

At the present moment tariffs, currency, reparations, inter-allied debts, foreign policy, imperial policy, disarmament, the rationalization of industry, town and country planning, unemployment, derelict areas, transport, electricity, and hosts of other things are inextricably inter-related. How far are they being considered in close connection with each other? A year ago we had the Macmillan Committee sitting with terms of reference which prevented them from considering alternatives to the gold standard. Today the Unemployment Committee is at work preparing a final report which, unless it exceeds its terms of reference, will have nothing to say about reparations or tariffs ^{or the stabilization} of the purchasing power of money. It is the common jibe against the expert that he knows more and more about less and less. But he must, in common fairness, be given the opportunity at least of pointing out that the cleaning up of his field will be useless and even harmful, and certainly wasteful, if thistles continue to flourish in fields all around him.

It is said that in proportion to their numbers there are more chess experts in lunatic asylums than any other class, next to them come currency experts. In view of what we have done with currency, and what currency has done with us in the last twenty years, we are all fit for the lunatic asylum. If more currency experts go mad it is the natural result of their coming face to face with the insanity of the monetary system with which man has provided himself ever since he left barter. Money was meant to be a yard-stick with which to measure value, but throughout the ages man has never been able to give a monetary yard-stick which would not at one time measure a hundred inches and at another one inch.

It is obviously not a fact that money remains stable in terms of commodities, but nearly everything we do in our every-day business life is based on the unconscious assumption that it does remain approximately stable. That is true of every insurance contract and every other money contract we enter into, every wage rate fixed over a period, every lease, every mortgage, every public issue of bonds or debentures or Government stock, and Trustee Acts in their endeavour to protect the widow and orphan, make it impossible for a trustee to take the fluctuations in the purchasing power of money into account and insist on investment in Government stocks, and similar securities, and when money values are unstable, as of late, are now the most unsatisfactory form of gambling you can invent.

In the forefront of the reforms which the planned twentieth century demands is a stable money whose purchasing power will remain constant. It is our failure to see this primary necessity of any rational monetary system that our present distress is primarily due. From the many discouraging signs of the times there is some comfort in the reflection that all over the world, and in particular in this country, there are growing evidences of a widespread determination to have done with the disparities of value fluctuations of prices, and to insist upon a monetary system which is worthy of the twentieth century.

There is still a strong tendency to stigmatize all talk of stable money as unorthodox and visionary and cranky. Do not let yourselves be blinded. Let the British people with their strong sense of the practical realize that stable money is an intensely practical proposition within their grasp today, if only they will believe in it and work for it, and insist on getting it, and making up their minds to insist and enforce all the measures necessary to secure and maintain it.

Before leaving the question of stable money, I want to deal with one aspect of it which causes real difficulty to many people. Stability of price