

# THE NEW AGE

INCORPORATING "CREDIT POWER"

A WEEKLY REVIEW OF POLITICS, LITERATURE, AND ART

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## NOTES OF THE WEEK.

The long delayed announcement of the constitution of the Coal Commission was announced last Thursday. The *Observer's* surmise proved correct; Sir Herbert Samuel is chairman. This will inspire confidence in the City where the house of Samuel Montagu and Co., with which he was connected in his earlier days, has long been recognised as one of the leading bullion brokers, and whose "circulars" on transfers of gold and silver bullion and on movements of exchanges—especially in relation to the countries of the East—are a unique contribution to the list of authoritative financial literature. If ever there were instituted a "Faculty of Oriental Finance" Sir Herbert would fill the chair admirably. Here is a hint for when he retires from politics. Of General Sir Herbert Alexander Lawrence nothing more need be said than that he is the managing partner of the banking house Glyn, Mills and Co. It was, at first glance, a little difficult to place Mr. Kenneth Lee, the chairman of Tootal, Broadhurst Lee Co., Ltd. But there are indications in the *Stock Exchange Year Book's* account of this company that Mr. Lee is well up in all the intricacies of practical financing, whatever his recommendations may be as a cotton spinner. In 1918-1919 this firm paid in to itself, so to speak, the uncalled balance of £4 per share due on its £10 shares out of its reserves. Having thus made them fully-paid shares it split them up into £1 shares. Of each £10 worth of shares, £8 worth were Ordinary shares and £2 "postponed Ordinary shares." These "postponed shares" were

"not entitled to receive any dividend until the pensions fund amounted to £100,000, and a further £50,000 was transferred to the reserve fund. These conditions were reached in 1920, and the 160,000 postponed ordinary shares then became ordinary shares. . . ."

(Loud cheers.) But there is more to follow. There were created 200,000 "employees' shares" of £1 each.

"An employees' share ranks for dividend at the same rate per cent. and pari passu with the ordinary shares, and for repayment of capital after the preference shares and in priority to the ordinary shares. In a distribution

of surplus assets in a winding up an employees' share is to rank pari passu with the ordinary shares. . . ."

This looks good for the employees so far, but there is one little reservation—

" . . . provided always that the company shall be entitled as against the holders for the time being of the employees' shares, and without their consent, under Article 54, to create and issue shares of any class and to any amount, ranking in respect of dividend and/or repayment of capital and/or participation in surplus assets in priority to the employees' shares."

In 1923 the employees appear to have subscribed and paid for £24,428 worth of these shares on this basis—all of which goes to show that Mr. Lee's company "has a way with" its hands and is up to all the tricks whereby Labour may be induced to come in at the tail of the Investors' Queue and look contentedly on should any number of new investors at any time join the queue nearer the Dividend Door. Yes, Mr. Lee's services to the Inquiry will be invaluable. And now comes the last name on the list, Sir William Henry Beveridge, Director of the London School of Economics, and author of "Insurance for All and Everything" in the *Daily News's* "New Way" series of booklets. The Lee-Beveridge combination is going to be a strong one, and the coal-owners had better get ready with their explanation of what they "did in the Great War." What, for instance, were they about when they paid out such huge wages to the miners that one of these fellows once went and bought two pianos? Why did they not, with their superior knowledge and experience, warn the miners to use the piano-money to insure their jobs by investing it in colliery shares? What an opportunity have they not missed by neglecting to place the miners in the position of realising to-day that a strike would be a strike against their own share-capital? How simple would it not have been if the coal-owners could say to the miners—"Yes, we will pay you higher wages, but they will come out of *your* dividends?" Dear, dear, it does make one wild, doesn't it? There is a tide in the wage of man which, taken at the flood, leads on . . . leads on to . . . on to a postponed and diluted paper fortune. Let us all hope that this profound truth will be revealed in the Commission's application of its

terms of reference—which are “to inquire into and report upon the economic position of the coal industry and the conditions affecting it, and to make any recommendation for the improvement thereof.”

Lieut.-Commander Kenworthy contributes an article on naval policy to *Foreign Affairs* this month. He puts forward the theory that Britain is arming against an imaginary enemy.

“We are not threatened by war with any first-class naval Power for many years to come. On the seas there are only two Powers who could put up any sort of fight against the British Empire. These two are the United States of America and Japan. A war with the United States is unthinkable, and no preparations are now made for such a war. Thus, the frontier between Canada and the United States is without fortifications or defence of any kind. . . .”

“There is no diplomatic or political question of any importance in which there is a serious difference of opinion between the United States and the British Empire. Nor is any such question or problem in sight.”

And similarly with Japan—

“The old Australian fear of Japanese aggression has largely died away. All competent strategists have long realised that with the modern equipment required for an army to take the field to-day . . . the undertaking of an invasion of Australia in force from the Japanese islands is altogether out of the question. . . .”

So by the method of elimination he arrives at the conclusion that our naval armaments are being developed because of the “bullying and blackmailing of successive British Governments” by the Admiralty. “There must always be a bogey,” he says; and the conclusion of it all is that—

“ . . . the peoples concerned must insist upon a fresh conference being called to limit the number of cruisers being built . . . in spite of the opposition of the Imperialists, the armament makers, and the rest of the rabble who, for their own personal interests or the supposed interests of their respective nations—some of them, no doubt, quite honestly, according to their lights—are urging the nations to this mad armament race leading only to one end—war, ruin, and revolution.”

Mr. Kenworthy is mixed, here and there, in his ideas. For instance, it is Great Britain, not the British Empire, who is building new cruisers, and her policy must be judged in relation to her specific position in the Empire and not simply in relation to the position of the Empire itself. It is not as if this Empire were an indivisible economic and political unit. On the contrary, we have Mr. Kenworthy's own testimony that—

“ . . . the complaint of the ultra-Imperialists is that the orientation of the Dominions, particularly Canada and Australia, is too much towards Washington and New York. . . .”

and so far as that is true (and we ourselves accept it as a fact) it dissipates the force of any arguments based on the essential unity of the Empire. To the extent to which America is detaching Dominions from the Empire, to that extent her action throws new and peculiar responsibilities upon those directly responsible for the existence of the citizens of this country. It obviously does not follow that what Canada and Australia, as self-governing Dominions, may choose to do in the direction of quasi-alliance with the United States is necessarily of advantage to the people who have to live in Great Britain. So while there may be no “serious difference of opinion between the United States and the British Empire,” there may very well be such a difference between the United States and Great Britain. Mr. Kenworthy continues as follows:—

“If all this were not sufficient to remove all possibilities of war, Great Britain is the only country in the world paying its debts to the United States, and the great republic is hardly likely to quarrel with its only debtor meeting her obligations.”

We suppose that it has not occurred to him that at

any moment the question of this debt-repayment may be thrown into the melting pot, and that when it is, the “people” in whose interests he demands a limitation of our shipbuilding programme may very well be wishing that we had more cruisers. Again, what is the use of his pointing to the fact that there are no defensive works in existence all along the Americo-Canadian frontier? Defences cost money. And where is Canada getting her money? . . . Mainly from America—this policy of borrowing in Wall Street being one of the manifestations of the orientation of which he has been speaking. We will finish our comments here, as much of what we say in our article, “Wheat as an Armament,” bears directly upon the same subject. The next war will not be caused by armaments, but by attempts to enforce disarmament. \* \* \*

A few days ago there was a report in the Press that there was to be a system of underground railways in London designed to relieve the congestion of traffic to and from its central markets. It was to cost many millions, and half the money was to be put up by American interests. It must seem puzzling to anyone unfamiliar with the New Economics who tries to understand such matters that at the very time when London bankers are hinting at our inability to pay America her money back we should be borrowing more from her. Our readers, who do not lack the knowledge, will not be troubled by the paradox, but will see that such borrowing of American money is a *penalty* enforced on us precisely because of our already being in debt to America. The signing of the Baldwin agreement, and the reversion to the gold standard, have virtually been underwritings of the principle that the creation of credit throughout the world shall be proportionate to the holdings of gold; and this of course means that American finance will have at least a fifty per cent. share in all new financing, she being in possession of half the world's gold. That is the logic of it; the application of the logic is another matter, it will not go on for long, and to the extent to which it does go on the peoples of the world will be made more and more aware that there is something very illogical in the idea that the world's great creditor should in the same breath be bullying her debtors to pay up and coercing them into borrowing more. The ordinary man will say to himself, “America cannot really need money if she still goes on lending it.” It will be healthy for him to think this, although the thought will not be wholly true. The whole truth is that the private *citizens* of America need money, while it is the American financial institutions who are doing the external lending. A report in the *Daily Mail*, of September 5, says that at a meeting held in Dublin, at which Brig.-Gen. Sir Edward Bellingham presided, a company was formed to establish a port for trans-Atlantic ships at Blacksod Bay, County Mayo. The meeting was attended by “an American financier whose name was not disclosed, and who is said to be in Europe on an important mission in connection with the League of Nations, and who is to be the chairman of the new company.” Sir Edward Bellingham said that the proposal to make a big port at Blacksod Bay had failed in the past “owing to the opposition of British vested interests, but there was now no reason why the scheme should not be proceeded with.” In other words, the British vested interests are no longer in a position to offer opposition; probably they have been warned by Sir Montagu Norman in a dream. If the scheme materialises the new port will be connected with Dublin by three railway lines, and it was stated that Canada would organise express services to Blacksod Bay. Whoever the mysterious financier may be, there is no doubt that he is able to command an imposing amount of credit. It will be recalled that we said at the time when Free State Ministers

were threatening the Irish bankers that they were not indispensable, that they might be relying on American banking support; and the above report seems to heighten that probability. Another instance of the new “orientation.” If it goes on we may soon find ourselves compelled to cable Wall Street to know if we may lend a pound to Canvey Island.

### Wheat as an Armament.

We have more than once emphasised that a thriving Agriculture is our first line of defence, and our readers have no doubt often felt, when reviewing the condition of this important activity, how contradictory our national policy has been, no matter what Government has been in power. Any reasonable observer would suppose that in a situation such as confronts us now, when the stresses and strains on our international friendships whip us into startled attention with their ominous diplomatic cracks, our rulers would be at least taking measures to support the structure to some extent. But of such measures we see not the least sign. They sit by waiting for the collapse as though they believe that God has ordained it. That there need be no collapse everyone who understands the credit question is well aware; but leaving that aside and supposing that the gilded dome of the financiers' peace temple is certain to crash down in another war, the least our political deans might do could be to erect a temporary debris-shelter—if only of a few pieces of stout timber—on the floor of the edifice. After all, worshippers count for something; and, good gracious, what deserving worshippers they are; how little they have interfered with the doctrines and ritual of their economic Fathers. But what do we see? We see our means of food production falling into disuse. We see our means of ensuring the continuous importation of food during war-time jealously restricted—the Admiralty is being forced to patch up its warships with the scrap-iron of dismantled bases like Rosyth. And lastly we see, or are now going to learn, that the only rational counterpoise to these sins of omission is also being ignored in high political circles. The alternative we refer to is that of establishing a national wheat reserve while there is yet time. Upon this plan we are glad to see that Lt.-Col. F. G. Talbot, D.S.O., contributes an article in the September issue of the *English Review*. He reminds us that so long ago as in 1903 a Royal Commission unanimously recommended the establishment of national granaries. The Government of the day eventually decided against the proposal on the ground that *so long as the British Navy was supreme* the food supply of England could never be seriously endangered. This, he says,

“was before the days of submarines and aeroplanes, and when we remember how narrowly we escaped disaster in the Great War owing to the neglect to provide a national reserve stock of wheat, we can only wonder that the lesson has not been taken to heart.”

If Lt.-Col. Talbot would only spend a few days in investigating the evidences of external financial control over the policy of the British Government, he, for one, would cease to wonder—he would realise that in the view of those who exercise this control *the safety of Britain in war-time is not a matter of primary concern*, but that, on the contrary, her military inviolability would actually impede those projects which are regarded as of primary concern. Those projects can be summed up in the statement that they aim at rendering all debtor nations powerless to repudiate their debts. They are already powerless to do so within the region of economic action because of the power of the international financiers to manipulate the currency exchange against them and throw their internal activities into a state of chaos. But outside the region of economics—in the region of warfare—these nations (or some of them) are not

yet reduced to powerlessness. And just as the lover laughs at locksmiths, so the soldier laughs at goldsmiths. Therefore the interest of the international financiers is to abolish armaments, or at least to compel such a reduction of them, and so to distribute the incidence of the reduction as between this nation and that, that no one of them shall be strong enough to risk coming “out on strike” and calling others after it against the dictatorship of the Gold Standard. Nobody needs to ask where the seat of this dictatorship is erected. It is the United States of America. The course of last week's debt-settlement negotiations, and the subsequent recriminations both here and in France alone indicate that sufficiently clearly. It is in that country where the drive towards “World Peace” has received its main impulse. And it is in that country also where the development of *commerce-destroying armaments* has proceeded the farthest. To quote some figures from an article which Lieut.-Commander Kenworthy opportunely contributes in the same magazine, the submarine fleets of the world are at present—

Britain.	America.	Japan.	France.	Italy.
63	118	51	41	43

Britain.	America.	Japan.	France.	Italy.
4	15	28	59	20

while those being built or projected are—

We shall do well to remember that *starvation has always been the chosen disciplinary weapon of the credit controllers* in their relations with Capital and Labour. There is no essential difference, for instance, between the break-up of the Stinnes Trust by means of withdrawal of credit and the break-up of, let us say, the British Empire by the destruction of its commerce. These considerations trebly underline everything that Lt.-Col. Talbot has to say on the food question. One remark of his is especially interesting in the light of our own reasoning on the subject. He says:—

“There are definite grounds for stating that if a three years' supply of corn was stored in England the Admiralty would consent to take several millions off the naval estimates.”

Of course the Admiralty need not consent to do any such thing, but it is useful to have this testimony that food reserves are equivalent to armaments. His idea generally is that we should begin by erecting elevators with a total storage capacity of 5,000,000 quarters. Our present annual consumption of wheat is 33 million quarters, of which we grow nine and import (chiefly from Canada) the rest. We have on the average only three weeks' supply of food in the country, with three to six weeks' supply on the seas. He suggests that a Board of Grain Commissioners should be appointed to accumulate the grain. In doing so they should introduce

“a system of Imperial grain warrants, to be recognised at home and abroad as first-class legal security, transferable by endorsement, representing actual goods, to be honoured on presentation here in grain, and negotiable at the source of the grain.”

He supports this by the statement that warehousemen are entitled to issue such warrants under Acts 53, 54, Vic. c. 45; and that iron warrants are regularly quoted and dealt with on the metal market. He then points out that

“This system would be of the utmost advantage to Canadian farmers, most of whom are dependent on the proceeds of one year's crop for the outgoings of the succeeding year. In many cases they have to wait a long time before they obtain payment, but under the grain warrant system they would be given the warrant immediately the grain was delivered, and it would be accepted by banks as first-class security for loans.”

The writer thinks that as the system of storage extended Britain would become the centre of the grain trade of the world, and quotes the secretary of

a large Canadian grain exchange to that effect. He does not forget the home farmer; he suggests that the Grain Commissioners should undertake to purchase at home a certain proportion of their requirements in the ratio of one acre of corn for every four acres under arable, thus allowing for the four years' rotation. The price they would pay would be such as to cover the farmers' costs and reasonable profits, irrespective of the "world" price. Of course this would mean a subsidy, which he argues ought to be granted for the purpose. We will conclude with two more quotations:

"Without a guaranteed food supply this country is powerless in its foreign policy, and its influence in Europe is undermined."

Also its influence outside Europe, and, to look ahead, its influence on behalf of a possible European economic alliance. Lastly—

"Dangerous as the position was before the war, it is even worse now; for, owing to the limitation of our Navy by the American Convention, it is absolutely impossible for our Navy to carry out its proper functions and to convoy food ships as well."

A fact which is well appreciated both at Washington and in Wall Street.

The chief interest in Lt.-Col. Talbot's ways and means centres, for readers of THE NEW AGE, round his assumption that the grain warrants would be accepted by banks as first-class security for loans. The banks he has in mind are of course British and Canadian banks, and his assumption is entirely natural and logical, resting, as we have no doubt it does, on a prior assumption of his that these banks are free to co-operate in forwarding any policy which may be decided upon by the Governments concerned. But that is not true. The "national" banking systems of the civilised world are organised in one world Trust, and each owes prior allegiance to the Trust and not to the country in which it operates. So it is not a question of whether the establishment of a British wheat reserve commends itself to the British and Canadian Governments, but whether that proposal is approved by the Trust. If not—and we have indicated that the proposal would be disapproved—the grain warrants would *not* be accepted by banks as first-class security for loans. And since the success of the whole project depends at every stage on the provision of credits, this attitude of the banks would put an end to it. This is not said to discourage supporters of the plan, but rather to encourage them. If you know where the enemy's concealed batteries are stationed you do not give up the battle, you simply adjust your tactics accordingly. And so with these grain warrants. The point to be considered is what could be done about them if the banks refused to honour them. And on this point we put forward the suggestion that if they could not be exchanged for bank credits there is the possibility that they might be exchanged as public credits. If you cannot raise money on a grain warrant then make the grain warrant itself money. We are far from suggesting that this can be done by the promoters of the scheme, and do not pretend that it can be done in two minutes even by the Government; but we do say that there are ways of applying this principle.

Look at the realities of the situation. What is this international banking trust? In essentials it comprises so many offices and so many ledgers, managed by a few thousand individuals who issue orders and inscribe figures. And according as they do this so do millions upon millions of men of action—manufacturers, traders, soldiers, sailors, and so on—"quick march," "halt," "right-about-turn," and "dismiss." And why? Simply because they choose to regard these figure-recorders as stewards of all the economic mysteries. They are not. Nor are their offices and books indispensable. The British and the Canadian Governments could create their own credit

and administer it through their Post Offices at very short notice—and at hardly any notice at all so far as the honouring of grain warrants were necessary. It is a fortunate circumstance that so many of the influential leaders of the Canadian grain growers have been studying the credit question, and that newspapers like the *Ottawa Citizen* and the *Western Producer* have united their efforts with those of the Progressive Party in the Canadian House of Commons in awakening public intelligence to a comprehension of the money problem. It would interest us a great deal to hear what these newspapers had to say about Lt.-Col. Talbot's suggestions from the point of view of the Canadian farmers. Now that these farmers are forming their own wheat pools in order to market their wheat without the intervention of intermediaries, it is only a step for them to consider the question of financing the marketing without recourse to private financial intermediaries. There are many difficulties outside finance. One is the fact that Canada is industrialised, and therefore does not want to import goods which we should have to send in payment for wheat except in so far as she does not make them herself. But in the special case where Britain was proposing to buy an extra quantity of wheat (which would be the case under Lt.-Col. Talbot's plan) then the payment at least for that extra quantity in the form of British machinery, equipment and fertilisers might well be agreed to. The exchange of the wheat for the equipment would thus be practically a barter transaction supplementing, and not interfering with, the existing commerce of the two countries; and could be so commended to the private interests concerned.

### The Veil of Finance.

#### VIII.

We will now summarise the lessons conveyed by our foregoing analysis of the islanders' financial development.

In Chapter I. we saw how difficult it would be to imagine their tolerating an accumulation of unconsumable production. We then discussed why people of the present day have come to do so. We showed that they accepted the financiers' three commandments—

- (1) Thou shalt work very hard,
- (2) Thou shalt consume very little,
- (3) Thou shalt save very much,

in spite of the fact that as a normal and continuous system it could never lead to the prosperity promised. The investment, so to speak, of work and abstinence, would always be going on, but never a sign of a dividend.

In Chapter II. we drew a distinction between an economic policy and a financial administration, and showed that a wrong economic objective will not produce a right result even if the accompanying financial system be perfect in itself. We also considered how the phenomenon of unemployment would appear and how it would operate to reduce production.

In Chapter III. we imagined how the banker would address the islanders so as to mislead them as to the real implications of a policy of Abstinence. We next supposed the islanders to adopt the policy, with the result that they submitted themselves to high prices and created an investment surplus.

In Chapter IV. we saw what happened when the above surplus was invested, namely, that the holders exchanged their money for shares, and the money then went out of existence, with the consequence that unless the banker chose to issue some more, such products as were then in existence could not be sold.

In Chapter V. we saw that even if the banker chose to issue more money, this would not remedy the above evil—costs would still be out of reach of the available money. Next we considered the argument that the "surplus" of things which the islanders had to leave unbought because of money scarcity could be sold abroad. We divided our island into two and made them trade with each other. But we finally found that the surplus was no nearer being bought; it was only divided between the old and the new island.

In Chapter VI. we inquired whether things would be better if one island were in a more advanced state than another and exported its surplus to "develop" it, issuing a foreign loan for the purpose. But we saw that the repayment of the loan would ruin the original exporters.

In Chapter VII. we discussed the financing of the export and repayment described in the previous chapter, and ended by foreshadowing the nature of the true remedy for the present economic situation.

Let us illustrate its principles by going back to the place where the banker first issued the new credit. We will let him issue the £1,500 again to the plough makers and the £500 to the corn growers. We will again assume the total £2,000 to be passed out as wages. It will be clearer if we imagine all the islanders, masters, and men alike, as sharing this money equally as wages for service—thus ignoring the question of "profit" and question of whether one person gets more money than another as personal income, for neither question is fundamental. What is fundamental is the question of the ratio which the total amount of all their money bears to the total amount of all their costs. Now it is clear that, so far, the money distributed to these people is equal to their costs. There is £2,000; and there is corn costing £500 and a factory and ploughs costing £1,500. From this point there could be a divergence in procedure. In the earlier case, the agreed economic policy was to limit consumption, and the financial method of enforcing it was to permit the whole £2,000 to be charged by the corn growers for their harvest, which had cost £500. Suppose we assume, now, that the new agreed policy is to promote consumption. In that case the corn could be sold to the islanders for its cost, £500, and be consumed. The growers would repay the banker £500, who would destroy the money. This would preserve the equilibrium, for the islanders would have £1,500 left as against the plough makers' factory and ploughs costing £1,500. If the islanders as private individuals desired to buy the factory and ploughs they could do so, and in doing so would enable the plough makers to recover all their costs and repay the banker, who would destroy the money—whereupon everyone would be ready to start the next round. But the islanders do not want a factory and ploughs to take home (remember that the ploughs, etc., in this illustration typify all goods used in production, and not by private individuals). So we are brought to the question whether the plough makers need have laid out so much money in their "business"; in other words: in what proportions should "capital" and consumable goods be produced? In the present case, if the corn growers could make use of all the ploughs to increase their next harvest, well and good, the plough makers would not have overdone their job. But if not then clearly money and energy would have been applied in excess to plough-making to the neglect of corn growing. For the future the proportions should be altered. Now, under the old economic policy such an alteration would be hotly resisted by the plough makers, for if they made fewer ploughs they would make less money, which would mean that their share of the next corn-harvest would be smaller. Under the new economic policy this result need not ensue, as we shall see later on; it is sufficient for the moment to point out that even if it did, the plough makers would at least be in no worse position than before, when they produced more, but could not sell it. We will leave that particular point here; it is not really important, because in framing a new economic policy the difficulty involved in it would be foreseen and guarded against. There would be a general estimate of the aggregate needs of the community—at any rate of their first essentials of life—and corresponding measures taken to establish factories and machines accordingly. The requirements of Britain's population in food, clothes, and shelter could be got down on paper next week, and the inventories and costs of

the preparatory work a week or so after. It may sound difficult to new ears, but it is child's play compared with the wild guesses on which capitalists have to base their development programmes to-day (e.g., the cotton-mill boom and the orgy of rubber planting followed by an orgy of rubber restriction).

Let us now take another point. We will assume that the plough makers have ten ploughs for disposal and the cost of them £20 each; also that the corn growers can use them, and therefore buy them. The plough makers collect £200 and pay it to the banker, who destroys it and cancels their debt to that amount, leaving them still owing him £1,300 (against which they still possess their factory value at cost at that amount). Now what of the corn growers? They have meanwhile got a loan of £200 from the banker to buy the ploughs, and a further £800 (let us say) for wages. They pay out the latter sum in the progress of their operations. Also suppose that the plough-makers, too, borrow £200 and lay this out in wages to make another ten ploughs to replace the others. Now count up total costs against total personal incomes on the island. Costs are:—

Cost of plough makers' factory not yet recovered .....	£1,300
Transferred by the corn growers to the plough makers .....	£200
Paid out by the corn growers to the islanders .....	£800
Paid out by the plough makers to the islanders .....	£200
<b>Total .....</b>	<b>£2,500</b>

And the total of all existing money in the hands of the islanders:—	
Remainder left at end of first harvest .....	£1,500
Received as above .....	£1,000
<b>Total .....</b>	<b>£2,500</b>

The equilibrium is seen to be maintained. The money resources of the community are equal to the outstanding costs of their productive system. Two conditions operate to maintain this balance.

- (1) That all new production is here being financed by means of new credit issued by the banker (instead of being financed out of "savings").
- (2) That the community has not hitherto been charged more for its corn than the actual sum paid out to them as wages by the corn growers.

There has been no inflation of price and no investment of personal income. And this has been encouraged by the banker's not having required the plough makers to repay their loan at a faster rate than they are recovering their costs in the ordinary way of business. This banker (unlike the other) does not cancel any money except when goods to the same cost value are consumed by the public or used up and disappear in the process of making them. (In this illustration one may consider the ploughs as wearing out in the current season.) On the other hand it is easy to see that if the old banker came on the scene and demanded his loans back prematurely his debtors would be obliged to ask the islanders to lend them their "savings." And under a system where it was the recognised procedure for the banker to make such inconvenient demands they would have previously taken steps to avoid having to go to the islanders for their money in this way and would have charged them all they could for goods irrespective of cost. (Which explains the necessity for the profiteering, the building up of reserve funds,

and the niggardly distribution of dividends which characterise the practice of modern companies under just these conditions.)

But now, it is one thing to see the right principle of finance at work in an imaginary case, and another to apply it to a situation which has developed for so long on wrong lines. The economic situation of modern civilisation corresponds more closely to that of the islanders at the point where they had paid all their money for corn and (through the destruction of it by the banker) had no funds out of which the plough makers could hope to recover (even indirectly) the £1,500 of costs that they had incurred. If you were to count up to-day the money "value" at cost of everything in the possession of business organisations (factories, plant, materials, unfinished and finished goods, whether consumable or not) and then count up the money in the possession of the public, there would be revealed a tremendous excess of the first item over the second. The difference would correspond exactly to the plough makers' £1,500 irrecoverable costs. The problem is, then, how best to restore to the community this deficiency in its purchasing power—how to work up to the general equilibrium between industrial costs and private money resources.

Could it be done by issuing more credit as a loan? Let us see. Suppose that the banker under the conditions last mentioned creates and issues £1,500 to the corn growers, thus enabling them to buy the whole factory and ploughs of the plough makers. The latter could now repay the banker their old loan of that amount, and he would destroy the money. Having recovered their costs, they are clear, and can be left out of our reckoning. The islanders, remember, have no money, and will of course not receive a penny of this £1,500. What they will receive will be whatever further sum the corn growers will pay out for their services—take any figure, say £1,000. When the corn is ready for sale, the islanders will have £1,000 to spend on it, but what will be the corn growers' minimum price? It will be £1,500 plus £1,000, or £2,500. So the islanders are short of £1,500 exactly as before. All that has happened has been that the irrecoverable cost of £1,500 has been merely transferred from the plough makers to the corn growers. Clearly, then, the loan process is a futile method of restoring the balance. Nothing would do this but the banker's decision to make a present of the £1,500 credit to the corn growers, thus enabling them to leave that item out of their price to the islanders, who would then have to pay simply the £1,000 they had previously earned, and no more.

Now what we have seen happen here happens every day in this and other countries. All payments made by any business organisation to any other for materials or services merely serve to transfer a charge on the public from one set of account books to another: they never put the public in even a fractionally better position to meet those charges. The fact is not easy to observe from a survey of present-day business, but that is only because the observer would have to watch, not a single transaction such as we have investigated, but millions of similar transactions all going on at the same time. But the principle applies to every one of them; in the case of such transaction between two business organisations it is just like the corn growers buying ploughs and expecting to charge up the price of them in their sales to the islanders. The position can be seen in a simple general form. Lock a thousand people up in a hall without any money. Let one of them have with him a stock of dough with a valuation put upon it of £100. The people in the hall cannot buy the dough. That is clear. Now you can (suppose you are a banker) pass into the hall any amount of credit you like, say £1,000, as a loan to certain "producers" who propose to turn the dough into bread. These can buy the dough, and re-sell it as many times as

they like, until eventually one of them turns out the bread. But if the valuation of the dough enters into the price of the bread the price of the bread will be £1,100—£100 more than the total holdings of money. On the other hand if (a) someone in the hall had had £100 of money when the dough came in, or (b) if you, as banker, had lent the producers £900 and given them the other £100 to "pass on to the public" the problem would not have arisen, and all the bread could have been sold.

Constantly, then, we find ourselves coming up against the necessity of issuing a certain amount of credit to the community in the form not of loans to them as producers, but of gifts to them as consumers. Now when we say "gifts" we are straining language, for what is this "gift"? Who is the giver? Whose, ultimately, is the gift? The "gift" is, as we have seen, nothing but a licence to produce and consume—Money. The "giver" is only the person to whom the community delegate the function of making out and recording the licences—the Banker. The ownership of the "gift" is that of the community itself, to whom it is to be "given"! Really there is no "gift" at all. The gift of free credit means nothing but that the community supplies itself with extra licences so as to produce and consume more than it did previously. And in the circumstances of a shortage of necessary licences which exist to-day, the "gift" really means a communal creation of new licences in replacement of those which have been prematurely withdrawn and destroyed. There is no more a question of the banker "giving" us credit than there would be of the Admiralty giving us a navy! The true place of the banking system is as a branch of the Civil Service, and it should function, like the Admiralty, in administering a national policy and not in using its privileges to dominate national policy. It can and should advise, certainly, but it should not dictate—and it should submit the reasons for its advice to the real owners of the credit it administers—the general public, whose economic activities alone give credit any meaning and any utility.

#### PUBLIC MEETING.

"The Economic Consequences of the Banking System." Under this title Major Douglas will deliver a lecture in two parts at the Caxton Hall, Westminster, the first part on Monday, October 12, and the second on Monday, October 19, at 6 p.m. Admission on each occasion will be by ticket, price 2s. 6d., to be obtained from Mr. W. A. Wilton, c/o THE NEW AGE, 70, High Holborn, W.C.1 (Telephone Chancery 8470).

#### SPEAKER WANTED.

The Keighley Branch of the Workers' Educational Association have open Tuesdays, March 9 and 23, and would be pleased to give one of those dates for a lecture on the New Economics. Will any reader able to give a lecture write to the Hon. Secretary, Mr. T. Mackley, 566 High Spring-road, Thwaites Brow, Keighley.

Readers who are anxious to make THE NEW AGE more widely known can do so by asking their news-agents or book-stall managers if they will distribute free specimen copies to those of their customers likely to be interested. If so we shall be pleased to supply them free of charge and carriage paid. Applications should reach us at the latest by Monday morning, so that the necessary extra copies of that week's issue may be printed. Address:—The Manager, THE NEW AGE, 70, High Holborn, London, W.C.1.

## From Dostoevsky's "Notebooks."

Translated by S. S. Kotliansky.

II.

FOR A FANTASTIC PAGE.

The Prince: "All this is mere words—one must do."

Shatov: "Do what?"

The Prince: "What the others do,—build ourselves, build the kingdom of Christ. We get our faith from politics. The Slavophiles with their icons,—but we must act through Orthodox discipline and humility; no slaves, all are free. Christianity permeating the lands of freedom, with blessings. The Pope as Anti-Christ. Not in economics, but in moral regeneration is strength. Complete power is needed to fulfil the whole idea."

"We, Russians, bring to the world the renewal of the ideal which it has lost; the beast with the wounded head, the millennium. Imagine that all are Christ's, will there be poor people then? I knew Herzen—it is a farce."

Shatov: "If so, one must become a monk."

The Prince: "Why? Proclaim Christ in the Russian land and proclaim Him through yourself. Great deeds are needed. A great deed must be accomplished. One must be great in order to go against common sense."

Shatov: "They say: In Science is power."

The Prince: "Science gives no moral satisfaction; it does not supply an answer to the chief problems. A great deed is wanted. Let the Russian power show that it can perform it. By deeds you will conquer the world."

Shatov gets into a strange reverie. "You know it is all fantasy," he says. "It is either bookish, or it is religious mania. . . . Just summon all to perform a great deed?"

The Prince: "Why all? Can't you conceive how powerful one man can be? Let there appear one, and all will follow him. There is needed self-accusation and deeds, the idea is needed, otherwise you will not find Orthodoxy, and there will be nothing."

The Prince is seeking for a deed, for active work, for the proclamation to the world of the Russian power. His idea is genuine Orthodoxy, active (for who believes now?). Moral power before economic (N.B. He does not believe in God, but keeps in his mind Tikhon's deed.). "Do you know, how strong one man can be?" On the whole, to have in view that the Prince is fascinating as the devil, and his terrible passions struggle with his idea of a deed. And along with that, unbelief and torture. The growth of faith. The idea of a deed prevails. Faith gets the upper hand, but the devils, too, believe and tremble. "It is too late," says the Prince, and runs to Uri, and then he hangs himself.

[Another variant]—Or like this: The Prince comes to Shatov. "What about Orthodoxy?" he asks. Shatov begins to explain. The Prince agrees (and confirms it even from the Apocalypse). Shatov sees that their convictions are alike.

"How could that have come about?" Shatov asks. "But you are repeating the old ideas of the Slavophiles," the Prince says.

Shatov explains the difference: "The idea of the Slavophiles was an aristocratic game, an icon (Kireyevsky), they can never believe directly."

The Prince agrees: "If they do not believe directly and completely, then they believe in nothing at all, and then it is better to wipe out everything, as Nechayev says."

"What do you mean by 'wiping out'?"

The Prince explains: the philosophy of digestion\*, the problem of time; gradual extinction. "You see, there is this difference between us and the Slavophiles, that we attribute such an importance to the question, and regard it as a *sine qua non*. Orthodoxy and Russia. We think that Orthodoxy and nothing else preserves the image of Christ, and we consider Russia as the standard-bearer of Orthodoxy. On the other hand, I think that Christianity contains all the solutions of all human problems. The child, the millennium, the Apocalypse, the wounded beast.

The Prince: "The whole question then is, can one believe?"

Shatov: "Do you not believe then?"

The Prince: "You see, either faith is everything or nothing! We realise the importance of saving the world by Orthodoxy; and so the whole question is, can one believe in Orthodoxy, throwing aside all philosophy of digestion. If one can believe, then all is saved; if not, then it is better to wipe out all."

Shatov: "Indeed, do you not believe?"

The Prince: "What do you want me for, I ask you? I simply came to ask you, if you believed? I was curious to know."

Shatov: "I . . . think I believe."

The Prince: "It means then that you do not."

Shatov: "That comes from my being detached from the people."

The Prince: "But that again is a question of time. Even if you were not detached from the people now, you would still fail to believe a hundred years hence."

Shatov: "Tell me frankly: do you indeed not believe?"

The Prince: "I shall be polite and answer you: no, I do not believe. And look here, Shatov, let us try never to meet again. Say now, I demand an answer, I speak strictly. I am not speaking about the slap in the face you gave me."

## When the Engine Tires.

There are times when the reading of books, the traffic with one's fellow-men in ideas, the contemplation in solitude—there are times when suddenly these things lose their reality. The written page becomes so much obscuring foliage in the thicket of words and ideas, and these warm memories of past emotions fade away into a shadowland, taking with them all the finer things that distinguish the human from the brute. You never know when this dreadful condition, like an ague, will descend upon your heart and brain. In the midst of some deep-seated and long-established enthusiasm, that shines out on the universe with a searching confidence, illuminating all the mystery; in the midst of that the beam will suddenly vanish, leaving a chaos which is only more horrible by contrast with the vanished light.

Not only is intellectual life, with its firm and historical superstructure, shattered, but all moral values are winked out like the fixed stars in a sea of fog. Religion, law, and the thousand restraints and disciplines dependent on them, become not only unreal, but shadows to be scoffed at; hypocrisies, lies. A man looks on his marriage-companion with disgust, and on his children with the hatred which a slave has for the tyrant. It is of no use to talk of human dignity or of the grandeur of human society to a man or woman who is in this condition, for the only reaction of the poor soul is a sort of cold and perverse rage, a simulation of cynicism—a simulation only, for the mind there is incapable of any real adventure in the world of

\* The materialistic conception.

ideas. It can only rise to a kind of galvanic agitation that has none of the vividness of living thought.

What is the meaning of these periods of anarchy and isolation? No one seems to be exempt from them. The most selfless saint, calm and equable, will know them, when they follow his ecstatic moments as the wolves follow the light of the camp fire. The very chemistry of the body is altered. The flesh seems to sag, the eyes grow leaden and listless, and the senses no longer respond to stimulation from sound, colour, or surface. Are we ourselves responsible for these periodic lapses of consciousness; or has some outside dynamic, to which we habitually respond, suddenly ceased to throw out its communicating waves on the ether? It cannot be the latter, for we observe ourselves in this living death, or rather this comatose life, while our fellows are in full enjoyment of the normal soul-nourishing communication with the universe. The reason must be in ourselves. There must be some irregularity of the biological or mental system which constitutes the individual, so that for a while we lose touch with the central fervour which animates the world. But neither environment nor physical condition seems to have anything to do with this breakdown. It comes when we are in perfect health—in the midst of a holiday; amongst our heart-chosen friends. Often, indeed, it will select the moment of fulfilment, so that we grasp the prize with fingers suddenly become nerveless, and look upon it with eyes that mock at its valuelessness.

Perhaps in being born we unwittingly commit a crime, so that we all start out on life branded like Orestes, and destined to be victimised at any moment that it pleases the Erinyes to tear our bosoms, or to shake their venom on our unsuspecting heads. But this idea savours too strongly of an unjust predestinarianism to be acceptable to the fully conscious mind. Let us hope we are shaking off that nightmare for ever with the determinism and scientific materialism of the 19th century, which are already as dead as the miasma that once spread over Northern Europe from Geneva.

No; I feel already that the overthrow of these doctrines is beginning to be felt, though they are still manifest in our political theories. Perhaps that is why the latter are so repellent to such believers in the individual responsibility as Mr. Chesterton, who so writhes at the thought of humanity being protected by social legislation from a cruel and unjust environment—as though an irresponsible self had had nothing to do with our disastrous past.

Now that patriotism is dying the death which Tolstoi predicted years ago, it is inevitable that the moral purpose in our political life should become more and more concerned with hygiene, welfare, and other naturalistic problems. But patriotism has not always been something connected with trade politics, music halls, and Anglo-Indian journalists. Our political thought to-day is completely cynical of the abstraction which was the coherent force in Greek and in our own Elizabethan life. We insist—and perhaps the democrats most of all—on our national politics being only large-scale borough politics. That may be why our foreign policy is always such an invertebrate muddle. For to a foreign policy we must bring something other than a mundane belief. Let us remember, for instance, how swiftly Cromwell made his mark on the policies of Europe. Here was a man with a faith, and a patriotism that symbolised a more universal Order.

But our weakness is our strength. I have intended to show how our public life is in that same trough of despair and materialism as I have shown to occur in our individual lives. We see, however, that in our public life the depression is not without its compensations. In our materialistic works we are beginning to discover after all the action of a subconscious faith; a faith ultimately to be all the clearer because of its

tangible achievement. Cynicism established our materialistic age; but such is the vitality of the divine nature within us, that out of the barren rewards of the age we are achieving spiritual fruits. For the speedier awakening of our minds to this reality, science has thrown down the wall which appeared to exist between spirit and matter. These divisions do not exist, and it becomes certain that all our activities, no matter how diverse, or how variously prompted, are manifestations of the same one and indivisible vitality "which moves the stars." There is, then, a joy to be found even in those periods of dark reaction which I began so morbidly to discuss.

R. CHURCH.

### Histrionics.

By "Old and Crusted."

It is not to be thought of that the Flood  
Of British freedom, which, to the open sea  
Of the world's praise, from dark antiquity  
Hath flowed,  
Be lost for ever . . .  
We must be free or die, who speak the tongue  
That Shakespeare spake; the faith and morals hold;  
Which Milton held.—In everything we are sprung  
Of Earth's first blood, have titles manifold. (W., 1802.)

Strange and startling resemblance between the fate of the founder of the kingdom of this world and of the Founder of the Kingdom not of this world, for which the first was a preparation. Each was denounced for making himself a King. Each was malignised as the friend of publicans and sinners; each was betrayed by those whom he had loved and cared for; each was put to death; and Caesar also was believed to have risen again and ascended into heaven and become a divine being.

(Caesar. J. A. Froude.)

In the library of this remote Jacobean homestead stands an old oak table, constructed by the village carpenter in the days of Milton and Cromwell. After many vicissitudes in hall, kitchen, and nursery, it has settled down in an atmosphere of dignified leisure to the enjoyment of a ripe old age as writing-table and daily companion to this undistinguished ranker in the little army of contemptibles fighting for the greater freedom. Many a round of beef and pewter tankard have rested on this gate-legged shovelboard. Its polished surface has reflected the honest faces of generations of lusty yeomen whose descendants are still the backbone of the proudest nation that ever swayed the destinies of mankind and gave a meaning to the word Liberty.

Respect for the long and honourable service of this brave piece of furniture has ever restrained me from desecrating its broad bosom with a litter of penny-press-piffle; but every now and again, despite precautions, rubbish will drift in. At this very moment there is staring me in the face a back number of the *Daily Express*, whose front page bears the headline, "Exclusive Interview with Mussolini."

From this we gather that one, Lady Drummond Hay, "Our Special Correspondent," has bearded the overlord of Italy and owner of the pet lion in his den. After passing through "endless marble corridors," she discovered "the great little man" seated behind "an enormous desk," so looking like a statue, so "immovable his attitude, so sphinx-like his expression." Briefly, the whole histrionic business was beautifully staged, but it would have been happier augury for the future of Italy had the dear lady been able to report that the Dictator had a flask of Chianti at his elbow, and one of those awful, long, black, Italian cigars in his imperious mouth.

Now, the outstanding features of this interview are the reference to Julius Caesar, "my ideal, my master—the greatest man that ever was," and the scorn poured on the apostles of liberty. "Liberty," quoth "Mussolenin," as he might well be dubbed,

"Is there such a thing as liberty? . . . I maintain that there can be no such thing as liberty. It exists but in the imagination of philosophers, who seek their unpractical philosophy from the skies." Which strikes me not only as "balderdash," but as treason to the race of Garibaldi and Mazzini.

One can only admire the little man's cheek in taking Julius Caesar as his model, and wonder whether he has devoted any time to the study of Froude's sketch of the noble Roman in the original edition, containing the subse-

quently suppressed, final paragraph quoted above.

### Concerning a Singer and an Actress.

BY RITA ROMILLY.

Musicians here in America as elsewhere have become more and more the product of a devious and highly complex civilisation. As such they have increased enormously their technical perfection; they have been schooled and coaxed and fretted into place until they stand, little statues of clay and culture, to be judged perhaps by their tonal quality, the way they take a cadenza, or their proficiency as Lieder singers. This is all well enough and in certain instances of undoubted importance. The fault lies in the fact that such a large number of musicians have excellent training and absolutely nothing else. The fundamental function of music has been completely lost sight of, and beneath the heap of training lies nine times out of ten the tiniest measure of spontaneous musicianship. Take away this machine-made appearance of "culture" and you have an overwhelming majority of mediocre singers, violinists, or pianists.

In the theatre the condition is diametrically different. The degree of actors who are not actors and never can be actors is, of course, proportionate to that prevailing among musicians, or, for that matter, among artists of any kind. But in the case of the theatre the mediocrity shines unashamed over the footlights, ungloried by any hint of training, by any thought for such fripperies as diction or rhythm or a knowledge of what is back of the spoken words. One day, perhaps, will come the idea that art is supremely something that the individual should express from what he finds within himself, and only that—all the high priced teachers and expensive public appearances notwithstanding.

When it comes to fighting finance with its own weapons, the help of Italy would be beyond price. Italian subtlety and English common sense should form a combination too powerful even for the machinations of Warburg and Co.—and is there not something delightfully humorous in the prospect of Lombardy "putting it across" Lombard Street?

As for this "Fascisti" stunt in England, it is difficult to take it seriously. I, for one, cannot picture my friend and neighbour John, clad in a black shirt, attending the obsequies of Mr. A. J. Cook, and I am sure that genial gentleman known as Mr. T. Atkins, who begged his prisoners to sing "the 'ymn of 'ate," is but poor material for either Fascism or Communism. Having doffed khaki for good and all—as he hopes—he is not likely to don either sable or red in the interests of international finance—which is what it all amounts to.

Even in Italy, histrionic politicians with pet lions run the risk of becoming ridiculous—and nothing kills like ridicule—moreover, to the frivolous-minded there is a fatal alliteration between Mussolini and Mantolini. If the Italian Premier should prove mere pinchbeck, it will only be a question of time before he also goes "to the demnition bow-wows," and as the turning of mangles is a declining industry, the fate I foresee for a refugee statesman is turning the handle of a plaintive barrel-organ in the precincts of Soho. In place of the regulation monkey in a red jacket to collect the coppers of the charitable, the pet lion might do duty—if the police could be squared—and as a precedent is there not the blind lion of Tartarin's famous hunting escapade? But, alas, he also had trouble with the civil and military authorities. "Oh, demmit!"

### TOWN DWELLERS IN THE COUNTRY.

We are like ghosts, standing upon this hill,  
All else being solid and permanent save us—  
Us independent, mysteriously self-propelled  
Forces rather than things  
That stand like ghosts upon this hill.

We are threatened by the nullity,  
The indifference of the sky—  
Neutral—holding no augury.

. . . Threatened? Why, the earth cannot even  
Scratch us off like fleas!  
We are just too heavy for the wind to blow away.  
A child playing with a gun is more than these!  
And yet . . .

O for the town  
That holds a mirror to our strength,  
That flatters us:  
Where man is a power!

A. S. J. TESSIMOND.

Paul Robeson is a singer to whom singing and the dramatic fine glowing quality and the tradition of the ages behind it. that came from the well-springs of the singer—came with music, music as it is meant to be and so rarely is, music matter of record. The important thing was that here was an enthusiasm of the audience knew no bounds, is now a full that scores of people were turned away, and that the had heard these two and believed in them, came a first public concert at the Greenwich Village Theatre. That this concert and the two that rapidly followed it were so successful that scores of people were turned away, and that the expression of it are as much a part of his being as his hand or his head or his heart. Though a person of personality, I doubt whether Mr. Robeson could ever reach consciously ness and intelligence, with great charm of personality, I that degree of perception which is the chief, the vital quality of his singing. He is essentially a singer of folk-songs, and the only singer I know of who sings only folk-songs, and has no desire to sing anything else. This is significant, for the folk-songs spring directly from the primitive life of a people—simple, fervid, intense, bound up with their daily measure of joy and sorrow and religious feeling. This deep religious absorption is the keynote of the negro spiritual or plantation song which found its being in the camp-meeting, slavery and in the liberating fervour of the camp-meeting. It is the one folk-expression in song that we have in America. It sings of freedom, of deep pain and high hopes, and of a simple faith in the Lord and the goodness of His works. The folk-song springs spontaneously to the lips of a people and that is the kind of expression Mr. Robeson has given it. When I say that Mr. Robeson could not in his ordinary being reach the same degree of perception to be found in his singing, I mean that the primitive vitality in his music is almost entirely instinctive. I like to call this instinctive singing as opposed to trained singing. I do not by any means feel that the instinctive musician requires no training whatsoever—a degree of technique is usually imperative, and Mr. Robeson certainly has it. But unless he takes to it as a fundamental response to music, unless he takes to it as naturally as a bird to the air, I think his music holds little interest. Cultured music or intensely stylised music can often be immensely interesting, but only when its

exponent has begun by feeling the urgent necessity for expressing himself just so. Roland Hayes is an excellent example of a trained singer who feels in this way and gives exquisite expression to his feeling. Curiously enough, however, there are few eminent musicians who, after reaching a peak, still retain the ability to make one feel the elemental simplicity of the folk-song. Caruso was able to do it when he sang a Neapolitan street song—for, despite his preoccupation with more complex themes, when he sang this simple melody the sights and smells of Italy were strong upon you. Sometimes one finds it in Yvette Guilbert, and always in Kreisler when he plays an old Viennese snatch for an encore, and you are flooded with the subtle effervescent spirit that is Vienna. Chaliapin does it with the songs of the Russian people, and you feel their oppression and pain, their barbaric gaiety. Strange how races whose primitive musical expression tells of anguish and suffering always have counter-melodies full of hope or ardour or abandon. There are others who have retained this quality, but the number of such artists is pitifully small, pitifully inadequate. And so back to Paul Robeson, fine and musical artist that he is, back to his instinctive understanding of all that is best in singing, back to his deep and abiding feeling for his people and all that is most true and essential in them—he is fundamental.

A week or two ago an historic occasion was created at our largest music-hall, the Palace, for it marked the return to the stage, after an absence of many years, of Fay Templeton. She appeared with Weber and Fields, her far-famed colleagues of times gone by, at whose hilarious playhouse she scored her greatest triumphs. Her return was only for a few brief days, but it was long enough to prove a number of extremely important things about the art of acting. The particular evening on which I was present had an air of festivity to it—for there were numbers of old-time enthusiasts and some of the younger artists who had heard of past glories and wished to witness the truth for themselves. Still, the large majority of the audience was the usual hard-boiled vaudeville crowd, whose scepticism had to be shown. And shown it was, for out came Miss Templeton, and with a lift of the shoulder and a turn of the eye gathered the whole motley crew into one immense smile. Imagine a woman as plump as you please, and then add innumerable pounds; these pounds draped in most impossible garments and swathed in numberless scarves, yet looking as handsome as any young thing in organdi; a deep mezzo voice still in excellent music-hall shape—an expressive, genial mask for a face—and you have the present-day Fay Templeton. This should appear an intriguing picture, but to those who like their entertainment in different form, let me say that had they been present on the evening of which I write they would have seen the more than three-score years drop away from this amazing woman as so many leaves falling from a stalwart tree in the autumn. Quité true, she was too fat to really dance, too utterly and frankly pleased to be back on the stage to try any sophisticated wiles, and yet when she sang her famous, "Rosie, You Are My Posie," with a hundred nuances of facial expression and voice, the languid audience stirred into attention, eager, stimulated, suspended on every funny scintillating note. And continued so until her final broken speech: "Many ladies—many gentlemen: from a farm in Pennsylvania to the stage of the Palace Theatre is indeed a long step," and then, bent under the weight of her trumpeting reception, and almost borne from the stage by the incredibly agile Weber and Fields.

Later she returned. She returned to ask Cissie Loftus, who was on the same bill and who had a greeting second only to her own, to do an imitation of her. Miss Loftus displaying reluctance at the idea of imitating in the august presence, Miss Templeton suggested a duo, and so there swayed the pair of them, for all the world like the Heavenly Twins finding grace in a music-hall, singing "Rosie, You Are My Posie."

So often when celebrated artists make a "come back" after a protracted absence an element of pity enters into their audiences. No matter how beloved they may have been, no matter how much affection still is felt for them, practically always their old friends wish they could have kept in the lavender of memory the real or imaginary picture they had formed of the artist. Not so with Fay Templeton. I had never seen her before, yet I felt unmistakably the power I had heard so much of; I was thrilled and moved by what she had to give at that moment without thought for what had gone before. This is great dramatic art—whether in a chief theatre—the ability to transcend your face and form, to make your audience forget your envelope so completely that you become something absolute in the case of acting, sheer force, sheer magnetism and individuality. The Duse had this tremendous power. Never for a moment did her

wrinkles or the visible signs of her age disturb me; she transcended every inability to look the woman she was portraying by being the woman.

Anyone less great could not have done it—one would have been pathetically aware of the obvious falsity—falsity in the colour of her hair, the lift of the form, the ring of the voice. It did not matter how the years had wounded Duse, how they had beat against her frail body and left it stranded, for she did not for the smallest moment have to rely on its perfection. When an actress has the lilt and spring of youth to accompany her it is difficult to distinguish where her good looks and her charm and her talent begins. But when nature has deserted her then is the time when art has its moment to itself and the actress stands alone and unaided to try the truth. Age may rob a voice of its strength, a face of its appeal, a figure of its grace, but if there is an inner fire one does not need these props. This is why the many had better leave in time—for only the few can discount the ravages of the descending years.

It is not a sacrilege, as some may think, to speak of the powers of a Duse in the same paragraph with what may seem the more humble graces of a Templeton. Not when both have had the same guiding light and have carried it along unextinguished to the same final glow. It does not matter where, in whom, or in what, individuality expresses itself so long as it survives every other decay and remains victoriously unafraid.

## Reviews.

**The Psychology of the Servant Problem.** By Violet M. Firth. (C. W. Daniel. 3s. 6d.)

Would-be employers of domestic servants would be well advised to read this common-sense analysis of the difficulties they are likely to encounter. These difficulties seem to the reviewer to be more likely to get worse, from the employer's view, and the higher the general standard of living and the brisker the state of trade, the more "uppish" will servants prove, and harder to find. Miss Firth pleads for a new spirit between the two parties; that is, she wants to improve a condition of status. But she herself gives evidence that servants prefer the known pros and cons of contract to the speculative merits of status. For she points out that the big caterers and the hotels have comparatively little difficulty in recruiting their staffs. Her suggested solutions are partly "political." The resources of the nation should be more equitably divided, the employers should simplify their manner of living, give up, for example, the quite recent practice of evening dinner, and, finally, servants should be recruited from "educated women who are obliged to earn a livelihood but cannot for some reason or other enter a learned profession." Domestic Help Companies, developed from one or two experiments after the war, appear more promising.

**The Future.** By Professor A. M. Low. (Routledge. 5s.)

The importance of this book lies in the warning it gives against taking academic celebrities at more than their certificate value. The author is a physicist of repute. The newspaper, which he here declares to be "the most valuable aid to the poor ever conceived," have recently given him a good deal of notice. His technical qualifications are unexceptionable, and what he has to say on the future of "radio" and motor-cars is doubtless as worthy of attention as most experts' forecasts. He merits our sympathy for his wish and endeavour to reduce noises, and he refers usefully to a variety of unnecessary and pernicious wastes in the use of raw materials. Despite the appalling inconsequence of many of his paragraphs, he is frequently amusing. But this eminent expert's opinion on anything outside his peculiar domain is no more valuable than the opinion of, let us say, his namesake, the equally expert cartoonist of the *Star*; nay, the evidence seems to be that it is less. He talks of the curve of history and mentions plotting a good many other curves, but refrains from giving samples. He ambles on from amusements by way of marriage, politics, and art, to the occult and religion, not omitting to adopt *en route* the theory of the inheritance of acquired characters in its crudest form. Unaware that the prevalent fashions in women's clothes are much more healthy and attractive than those for men, he says that "women wear clothes useless to themselves in most weathers." "The past," he pronounces, "does not merit our wonder . . . commercially it would not pay to construct a Sphinx. Time is too precious a gift and too stern a master." No wonder he expects the future State to be omnipotent and "laziness to be a crime." He asserts every few chapters that men are naturally warlike and that the constitutions and physique of this generation are inferior to those of our ancestors. For neither of these questionable propositions does he give the slightest evidence. As a specimen of the habits which Professor

Low sees, or imagines to be in vogue amongst his fellow-citizens, we will quote: "Look at the photographs of travel taken a few years ago, look up the drawings of the world's greatest men, of the world's greatest successes, made two centuries ago; and then understand that the men of the future will laugh at you as you laugh at your forbears." The professor's friends may indeed laugh at portraits of Leonardo, Newton, and Faraday, and may very well sneer at the Central Asian photographs of Hedin and Stein, but we know of no other adults in England who follow their example.

**The Belief in Personal Immortality.** By Yvon Nicolas. (The Cayuse Press. 3s.)

Twenty years ago a lumberjack in Northern Manitoba saw an advertisement in the *Family Herald* of "Heaven and Hell!" Swedenborg's Great Work on Immortality." Here evidently was something of importance in Literature, and he sent \$1 to the enterprising agent in the expectation of acquiring a pornographic masterpiece. His denunciation of Unscrupulous Business, when the work proved to be of a totally different character, would have shocked Mr. Upton Sinclair, and his next visit to Winnipeg might have entailed unpleasant consequences to the bookseller if an observer had not pointed out the missing "t." A similar mistake in the title of a treatise by Mr. E. S. P. Haynes resulted in the production of these reflections addressed "To Alec Waugh, the Parents' Assistant," etc. Those which are connected with politics suffer from the easy generalisations associated with the *New Witness*, but fortunately the author "prefers personal immortality to what may be called impersonal morality"—the demands of those who wish to be able to count on their customary prejudices being imposed by the priest or the policeman. There is an entertaining appendix—a letter from a recently deceased nobleman, who supposes the question to be immortality; but inadvertently omits the "t" in every mention of the main subject. This is worthy of Mr. Belloc.

**The Devil in Love.** From the French of Jacques Cazotte. With six engravings on copper by J. E. Laboureur. (William Heinemann. 21s.)

This is a reprint of the excellent first translation of 1793. The subject is exciting, and Lewis is said to have plagiarised shamelessly from it in *The Monk*. A young officer practising magic insults Beelzebub, who, to compass his destruction, attempts, in the form of a beautiful sylph, to seduce him by pretence of being in love with him. His fall, which is always imminent, keeps the interest alive, for though he is far from being madly in love with the sylph it is suggested that as soon as he succumbs to her charms he will become a slave to them and the Devil his master. So honourable, however, is the Spaniard that all attempts on his virtue fail; he insists on marriage, which, as a sacrament, the Devil, of course, would not be able to tolerate, and Beelzebub is finally exposed. *Le Diable Amoureux* is saved from being a Moral Tale by its free and vivid style. The printing and the engravings are both very fine. This edition consists of 320 copies.

## LETTERS TO THE EDITOR.

### "SOUNDLESS MUSIC."

Sir,—Mr. Hills' explanation of his "scale-system" is so simple that it explains nothing. The notes of the diatonic scale, which is the basis of European music, are, for practical purposes, related in sound by a "frequency-ratio." Mr. Hills' "semi-tones" seem to have a mathematical basis, but he does not "bother about numerical vibrations," yet somehow "divides the spectrum similarly into twelve"!

I have but the most elementary knowledge of physics, and perhaps it is thus that all this seems to me to be rubbish. Spectroscopic measurements are, I am told, based on standards of wave lengths or wave frequencies. One unit is called an Angström. The wave length of the red cadmium line has been compared with the standard metre in Paris and found to be equal to 6438.4696 Å.—the observation being taken in dry air at 18 deg. C. and at a pressure of 76 cms. ( $g=980.665$ )!!! No doubt Mr. Hills knows what all this means. To one who can divide "the spectrum" so simply into twelve it must be as simple as using a tape-measure. But till he tells us how he does it he leaves us in complete darkness as to what are those twelfths of light.

As regards time, if "extension in time is just as essential to painting and sculpture as to sound music and literature," the world must wait till it has heard Mr. Hills' unfolding painting or viewed his prolonged music before it can experience any great painting! Which seems to me so absurd

that I must repeat that such an art, if it existed, has no connection whatsoever with the historic arts of the painter or the sculptor. And this is the whole point of Mr. Hills' disagreement with me. Mr. Hills must point his argument with some convincing historic examples of painting, other than his own, before I can believe that there has so far been no painting in the world, apart from his examples, owing to the lack of this essential of an "extension in time"! I have, of course, heard of the "extension in time" essential to the presentation of the drawings of "Felix the Cat" to be seen in some cinemas, but I do not think they quite fit Mr. Hills' case!!!

HAYDN MACKAY.

### SCIENCE AND THEOLOGY.

Sir,—It requires a close analysis of the constitution of the mind—the real man—to understand the difficulty of expressing the things of one plane of the mind by the use of words made of the bricks and mortar of natural things appertaining to the senses. Language has to be ultimated to bring it into fulness and power, in natural terms, but the first cause of words lies in the mental sphere, and is spiritual in origin.

I dealt with this matter at some length in my series of articles on Swedenborg's philosophy in relation to modern thought, in THE NEW AGE, August-October, 1923.

Mr. Mitrinovic in the use of his terms, uses, say, such a word as "Awareness" with a capital A. He means by this—and this is the new perspective I would like Mr. Auger to observe—that it is awareness as it is in God's Mind; as it is in the Infinite; in essence in the Eternal perception. Our awareness is only a finite and self-limited reception of the awareness of the Divine Mind. Awareness is but one phase of the Divine Wisdom, just as, in man, it is one phase of his mentality. God is a man—The Man—and God's mind is exactly the same as our mind because our minds are receptacles of the Divine Life and are naturally fashioned on the same pattern as the Mind of Minds—if that expression is more practical than writing that God is Divine Wisdom itself, The manifestation of the Divine Love.

In the last analysis all things that exist on the mineral, vegetable, or animal planes are various forms of the Truth (Divine Wisdom), the use and causes of the forms being manifestations of Good (Divine Love) or their opposites Evil and Falsity.

This brings me to Mr. Anderton's difficulty to perceive The Creator as Love Itself when he observes one form of life preying upon another. The answer is Freedom. Man must be free to accept or reject; the creation of men who could only do good and speak truth would be machines and gramophones—not human beings. To destroy the harmful and cruel forms of life would destroy the good and useful forms as well. God is Wisdom as well as Love, and leaves Mr. Anderton free to deny or accept Him. Mr. Anderton asserts the case for God is "not proven," but if that is his view—and I have every respect for it—may I suggest that he is hardly competent to say what does or does not constitute God. It is for those who accept the fact that God is to advance the thesis of His substance and essence.

THE NEW AGE is building the dictionary of the future, as our forefathers did the existing one; I can't agree to be tied down to the dictionary and common acceptance of the meanings of words. Would Mr. Anderton have us accept no more than the commonly held meaning of the word Credit?

J. M. EWING.

### AN APPRECIATION—AND A CRITICISM.

Sir,—My friend, Roger Anderton, has introduced me to THE NEW AGE. I am duly grateful. I rejoice in its virile, independent criticisms, and its pre-eminently practical outlook. In the tendency to mysticism, however, I discover a real danger. Metaphysical word-spinning is notoriously barren of practical results, and there is no more effective way of destroying THE NEW AGE as a "thunderous engine of revolt" than by devoting "adequate space to the Fundamentals of the Unknowable." The amusing thing is that, having mistaken obscurity for profundity, the mystic regards it as a sign of superior intellectual power to construct a word-puzzle which defies the understanding of the "uninitiated." Mr. Gay likens it to throwing an architect's outfit at those who cannot even use a set-square, but an architect's outfit does obviously produce some tangible result. A better simile would be the secret words and signs of a secret order which are as Greek to the uninitiated, but which give order which are as Greek to the uninitiated, but which give the members "in the know" a comfortable feeling of superiority over the outer world. One cannot forbear the suspicion that the apostles of "subjectivity" ("pale, pathetic souls, yearning to be understood") imagine themselves inspired when they are really the victims of a defective metabolism.

VINCENT J. HANDS.

## SCIENCE AND RELIGION.

Sir,—It is evident from Mr. Montgomery's letter in last week's issue that he is still deliberately confusing *Agnosticism* with *Ignorance*. I did not refer to his attempt to make *agnostic* and *ignoramus* interchangeable terms in his previous letter, as it appeared to be meant facetiously.

I would now point out that the accepted meaning of the word *Agnostic* is "one who asserts that we know nothing of the existence of a God, or of anything supernatural." We are born into a society which is imbued with supernatural doctrines—it is part of our cultural inheritance. It follows that most members of such society accept these ideas as a matter of course. Some, however, examine the grounds on which religious beliefs are built up, and after weighing the evidence for supernaturalism find it unsatisfactory. Thus while many who swallow religious doctrines may be ignoramuses, it is particularly unlikely that an *Agnostic* is one.

In my opinion, there is a very close parallel between the orthodox financier and the religionist. The orthodox financier expounds those doctrines which have been handed down to him. The *New Economist* is freethinking or agnostic as far as Finance is concerned. He examines its whole structure from the base up, and finds the orthodox doctrines are not founded on physical realities.

Regarding Adolescence, it may well be that cases of religious mania are more common in the middle and last decades of life, but that does not alter the fact that the adolescent is particularly susceptible to religious ideas, or that Adolescent Insanity frequently takes a religious complexion. The very fact that the adolescent's developing nature is unfolding in an environment where religion is part of the structure of society makes this inevitable.

ROGER ANDERTON.

## "THE VEIL OF FINANCE."

Sir,—In your first article on "The Veil of Finance," you paint a situation in which the owner of the island "will in time disappear under a mountain of corn which he cannot consume, while the other nine will patiently nibble and work, nibble and work." You continue, "No one can imagine that sort of thing happening for long. The system would reveal its absurdity in the sight of all of them, the owner included; and it would therefore come to an end. It is obvious that the owner would take steps to avoid this. He would give orders to reduce corn production and would direct the saved energy of the islanders to the production of something other than corn."

The owner of the island will never be at a loss what to do with his surplus, however great it may be, if once he can get it into the heads of the other nine that it belongs to him to do as he likes with, and so long as there are people in the world who are willing to serve him and flatter him in return for permission to eat it or get drunk on it.

SEISACTHEIA.

["If once he can get it into the heads," etc. This only serves to bear out our point. The process being primitive, and its results plain to the "other nine," they are not susceptible to deception. Apart from that, the question of sycophancy is not of economic moment. Bootlicking may persist even under Social Credit, for the freedom we look for would include the freedom to lick boots or the freedom to have your boots licked if you could come to terms with the bootlickers. And if, as is suggested, these terms were so generous as to allow the sycophants to consume the whole surplus, we should think the laugh would be on their side.—Ed.]

## "THOSE CARTOONS."

Sir,—Mr. N. F. Eiloart states that he is quite prepared to defend his expressed views; but such meagre defence as he has attempted should not be an encouraging start. He objects to an appeal to passion—which merely means that his personal preference is for the hieratic of reason and not the hieroglyphic of expression. He charges me, without offering reason or evidence, with drawing a hard and fast line between the classes—which is as wearying as the perpetual charge of anti-Semitism one has to meet, and which I can only (till the charge is particularised) again generally deny. Finally, he remarks that if exaggeration must dispense with cartoons. (Incidentally, I'd better fill in near a page of your paper in explaining that "distortion" is an essential in drawing!)

Mr. Eiloart need not wish to say he "likes" my cartoons, I don't myself, but I think for their aim and purpose they are as true as in me lies.

HAYDN MACKAY.

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