

GOLD STANDARD

Return in Australia

PEOPLE WILL BENEFIT

(By Rev. A. C. Stevens, M.A.)

The announcement that South Africa intends to revert to the gold standard, and the prediction that may other countries will follow suit, marks a definite era in post-war commercial history.

Everybody has been aware that since 1924 the world has been debauched with paper money, and everybody has been familiar with the uneasy feeling that £1 does not go as far as 19' used to, and in a vague sort of way all have wondered where the tendency to weaken money would stop.

To be strictly accurate, one must first of all realise that the world has never really departed from the gold standard. What the war brought was not paper money, but inconvertible paper money, for until 1914 it was unthinkable in London the money centre of the world, that one could be refused gold for notes on demand. Even in those days it was a matter of degree in the different countries what proportion of gold must be held against the likelihood of such demands, popular theories ranging between 20 and 40 per cent. gold reserve as quite a safe amount to keep idle.

There is nothing inherent in gold any more than in cowrie shells to make it of mysterious vague as currency. The fact that it is rare and is cherished in every country makes it the most convenient form of exchange. If diamonds could be readily minted in exact proportions they would do quite as well. The real wealth of a country is in goods and services, and gold is an excellent medium for measuring and commanding them, provided there is enough of it for the rapidly accumulating commerce and property of the world. Since it is evident that there is not enough gold to cover transactions running into thousands of millions of gold, the countries are forced into using paper counters legally proclaimed as recognisable in the country as equal to gold, but worthless outside of it.

INTERNATIONAL NOTES

Bills and bank overdrafts help to expand the virtual currency of the world. Meanwhile in the imperfect state of international recuperation.

The present rapid appreciation of the foreign exchanges to a regular form, for the first time since the war is largely owing to the European peace settlements, which make it safe to bank on futures. It at once makes possible the return of freely flowing gold, and will be helped by such proposals as the South African and other adjustments. It would be quite within the bounds of practicability for the nations of the world gathered together in the League of Nations at Geneva to create an international paper currency, in view of the inability of gold to cover immense modern transactions, and once the international paper currency was adopted, preferably at first with a gold reserve, the immense present difficulties of financial and commercial exchange would be largely solved by this medium, which lends itself so easily to cheap transport.

There is nothing worse for a country than surplus paper money or bank credits. It is true that if a country has 25 per cent. gold reserve the banknotes are not liable to flood the market, for the gold represents internationally recognised wealth, and the other forms of property and wealth producing capital are bound to be vastly greater than the value represented by the notes. In a great war every country yields to the temptation to lend itself money in the form of notes. At the close of the Napoleonic wars a committee of the House of Commons, reporting on the fall in foreign exchanges, said (1819): "No safe, certain, and constantly adequate provision against an excess of paper currency can be found, except in the convertibility of all such paper into specie." The House of Commons ignored the finding, and in 1814 49 country banks failed and hundreds tottered to the verge of ruin.

FINANCIAL SPREE

Since 1914 the nations generally, perhaps excepting America, have gone "on a financial spree," and the healthiest commercial sign of recuperation has been the drawing in of bank credits, the withdrawal of notes, and the gradual reversion toward the gold standard, or rather its stiffening up. There is a danger in such tightening up. If it is hurried it creates bankruptcies, panics, and tight money areas. And the national sobering up may proceed to such a point as to do harm to industry.

The relation of notes and bank credits to the amount of gold in reserve is a false proportion, the real function of money is to serve industry and the

financing of crops reveals that with the commerce of the country the floating money of the country should fluctuate. It would be more appropriate to relate the amount of money on the market to the national production and exchange, or even to the cost of living.

The practical effect of this sobering up will be to reverse, or at least check, the bad features caused by too ready money. Since 1914 cost of living has risen 50 per cent. in Australia, wages following tardily behind. Ready money has been as great a cause as universal demand for necessities and high tariffs. With the lowering of the money flood there will be checks to industrial expansion, checks to the rapid rise of the cost of living, and if this is lowered a reflex action on wages, although everybody will be really better off, even as they were really worse off though they seemed richer during the war. It is likely that in Australia a better purchasing power will cause the flood of imports to flow faster, and will from that direction form a stimulus to export and universal prosperity.

Register 3/2/25 ✓

Mr. Herbert I. Coombs, B.A., B.Sc., F.C.S., a son of Mr. and Mrs. J. G. Coombs, of Lily street, Goodwood, and the 1920 Rhodes Scholar from the Adelaide University, took the B.Sc. for advanced work in chemistry in 1922 at Magdalen College, Oxford, and obtained the B.A. with a first-class in the Honours School of Chemistry in Trinity Term 1924. He was awarded a British Government Research grant for 1923-1924, and has since gained a further award 1924-1925. He is now working in Cambridge as a member of Trinity College at biochemical research, under Professor Gowland Hopkins, F.R.S. In December, 1924, the President and Fellows of Magdalen College, Oxford, elected Mr. Coombs to the Senior Demysip in Bio-Chemistry.

Register 5/2/25 ✓

The Chief Justice (Sir George Murray), accompanied by Miss Murray, was to have left South Australia by the Osterley to-day for England. Owing, however, to the sudden illness of his sister, Sir George will be unable to embark on the liner. He hopes to depart on his trip to the old country by the Ormonde or the Oronsay, which are due to leave Australia in March and April respectively. It is expected that by that time Miss Murray will be able to undertake the journey.

Register 5/2/25 ✓

CONCERT ARRANGED.

Miss Alice Mallow, A.M.U.A., pupil of Mr. Frederick Bevan, has received a chance of a year's tuition at the East Melbourne Conservatorium, so a committee is arranging a benefit concert for her at the Adelaide Town Hall on February 28. The concert is under the patronage of the Lady Mayoress (Mrs. C. R. J. Glover). The committee includes Mrs. A. G. Rymill, Mrs. Coleman Phillipson, Mrs. J. Lewis, Misses Lewis, Mrs. Villeneuve Smith, Mrs. W. F. Bedford, Miss Alice Meegan, Miss Lalla Darcy Irvine, Miss Avis Chapman.

Dame Nellie Melba heard Miss Mallow sing, and said her voice was a very promising dramatic soprano. Madame D'Alvarey also spoke very highly of the possibilities of the voice.



THE FIRST WOMAN TO BE APPOINTED A PROFESSOR OF ANATOMY.

Dr. Mary Lucas Keene, who has been appointed to the Chair of Anatomy in the London School of Medicine for Women (a post formerly held by Professor Wood-Jones, of the Adelaide University), of which school she was a student. During the war she became acting head of the Department of Anatomy.

News 4/2/25

Adv. 5/2/25 ✓

Industrial Lawyer

As educationist, litterateur, and lawyer, Dr. T. Hewitson (Deputy President of the Industrial Court) has had a distinguished career. Born in England in 1854, he was brought to Victoria by his parents five years later.

After his matriculation at the Melbourne University Dr. Hewitson joined the South Australian Education Department. His ability and enthusiasm in the work were recognised. He became head master of the Mount Barker school, and then served at Norwood. So that he could study law Dr. Hewitson resigned, and was articled to Messrs. Kingston & Kingston. In 1884 he graduated at the Adelaide University, where he was the first Stow prizeman, and the first bachelor of laws. For 10 years he was assistant law lecturer at the Adelaide University.

In 1898 he took up the practice of his profession at Port Augusta, where he remained until 1916. He was mayor of that town for 10 years.

Two years after his return to Adelaide he was appointed stipendiary magistrate in the South-East, and sub-

THE SNOWBALL OF KNOWLEDGE.

PROFESSOR ROBERTSON'S CONTRIBUTION.

An interesting reference to Professor Brailsford Robertson, of the Adelaide University, appears in the current issue of "My Magazine." An article entitled "The Snowball of Knowledge" deals with the incentives of a great scientific man filled with a divine curiosity to discover the how and when and why of things. In his search he finds something useful, something that can be turned to practical account, so much the better. But books might be filled with stories when a man, in seeking one thing, finds another, which someone else turns to practical account. The first hope of a scientific discoverer is that the discovery shall not stop with his own, but shall go on.

"Therefore," concludes the article, "this is the idea that has occurred to Professor Brailsford Robertson, now one of the leading minds of the Adelaide University. Professor Robertson has made elaborate researches concerning the human body and its glands, and in these he has discovered and extracted a substance which influences growth. He gave it the name of Tethelin, and it has been found of great use in helping slowly-healing wounds to heal more quickly and thoroughly, because it speeds up the growth of new skin or tissue. That is one thing it certainly can do; and there may be far greater openings for it in benefiting humanity. But before these can be established there must be a tremendous amount of work and enquiry by other students and chemists. The real and useful advances in medicine are very slow, and are only made by the life work of one man built on the foundations laid, and the spade work done by many others.

"So Professor Brailsford Robertson, when he discovered Tethelin, handed over to the University of California, where he made the discovery, all the profits which arose from it, so that they may be used solely to promote research in medicine. Thus it is hoped the discovery will grow like a snowball, each new discoverer adding his bit, and that the world and science, and not an individual or a company, will receive all the benefit. This is the truest service to mankind, and we rejoice that it has been done."



Dr. T. Hewitson

sequently was transferred to Adelaide.

During his early years in Adelaide Dr. Hewitson was a regular contributor to a satirical weekly, and also published articles, stories, and verse in the daily press. Shortly before his appointment to the Industrial Court the degree of doctor of laws was conferred upon him by the Adelaide University in recognition of his thesis on "The Origin and History of Suretyship."

In the Industrial Court he is quick to grasp the points of an industrial dispute, and is ever ready to carry out the spirit of the Industrial Code by acting as mediator between parties. His judgments are clear and definite. He has also served the State as a member of the Central District Licensing Court and as magistrate of the Local and Police Courts. Dr. Hewitson finds recreation in gardening and reading.