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ADDRESS OFFICIAL COMMUNICATIONS TO  
THE SECRETARY OF STATE  
WASHINGTON, D. C.



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Received at	
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<i>Lucius Smith</i>	

DEPARTMENT OF STATE  
WASHINGTON

June 20, 1938.

Personal and Confidential

Dear Friend:

I wrote you briefly on June 14 and June 16 and hoped that I might be able to write you at some length in the near future. I find that I shall be very much occupied during the next few weeks so I am taking this opportunity to write you just a few words further.

The reports which were current in London and which seem to have come from there to New York that further devaluation of the dollar linked with devaluation of the pound to follow was contemplated seem to have been without foundation. I can find no basis for such reports and it has been difficult to get an idea as to how these reports could have originated. If Mr. Kennedy is bringing any such plans from London we know nothing about them here and I doubt very much whether he has any such baggage with him. I am exceedingly doubtful whether he would find any favorable reception for such ideas here.

The reports that Mr. Kennedy is coming home to stimulate the trade agreement negotiations I cannot understand unless they should be the result of an over-zealous press agent for Mr. Kennedy. It is quite natural that the trade agreement negotiations with Great Britain are difficult and somewhat slow but I cannot conceive of their breaking down as it would be indeed disastrous if the two great Anglo-Saxon countries cannot find adequate ground for a commercial agreement. Mr. Kennedy is a very good business man and a very interesting and energetic personality and I am sure that he can do a great deal to help the agreement, but such agreements are bigger than any individual. Certainly it is not dependent upon his return here whether we have an agreement or not. I hope our English friends understand how important this agreement is. It is more important to them than it is

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to us and failure for an agreement to come out of these negotiations will mean more to them than it will to us. We have been trying to get them to see this in the right light for a long time, but I am afraid that some of our friends in England do not yet understand the situation here or in Europe. It is sometimes very depressing to find how utterly some of them seem to misread the times and the facts.

As to a debt settlement, we are all of course hoping that some such a settlement could be brought about, but I am very skeptical about Mr. Kennedy coming home with anything of this kind in his baggage. A debt settlement, highly desirable as it may seem and is, I fear is still in the future.

I am inclined to think that all of these rumors started out of the return of Mr. Kennedy to this country on what is really a purely private errand but which, of course, he is going to use to talk over all sorts of things. I am afraid that someone has been reading too much into his movements and perhaps even into his importance. Some of these issues are so big that you and I know that they are far bigger than any one man.

I am deeply disturbed that some of our English friends still seem to think that they can arrive at some compromise with Germany which will avoid war. I am very much afraid that these compromises which they have in mind are just what is going to bring on the war which they wish to avoid. The only thing that can save us from that war is an absolutely clear, firm, and definite stand by Britain and France. That would bring about in due course the consequent changes within Germany which in my opinion must take place before we can have any assurances of peace.

This is just a hurried word. I am planning to take a holiday from July 15 to August 15. I feel that I must get away from here for a little while.

With all good wishes,

Cordially yours,

