PREFACE to Frederick Soddy, THE ROLE OF MONEY

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This book attempts to clear up the mystery of money in its social aspect. With the monetary system of the whole world in chaos, this mystery has never been so carefully fostered as it is to-day. And this is all the more curious inasmuch as there is not the slightest reason for this mystery. This book will show what money now is, what it does, and what it should do. From this will emerge the recognition of what has always been the true role of money. The standpoint from which most books on modern money are written has been reversed. In this book the subject is not treated from the point of view of the bankers— as those are called who create by far the greater proportion of money—but from that of the PUBLIC, who at present have to give up valuable goods and services to the bankers in return for the money that they have so cleverly created and create. This, surely, is what the public really wants to know about money.

It was recognized in Athens and Sparta ten centuries before the birth of Christ that one of the most vital prerogatives of the State was the sole right to issue money. How curious that the unique quality of this prerogative is only now being re-discovered. The ‘‘ money-power ” which has been able to overshadow ostensibly responsible government, is not the power of the merely ultra-rich, but is nothing more nor less than a new technique designed to create and destroy money by adding and withdrawing figures in bank ledgers, without the slightest concern for the interests of the community or the real role that money ought to perform therein.

The more profound students of money and, more recently, a very few historians have realized the enormous significance of this money power or technique, and its key position in shaping the course of world events through the ages. In this book the mode of approach and the philosophy of money is expounded in the light of a group of new doctrines, to which the name *ergosophy* is collectively given, which regard economics, sociology, and history with the eye of the engineer rather than with that of the humanist. It is concerned less with the details of particular schemes of monetary reform that have been advocated than with the general principles to which, in the author’s opinion, every monetary system must at long last conform, if it is to fulfil its proper role as the distributive mechanism of society. To allow it to become a source of revenue to private issuers is to create, first, a secret and illicit arm of the government and, last, a rival power strong enough ultimately to overthrow all other forms of government.