bank of England,
London, E. C. 2, England.

270 Park Avenue,
New York City,
November 23, 1926.

Dear Monty:

By this time you have received more details of my illness, which explains my complete failure to answer your letters. I was rather cross with them at the Bank for not writing you more promptly and in more detail. But it seems that my Brother, who was their source of information, was very conservative in telling them at the Bank how desperately ill I was. And you will please charge the dereliction to him, instead of to Mr. Harrison and the others. I won't go into the details of my illness for it is a harrowing subject.

But it will send me to Colorado Springs early in December, where I must spend the winter at the Broadmoor Hotel. I doubt if I can get back before March, or even April. It depends upon what develops. But the outlook is rather more encouraging than I had thought possible a few weeks ago, because some X-ray pictures of my lungs disclose the fact that this pneumonia hurricane has swept through me without affecting my lung condition a particle, in fact they seem to be better than ever. The difficulty is that I am frightfully weak and it will require some time to build up enough strength to engage in any activity at all.

So why don't you come over as usual, spend a little time at the Bank, and then come out to Colorado and spend a little time with me? I shall be at one of the most beautiful hotels in the country, Earnest will be there, and we could have a quiet time together. By then I will be up to it. There are

many things that I want and need to talk with you about, and without such a talk it may be that next year will develop difficulties which I greatly wish to avoid. So please try to come.

In most respects I am satisfied with the Belgian job, but in one or two respects I was a bit disappointed. One of these, and really the only one of any consequence, was the failure to get the Bank of Italy into the party just as soon as we learned that the Bank of France would come in. I will save the details of this until I see you.

I will not bother to write you about internal questions, but if you come out to Colorado we can discuss them in detail. I have difficulties just as you have, and now I am going to be handicapped by being away from the Bank when they require solution.

You and I have been in harness now for ten years. It may be that they are going to slip the collars off of us within the next year and turn us into the pasture to roam a bit, - in other words, we may turn over our jobs to successors. If we do, it must be with such understandings as will keep the lamp burning. So, again I say, try to come over to see me and we will talk it all over.

It was such a relief to have your letters. I am sending you my love and blessing, and a thousand thanks for the messages of good will.

Affectionately,

The Right Honorable Montagu C. Norman,
Thorpe Lodge, Campden Hill,
London, England.

10/26/36

BS. [unclear]

270 Park Avenue,
New York City,
November 26, 1936

My dear Norman:

Referring to yours of October 29, one of the first things which I had intended to do upon my return home was to discuss with my associates a possible communication to you in line with our conversation on the subject of the credit to the Bank of England. But my illness has delayed this.

You may recall my stating that this subject was on my calendar to be taken up about six months before the credit expired. Under the circumstances, I hardly see how it is possible for us to express any views or make any suggestions until we hear from you. The influence of the coal strike, and its reaction upon your trade, has been such as to make the treatment of this credit one of special importance just now. And these unexpected developments make it difficult for us to anticipate what you may wish. On the other hand, it seems to be more important because of these developments that we should come to some understanding as to the termination or renewal of the credit, and reach an understanding with Messrs J. P. Morgan and Company and the British Treasury well in advance of maturity. I include your Treasury because of the guaranty. This will avoid a great deal of public discussion and comment, and the sort of speculation which is not good for the exchange position and stability anyway.

You will understand my writing you in the above spirit, and be sure to take it as evidence of our continued interest in your plans.

With warmest regards, I am

Sincerely yours,

The Right Honorable Montagu C. Norman,
Governor, The Bank of England.

File in
C2611

270 Park Avenue,
New York City,
November 26, 1926

My dear Norman:

This is the first day I have felt able to do much more than touch the surface of things, and the first matter on my mind is your letter of October 29. I will answer it by paragraphs as it is written.

But first let me say that while Mr. Jay and Mr. Harrison have told me something of Belgium and what transpired, my discussions with them have been rather general and details are still lacking.

2. I am not able to comment much on interest rates. My information is too incomplete, but if past experience is any guide to the future, we should have about 35 days of fairly active money, and after the first of the year some easing of rates. It seems to me that you must grin and bear the consequences of foreign loans, even if it does suck some gold out of you, because those loans in the long run are going to build up your foreign trade, and with the coal strike ended, surely that is what you need more than anything. It is unfortunate however that the gold drain cannot be shifted to us, and I wish Schacht could find means of drawing upon us for his requirements.

3. I have answered this through Miss Bleecker in a former letter, and the only additional comment now justified is to express satisfaction that your sense of humor is still with you, and that you recognize mine!!

4. From Miss Bleecker's letter you gathered that there were one or two things about the Belgian Credit that disappointed me, - principally the situation arising with the Bank of Italy. I wonder if you recall the talk we had at

Antibes on the subject of central bank independence. Having just been in Italy my mind was filled with what I had observed there. It seems to me that it is a mistake to expect identically the same treatment of banks of issue in different countries. It is just as impossible to expect identical results in each case from our present efforts in that regard as it is impossible to expect the same size and shape shoe to fit every foot. What is suitable and appropriate in an Anglo-Saxon country, or in say Germany or Holland, may be wholly unsuitable and inappropriate in Italy or France or in such a country as Finland! Much depends upon individuals, - more even than upon laws or theories.

The question of the independence of the Bank of Italy at the present moment it seems to me should be viewed a little differently from the way it is to be viewed in any of the other countries you mention. And I am inclined myself to weigh the situation by putting "independence" in the scale on one side and "stabilization" in the scale on the other side, and to decide that stabilization outweighs in importance your conception of orthodox independence. In fact, were it left to my vote alone, I would be inclined to go right ahead with Italian stabilization if requested, just as we discussed it in London earlier this year with Lamont, and make what progress, if any, is possible toward an understanding as to independence. It may be that no progress can be made. And I am inclined to think that not very much will be made. On the other hand, while Mr. Nathan expressed the view that Volpi controlled the Bank of Italy, Volpi has expressed the view to others that as rapidly as possible the Bank should be freed from political or State control. Furthermore, if you will compare the record of the relations of the present Italian Government with the Bank of Italy to that of other Governments with their central banks, for say the past three years, I believe you will find that the Italian Government has a record for fairness which is just as good, if not better than, any of the others.

11.26.26

To summarize, therefore, I do not see how any of us can afford to permit of any halt in the splendid progress now being made toward monetary reorganization in Europe simply in order to attempt to impress or impose any particular theory of central bank management and independence upon the Government of Italy. Such effort will fail anyway. It would reassure me and encourage me a good deal if I could have word from you that you do not disagree with this view. In fact I had gathered that our talk at Antibes had left us fairly well agreed on the point.

5. I am writing you separately on this.

A day or two ago I wrote you about visiting me. And I want you to come very much. As to the time, I will need until New Years, - possibly a little longer - to get on my feet. I find in my first assays to get out of bed and into a chair that I am unable to stand up and am so exceedingly weak that I will not be of much use under six weeks or more.

My best regards to you, as always

Yours sincerely,

The Right Honorable Montagu C. Norman,
Governor, The Bank of England,
London, E. C. 2,
England.

New York, N. Y.

December 28, 1926.

Plodgerite

London

Ben not having seen recent cable exchange but possibly having received your private letter sent through Harrison asks me send word he will soon take cottage Asheville and expects you there in January.

Secretary.