

# NEW OUTLOOK

OCTOBER, 1934

## THE ECONOMIC REPORT from GERMANY

THE DEVELOPMENTS in the German trade situation in recent weeks are best summed up in the following newspaper headline of recent date: "Reich to Glorify Hunger as Virtue." Germany has installed the most rigid system of control over trade, both foreign and domestic, ever imposed by a state professing to adhere to the capitalistic system. Dr. Hjalmar Schacht is being given an opportunity to translate some of his blustery, man-eating words into actions in the Ministry of Economics. No imports are to be permitted without permission of the state, except those which can be arranged on credit, and the nation is fostering the negotiation of barter arrangements. Coffee is being brought in from Brazil on barter contracts, and an agreement has been concluded with Bulgaria to take tobacco in exchange for German industrial products worth 19,000,000 marks. Discussions are being held with Guatemala and Mexico for barter deals. The Hamburg Chamber of Commerce, in an effort to stimulate and attract foreign trade its way, has established a special division to help German importers and exporters to arrange barter agreements. But, in spite of the multi-form import barriers, German takings of foreign goods decreased only 6 per cent in August, while exports, in spite of the bending of every national energy toward their increase, were higher by only 4 per cent. The glorifying of hunger is to be the sugar coating for the array of substitute foods to be foisted on German nationals this winter owing to the shortage of foreign exchange. Clothing, automobile tires, coffee, gasoline and butter, among a hundred other things, are to be adulterated, and prohibitions have been raised against the use of many of the common metals. Even wedding rings cannot be of gold.