

# PLANNED MONEY

BY

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“Then pause not ; for the present time’s so sick,  
That present medicine must be minister’d,  
Or overthrow incurable ensues.”

SHAKESPEARE. *King John*, Act V, Scene 1.

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## PREFACE

IN that readjustment of national life to a twentieth-century environment which is the great task of this generation, existing institutions and old established habits of thought will be called to account. Some which have outlived their utility will be scrapped. Others will justify their claim to survival only after undergoing profound modification to make them serviceable in modern conditions. National reconstruction must be comprehensive and must extend into every branch of human activity. To concentrate on some aspects and forget others is to create indefensible salients and to waste invaluable time and effort. On the other hand, any individual contribution to the study of reconstruction problems must be limited in its scope and must take as its province some particular subject on which any specialist knowledge the contributor may possess can most usefully be brought to bear in the service of the national cause.

Among the institutions and established habits of thought which require thoroughgoing reconsideration are our monetary system and our attitude towards the international gold standard. There is widespread misgiving as to the serviceability of orthodox currency theory and practice in present

circumstances, and attacks are being launched upon them and upon the responsible authorities from various angles. The authorities can, however, point out with justice that amid a host of criticisms there is a singular absence of any reasoned presentation of an alternative constructive programme drawn up with full knowledge and understanding of the many practical difficulties and making full allowance for the extraordinary risks attaching to interference with the delicate machinery of the financial markets.

I have in this book attempted to meet this reasonable challenge, and to make constructive suggestions for a revision of our national currency system as an integral part of a general programme of national reconstruction. The first chapters of the book are intended to emphasise the essential point that monetary reconstruction must not be approached as an isolated problem or divorced from its interrelations with the wider national task of readjustment. In the remaining chapters my aim has been to avoid technicalities and technical jargon so that the average man and woman may be able to think and judge for himself and herself on matters which are often supposed to be incomprehensible to the layman and left, not always with advantageous results, to the judgment of the reputed expert. It is right and proper that management should be left to the expert, but the layman should decide policy after listening to the expert's presentation of the case.

The professional economist will, I fear, feel that many subjects touched on should have had a whole chapter or a whole book devoted to their

examination and not a single sentence or paragraph, and that some important considerations are omitted altogether. This is unavoidable if the book is to be readable by the general public for whom it is primarily intended. I am more concerned at the possibility that, in trying to be brief and intelligible, I may have incurred the charge of being dogmatic. I have tried to be definite, but have hoped to avoid dogmatism, just because I am acutely conscious of the intricacies of the subject and the experimental character of the programme put forward and the complexity of the considerations which must be weighed by the responsible authorities before coming to vital decisions on matters of financial policy. At the same time the opportunities are great and the case for action is urgent, and I should be false to my own convictions if I did not insist on the need for courageously facing the issues and for bold action upon conclusions once reached.

I do not claim originality for any particular ideas in this book. The process of formation of my own opinion has been one of gradual assimilation and sifting of views expressed by others in books, in conversation, and in letters. I have read or scanned most of the innumerable pamphlets on money which have been a significant phenomenon of the last few years. I gladly acknowledge but cannot identify many debts to others who have thought and written on the subject. I shall be well content with similar anonymity if such of the ideas in this book as are of value pass freely into the national circulation, and help to give to our generation and to those to come a rational monetary system free from

some of those defects which have for so long tormented humanity.

No institution and no person other than myself is in any way committed by views here expressed. The responsibility belongs to me alone.

BASIL P. BLACKETT.

LONDON,

*September, 1932.*

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