
Out Again, in Again, no Gain
Having discussed the merits of the monetary bill when
it was amended to the administration's chagrin ten days ago alf this column should need to do now that the senate's actio has been reversed is to reverse the remarks made at that time
The devaluation power is debatable; it was defended grounds related to international trade, opposed on grounds
related to national stability and morale. That domestic busrelated to national stabiity and moraie. Dhat owers returned
iness would have felt better with the money powe
to congress is beyond question. To evaluate the effectiveness of authority to devalue the currency in maintaining interns
tional balance, it is necessary to think through the process. tional balance, it is necessary to think through the process.
Supposing that England should devalue the pound in Supposing that England should devalue the pound take
terms of gold; then, the doliar remaining stable. it would take
fewer dollars to buy a pound, and in terms of dollars, British goods would be cheaper and American tariffs on those goods
would be lower, while in terms of the pound, United States would be lower, while in terms of the pound, United
goods would be higher and so would British tariffs. This mo-
mentarily the United States would be at a distinet disadvanmoods would be highed States would be at a distinct disadvan
tage.
If we subscribe to theory that the gold content of a monetary unit is the real criterion of its value, the prices of British
goods would rather promptly increase and the advantage
would be wibed out. However, it is not difficult to recall that when the zold content of the dollar was reduced 40 per cen amo
was
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