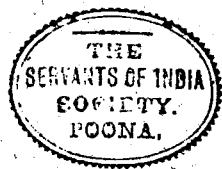


MONETARY POLICY 1914-1928





D. M. MASON

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1914-1928

BY

D. M. MASON

CHAIRMAN, EXECUTIVE COMMITTEE SOUND CURRENCY ASSOCIATION
ASSOCIATE INSTITUTE OF BANKERS
MEMBER OF PARLIAMENT, CITY OF COVENTRY, 1910-1913

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PREFACE

It was well said by Daniel Webster when America was passing through a similar experience to that which we have recently passed through in this country that 'he who tampers with the currency robs labour of its bread.' The policy of tampering with the currency, or in other words pursuing a policy of inflation, was indulged in by all the belligerent nations during the Great War, with the exception of the United States of America. Those who defended that policy argued that under the circumstances it was inevitable, but I have seen nothing to prove that assertion. On the contrary, all the evidence goes to show that it was no more justifiable to alter the standard of values than to alter the yard measure, and the most encouraging fact to-day is that most of the nations who practised inflation have ceased to do so. The universal desire of nations now is to restore their currencies to a gold basis and to promote that stability of exchange which is the foundation of a prosperous and expanding trade. It is a source of pride that Great Britain has for the second time during a period of a little more than a hundred years in her history restored her currency to its pre-war parity, and her

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example in some degree is being followed by the great nations of the Continent.

After the Napoleonic Wars Pitt said that England would save herself by her exertions and Europe by her example. In the following pages I have endeavoured to trace the movements which have made this possible in these days, and to point out the advantages of such a course.

My thanks are due to Mr. John Murray, Principal of University College of the South West of England, Exeter, in the first place for his insistent suggestion that I should write such a book, and secondly for his invaluable criticism of the manuscript. I should like also to include an appreciation of the faithful services in arranging and typing the manuscript of my daughter Christian Helen.

D. M. M.

February 27th, 1928.

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