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FUTURE

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THE
WORLD'S ECONOMIC
FUTURE

by

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INTRODUCTION

by

D. H. ROBERTSON

IT is a high privilege to be asked to show the audience to their seats for a rehearing of this fine series of lectures; yet not altogether an enviable one. For in what need does such a galaxy of artistes stand of a garrulous *compère*? Each lecture is already a model of condensed argument, so that to attempt further summarization would be impertinent. And, in spite of each contributor's independence of judgment and of some differences of emphasis, there pervades the series a broad unity of outlook and temper, so that elaborate attempts to "compare and contrast," in the manner to which the setters of examination papers invite us, would be out of place.

What seems to me to give special value to the series is the way in which analysis and speculation are made to grow out of strict attention to the facts of the contemporary world. The lecturers' heads are in the stars, but their feet are on the earth. Their purpose is to throw light on the fundamental problems of human society—the relation of the individual to the national State in which he finds himself embedded, the relation of the national State to the whole body of mankind, and—perhaps most elusive problem of all—the relation between these two relations. But they discuss these high matters

not in terms of airy generalities, but in the light of the needs of the men and women of to-day, as conditioned by the way in which things have actually happened during the last few decades of human history.

It may perhaps assist the reader towards forming his own synthesis of the lectures if I first set out baldly the three basic facts to which abundant allusion is made in them, and then proceed to illustrate how they have served the lecturers as starting-points for forceful argument and illuminating suggestion. These facts are the increased dependence of man for his economic welfare on expensive and durable instruments; the check to the growth of population in the western world; and the diffusion of economic power over the globe.

(1) It is above all the superior technical effectiveness of large-scale production and transport which has compelled the greater *centralization* of the powers of economic control and decision, whether in the hands of private or public bodies (Professor Ohlin), and which indeed, in the form of the railway, began to threaten the "atomistic" assumptions of early nineteenth-century liberalism almost as soon as they had been formulated (Professor Heckscher). (There are, however, thanks to the motor vehicle and the transmission of electric power, some signs of a backwash in this respect; but it is not clear how much significance we can legitimately attach to them—there are, I think, traces of an amicable difference of opinion between the two distinguished

Swedes in this regard.) The solution is not necessarily an extension of Government operation over the whole industrial field, but a system "which combines flexibility with the possibility of centralized direction in certain special respects" (Professor Ohlin).

But this same prominence of the fixed capital instrument, capable when once created of satisfying demand for many years, has made economic progress more discontinuous, and the tenure of opportunities for employment more insecure. And the State, having stepped in to temper this insecurity for the individual, has become itself intensely conscious of the risks of fluctuation, and been driven to improvise methods of averting or minimizing them. In its first phase this new development has led to an intensification of economic nationalism; but it may be predicted that it will in the end help to compel the recognition of the need for an international order (Mr. Loveday).

(2) The check to the growth of population also increases the "bumpiness" of economic life, and that in various ways. Demand turns away from the bread and butter which little Tommy is only too obviously ready to wolf day by day, and the stockings which he has only too obviously worn out, to the motor-car and the gramophone which Papa and Mamma must save for in the first instance, but which, once bought, can be made to do another year (Mr. Loveday). Problems of excess capacity develop, on a scale unknown to the expansive nine-

teenth century, and call for centralized handling; yet the removal of the dynamic force of population growth only enhances the need to keep alive that other great dynamic force—individual enterprise and initiative (Professor Ohlin). But stay!—are we falling too ready victims to that “decline of optimism” which Professor Ohlin diagnoses as one of the causes of increased reliance on collective action? Here is Professor Condliffe ready to call in an Old World to redress the balance of the New. Perhaps there will be a new cycle of growth in the great peasant populations of the Far East; and perhaps that will set a new task and offer a new hope to the flagging enterprise and industry of Western Europe.

(3) Perhaps—but perhaps not. For the Japanese have other ideas—and so perhaps have the Chinese themselves. Further, the centre of gravity has shifted—westward, as throughout the ages. Can it fail to settle definitively in the United States, with her enormous resources and her favoured geographical position? And here we come round again to the bearing of physical facts on the two fundamental social problems—the Individual and the Nation—the Nation and the World. For the rise towards leadership of the United States looks like making life bumpier for the rest of us, and so strengthening the forces compelling State intervention in the economic field. And it places outside the sole power of Great Britain the re-creation of that pre-war international economic order which was in such large measure a British order, and

compels us forward on the paths of international co-operation.

This third subject is Professor Condliffe's special province; and in alluding to it I have come near to suffering the fate which I feared—that of degenerating from showman into *précis*-writer. But in truth here as elsewhere I have rather selected than summarized. For these three basic influences—technological, biological, geographical—breed and interbreed in the lecturers' minds to give rise to a whole family of thoughts relevant to those two main issues of how man must behave with man, and nation with nation, if the potentialities of individual well-being now within our grasp are not to be still-born through defects of organization or poured away in civil or external warfare.

And at least I have not made, and shall not make, any attempt to epitomize that scintillating lecture by Señor Madariaga which, even if it were not the last in the book, I should advise the reader to keep till the end. For if he is feeling even a little jaded (though I hope he will not have had time to be) with birth-rates and occupational distributions and cartels, it will exhilarate him the more to be caught up in Señor Madariaga's fiery chariot, whirled across the borders which delimit the Knowledge of Man from the Knowledge of Nature and the Knowledge of Knowledge Itself, and (after pausing here and there to prick a bubble or dethrone a dogma) set down again in the heart of the twofold problem—the Individual and the Nation, the Nation and the World.

And so we close the book, and take up our daily newspaper. What is to be done about herrings? About the coal-mines? About renters' quotas and exhibitors' quotas? About the text of the League Covenant, and the administration of Tanganyika and Shanghai? Have we been told? Perhaps not. But perhaps at least we shall return to the consideration of these and similar matters with minds fresher and sharper—less flecked with vinegar or muffled with wool.

D. H. ROBERTSON