

(c) The third policy to which reference may be made, in view of the increasing advocacy which it has received in recent years, is the long-range planning of public works: the holding in reserve of expenditures on Government work, particularly on big construction projects, which in all countries is of considerable size - with a view to timing the bulk of these expenditures during periods of depression. The method of operation of such a policy is not so much to aim at checking the causes of the trade cycle as to accept the cycle and plan ahead for the eventuality of bad times. Its success depends essentially on the extent to which work in sufficient quantities or on large projects can be sufficiently concentrated, and the perfection of organization by which this is to be achieved: but on general grounds alone, efforts devoted to long-period budgeting, of some parts at least of capital national expenditures, is a policy which offers possibilities worthy of trial.

6. We come again, finally, to the world causes of unemployment, the remedies for which can come only from international cooperation. Predominantly those causes are linked to the functioning of the gold standard, although the problems of reparations and of the obstacles to commerce are important enough to be mentioned separately. Unless the problem of world prices is attacked, however, its effects are likely to counteract, if not to over-ride, what efforts are made in other directions. It is difficult to underestimate the importance, therefore, of the attempts which are being made through the League of Nations to perfect international banking and financial operations, to determine the methods best adapted for securing a better distribution of gold and a greater degree of control over the price level, and to secure the cooperation of bankers and governments in operating them. Without