

[12 OCT. 1931]

ADDRESS OF HONORABLE CHARLES S. HAMLIN, MEMBER OF THE FEDERAL RESERVE BOARD, AT A LUNCHEON GIVEN BY THE CARNEGIE ENDOWMENT FOR INTERNATIONAL PEACE, IN HONOR OF THE FOURTH PAN AMERICAN COMMERCIAL CONFERENCE

Gentlemen of the Convention,

In the unavoidable absence of our President, Dr. Nicholas Murray Butler, the honor has fallen upon me, as one of the Trustees, to preside at this luncheon.

In the name of the President and the Trustees of the Carnegie Endowment for International Peace, I extend to you our warmest greetings and good wishes.

It is a deep pleasure to me to act in this capacity, for I have always followed with keen interest the proceedings of these conferences, in some of which I have myself participated.

In May, 1915, I had the honor, - as then Governor of the Federal Reserve Board, - of delivering an address before the Pan American Financial Conference, and again in the latter part of 1915, I took part in the Pan American Scientific Congress. Again, in 1920, I participated in the Financial Conference, and since then I have followed the proceedings of the conferences with ever increasing interest.

I have made many personal friendships at these conferences, and, looking back, I realize what a power for good they have been to all of the nations participating.

When I addressed the Financial Conference, in 1915, the greatest war the world has ever known was being waged, and the world stood aghast and feared almost for civilization itself.

Today, although the war has sunk below the horizon, the world stands aghast at the economic and financial problems the war has left with us pressing for solution.

A cloud of despondency and depression has settled down upon us, not only in this country, but in every country of the Globe, and confidence, the mainspring of prosperity, has been rudely shaken.

Through this fog of uncertainty and doubt, there is now to be seen a beacon light. The plan announced by President Hoover, agreed to, in principle, by political leaders of all the Parties and now being carried into effect by the bankers, will speedily clear away the fog and mists, and will restore confidence among our people.

The people of the world have come to the realization of the fact that the progress of science, invention and trade has welded the nations together, economically, financially, and industrially, in bonds of steel. The spirit of national isolation is waning, and the recognition of the real interdependence of nations is growing.

It was not always thus. If we read the writings of some of the English philosophers of the 18th century, especially Hobbes and Mandeville, we find the idea expressed that society was simply a kind of armed neutrality; then men fought like wild beasts for self preservation, only the fittest, that is, the most powerful, to survive; that in trade the gain of one was but the measure of the loss to the other; that the same principles applied to trade between nations; that what one trading nation gained, the other nation lost; that national isolation was the true goal for mankind.

Such doctrines, however, did not long survive. It was soon recognized that men were bound together by sympathy out of which developed group action; that the real object of society was not the selfish gain of the individual, but the greatest good of the greatest number. It soon came to be recognized that trade between individuals was not one sided, but that each party might gain by commercial intercourse.

Soon also it became recognized that the same principle applied to trade between nations; that such trade was for the advantage of each nation involved; that each bale of goods imported into one country is, in the long run, paid for by a bale of some other kind of goods, whether representing agriculture or manufactures, exported to the other country, balances only being settled in gold. In other words, the real interdependence of nations became recognized.

No nation can really be prosperous except for short intervals, at the expense of the adversity of other nations, and the real, lasting prosperity of the individual nation follows from the prosperity of all nations.

The hope and foundation of peace grows out of the interdependence of nations. The weary world demands the removal of every bar to the continuance of peace and looks to its political leaders to bring this about.

The great bar to peace today lies in the militaristic spirit calling for ever increasing armaments. The great hope for lasting peace lies in the universal reduction of armaments, to which end the nations of the world should pledge themselves.

I must not forget, however, that my principal duty is to present to you the principal speaker for this occasion, - one whom we all are looking forward to hear. He has held important Cabinet positions in his own country.

He has twice served as Minister to France. He came to this country on a diplomatic mission only a few years ago. He now represents his country as Minister to the United States.

I take pleasure in presenting to you, His Excellency, Mr. Dantès Bellegarde, Envoy Extraordinary and Minister Plenipotentiary from Haiti to the United States.

October 12, 1931.