

GERMANY AND THE PLANNERS' MERRY-GO-ROUND

IN Germany the policies of the last thirty-five years are bearing a ripe fruit. It is credibly reported that a group of the former leaders of the Social Democratic Party are distressed at the outcome of the planning policies of that period and are confirmed in their disillusion by what they observe of the results accruing from the similar policies of the last two years in Britain. Under the Socialist Republic; under the National Socialists and Hitler; under the New Deal and Socialist-influenced military governments of U.S.A. and Britain the policies of Socialism and its derivative, Social Credit, have almost reached their full development. Money has almost ceased to have any value. Initiative has almost atrophied. Broken spirits, distressed souls, dull apathy are a crop which is appalling.

"The Germans will not co-operate"; "The Germans have no experienced leaders"; "The Germans look upon us with loathing, you can see it in their eyes," are all slogans which one hears from foreigners who are going to and fro on the boats and trains of Europe after being in Germany. Such is the condition of Germany after more than two years of Allied Military Control.

It is reported that when the British and American troops entered Germany the welcome by the ordinary people was spontaneous and full-hearted. The people eagerly hoped "that the Powers who had rescued them from the Nazi tyranny would bring a sensible political economy which would find a way of co-ordinating the interests of victors and vanquished and would omit the nonsense of the planning system exercised by the National Socialists." Now the Germans are utterly disillusioned. What has caused the change? A study of to-day's facts in one or two matters may be illuminating.

In connection with feeding the workers in the Ruhr, great indignation has been expressed at the South German peasant because he will not hand over the wealth he creates, his crops, to the authorities. He is spoken in most scathing terms as a selfish, sordid person who, because of greed, is starving his fellow Germans. "What can you do with such people?"

The true position is that under the plans of the military control it was arranged that so much food should be, ought to be, handed over by the Southern regions to the more industrialised North. The usual South German peasant farmer is a small or moderate holder, keeping cattle and growing some vegetables and fruits, but less potatoes and corn. He is offered money—paper money and often fixed prices for his produce. The money has no purchasing power. None of the goods needed by the peasant for his farming or his life can be bought with it. Why should he be expected to produce something for nothing? Do the statesmen who plan his life, work for nothing? Do they draw tax-free expenses? Have they canteens and military supplies? If so, what grounds have they or others for sneering at a simple peasant who will not go bankrupt in order to further their plans? No! The fault is not with the simple peasantry but with the currency managers who have made the German money valueless; the people who have substituted a good convertible currency by a valueless paper fraud.

This valueless money has had an interesting effect. In most of the industrial areas to-day a varying percentage of the wage is paid out in kind from the product of the factory. The worker gets some almost worthless money

and some of the industrial product he has produced—such as scythes, nails, clothing or articles which can be used as agricultural equipment. These products he does not sell for money but takes to South Germany or other rural parts and exchanges them for food. Of course, this means time off from production. Again he is discredited for not working harder. He is accused of absenteeism and non-co-operation. Really he has been sent back to the Middle Ages by the Socialist planners and must do his trade without sound money. He is reduced to barter.

It is interesting here to note that he begins to employ someone else to go out into the country to deal for him. Thus the middle-man steps in because he can perform a service. Out of similar simple beginnings grew the great merchant houses of the world, and such institutions as the Liverpool Cotton Exchange. Now, in Britain, our great master planners are engaged in deprecating the usefulness of these institutions and are actually destroying them along with our currency. In due course such services must arise again out of the necessities of the people, but possibly only after a chaos and suffering such as Germany is experiencing.

Inevitably alongside the activity of such middlemen arises the black market. To-day in Germany this is fed substantially from the relatively "opulent" rations of the so-called "displaced persons" who draw their supplies from the American and British military stores.

In Germany the payment of wages in the product of the worker instead of in money has actually been authorised by both the American and British controls—New-Deal and Socialist-influenced controls. If one goes back to the origins of the Socialist movement in the early 19th century, one notes that Lassalle, often termed the Father of Socialism, repeatedly insisted that it was a prime tenet of Socialism that wages must not be paid in goods but always in money.

What an absurdity this Socialism is! Firstly, teaching that wages must be paid in money and not in goods; secondly, pursuing policies which render money worthless and useless; thirdly, agreeing to wage-policies of part-payment-in-goods because of the worthless money they have created; fourthly, wrecking the institutions which have grown out of the needs of the people to save the wasteful time and labour required by the bartering which their planners' policies have caused.

To-day one sees frequent references to the need for currency reform in Germany. The four Powers in Berlin are spending months discussing what shall be done. Russia, knowing that until there is sound currency there will be chaos in Germany, persistently procrastinates. Concurrently, the German administration for the Bizone—the so-called "Wirtschaftsrat"—creates a German Currency Commission empowered to work out a scheme for the reconstruction of the German currency. This is merely with the hope that the military government will have regard to their proposals. This Commission, remembering the currency debacle in Germany in 1923, makes its recommendation to follow the policy of Dr. Schacht then which proved satisfactory, viz., the creation of a new currency based fully upon gold. They suggest a moderate gold loan from the Powers to enable this to be carried out. A similar sound policy is alternatively suggested. These and further proposals merely elicit the reply that nothing can be done until the Berlin

talks either reach agreement or final disagreement. In the absence of sound money the German authorities are quite helpless to effect any reforms or administration. They become increasingly discredited both at home and abroad, and one reads frequently of their futility and lack of leadership and even intelligence and capacity to lead.

It is often suggested that the Germans in Frankfurt, the Bizonal authorities, should be given more power to coerce the poor peasantry to hand over their produce, and to force them to produce more. Is not this typically Socialist—this appetite for more power to coerce and enforce the performance of their plans? Would it not be better if they would refrain from policies which ruin the people's money—if they would sanction and make possible a sound convertible currency and then liberate the people to build up their trade and industry on free economic foundations. Would it not be better still if they would further policies for raising the State revenue from the only source which would not be a burden upon production and trade, viz., land rent, and remove all taxes which impede these human activities?

Does this sufficiently show the awful state of affairs in Germany to-day? The people cannot support life on the authorised rations even when such rations are available. The wages they get will not purchase goods. Barter is the only way they can keep alive and it is perforce permitted by the socialistically inclined authorities. Barter takes so much time and work and worry that the people lose all heart and conscience. Suggested reforms based upon sound economics and the experience of the people are ignored by the allied bureaucracy because of political considerations or biased minds.

What a lesson for the planners and for those who foolishly think that a sound social order can be based on planning from above instead of through freedom of the individual to plan his life for himself.

What an object-lesson for us in Britain to-day and for almost all the countries of the West—France and America included. What a warning to us all who are so largely basing our hopes upon some larger scale planning for a super Western organisation or a super world State.

We see in Britain the same trends. Money steadily becomes less valuable; State finances become yearly more unbalanced; black markets and barter increasing; respect for law deteriorating and corruption growing; incentive decreasing and thus less application to work; bureaucracy increasing to incredible proportions of the population; estimates and blue papers of the planners constantly and invariably falsified by the subsequent experience. All arising right under our noses as the fruit of the planners' activities.

What is the fundamental lesson to be learned? Is it not that man cannot safely entrust power to others to plan his life and living conditions, but must demand freedom to live his own life and to plan his own living, and that the State shall limit its use of power to its only moral use, viz., to see that the individual is secure from any infringement of his freedom either by another individual or even by the State itself.

One amazing risk that the West is running is that it may lose the quite obtainable friendship of these Germans who in their utter misery may turn their faces to those whom they now term the "Eastern Devils."

FROM A CORRESPONDENT
RECENTLY IN GERMANY.

MATLOCK BATH CONFERENCE

The Henry George Week-End Conference, which is being held at Cromford Court, Matlock Bath, Derbyshire, on May 22nd and 23rd, promises to be a decided success. The full period of residence is from Friday evening, May 21st, to Monday morning, May 24th.

Responses to the invitation have been most encouraging and the accommodation available is now almost booked up. Therefore, anyone intending to join the Conference should write quickly to the Conference Secretary, Mrs. D. Duplock, 4 Great Smith Street, London, S.W.1. The terms are 52s. 6d., inclusive, for the period from Friday evening to Monday morning; from Friday evening till Sunday afternoon, 35s. 6d.; from Saturday afternoon till Monday morning, 34s. 6d., and from Saturday afternoon till Sunday afternoon, 20s.

President of the Conference is Mr. Austin H. Peake, Cambridge, the Chairman of the Executive of the International Union for Land Value Taxation and Free Trade. He will be assisted by Sessional Chairmen, including Dr. S. Vere Pearson, Miss N. McGovern, and Messrs. George Musson and A. H. Weller.

Following is the outline of the Programme, subject to alterations that may be made by the Conference in session. The intention is that members shall have the fullest possible opportunity for discussion on the topics on which brief addresses will be given. There will be interesting events.

FRIDAY, MAY 21ST.

Evening gathering reception and informal conversations.

SATURDAY, MAY 22ND.

9.45 a.m. Welcome to Derbyshire by Messrs. George Musson and J. F. Grace.

10.0 a.m. "Recent Legislation and Future Prospects." Discussion opened by Mr. A. W. Madsen, Editor of LAND & LIBERTY

2.30 p.m. "Economic Ignorance the Road to Social Suicide," by Mr. Frank Dupuis, followed by general discussion on the Economic Freedom which alone can build a Just State.

6.0 p.m. Dinner in honour of Messrs. Ashley Mitchell, A. W. Madsen and Charles Morley.

8.0 p.m. General discussion on "Our Opportunities and Responsibilities" in the advancement of the Henry George Cause.

SUNDAY, MAY 23RD.

10.0 a.m. "Economic Study a Fascinating Pursuit." Discussion opened by Mr. V. H. Blundell, dealing with the work of the Henry George School of Social Science and its expansion; this education and what should come of it.

2.0 p.m. "International Trade and World Problems." Discussion opened by Mr. Ashley Mitchell, Hon. Treasurer of the International Union; next year's International Conference.

7.30 p.m. Adjournment session for discussion of topics not fully covered in the previous sessions or of other subjects as may be decided by the Conference.

Donations in aid of the Conference expenses may be sent any time and will be most welcome.

(Mrs.) D. DUPLOCK, *Conference Secretary*.