

#### EFFECT ON THE STRUCTURE OF SOCIETY

be usefully encouraged and safeguarded by specialized institutions such as the Agricultural Mortgage organization recently recommended by the League of Nations. Nationally, I think the Banks and the Stock Exchange need to collaborate to improve the system under which the public are invited to subscribe capital for new enterprises, and to reduce the evils of speculation on margins and on borrowed money which so greatly increase the intensity of both boom and reaction at such times as the autumn of 1929. If the existing financial organizations of the world could be supplemented by collective action of this kind, I believe that the system would otherwise allow the free, competitive flow of capital to continue essentially as at present without causing the abuses and disastrous dislocations which we have recently witnessed. This is an illustration from one sphere only. I believe that somewhat similar collective self-government, linked up to the organs of representative government, is required throughout every main sphere of economic and financial activity; and that it needs at every stage to be in part organized internationally as well as nationally. I believe with such an institutional regulation and control, organized and directed from inside the economic system and not externally