

THE NEW AGE

INCORPORATING "CREDIT POWER"

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NOTES OF THE WEEK.

The Report of the Broadcasting Committee recommends the determination of the licence granted to the British Broadcasting Company, who would be replaced by a Commission appointed by the Crown. The shareholders would be repaid their capital of £70,000 on which they have hitherto been guaranteed 7 per cent. As the Lobby Correspondent of the *Daily News* correctly comments, "the system of private profits from broadcasting is to go, once and for all." This sounds hopeful until one learns that there is not to be any reduction in the licence fee of 10s. now being charged to the public. The consumer, under public ownership, is to be fleeced just as closely as he was under private ownership. The 10s. fee is believed to be sufficient to meet the needs of the service and "ensure development"; and if any surpluses accrue, the intention is that they shall go to the State. The change to nationalisation thus affords no relief to the taxpayer. Nobody notices this. The reference to "ensuring development" reminds us of the new Rugby wireless station, which was ostensibly designed to be the centre of a broadcasting service throughout the Empire. Is it true that it is now regarded as a commercial white elephant, and that there is a scheme on foot for Reuter to broadcast abroad as the Government's mouthpiece from Rugby without collecting any payment from the "listeners"? If so, who will pay Reuter? Will the payment come in the form of subsidies from the British and other Governments interested? When news is given for nothing one immediately suspects *views*. The international financiers must have long since decided on a "bankers' wave length and secret code." In which case is Rugby (among its other uses) the chosen centre under the League of Nations for the transmission of Wall Street's and Threadneedle Street's mobilisation orders to national "central banks" everywhere? Will one of the recreations of the locals be to make jaunts to the wireless station and hear currencies crackling?

The Coal Commission's Report, price one shilling, is already scrap paper. Our readers will recall our examination of the Commission's personnel on September 10, when we showed how it represented Messrs. Samuel Montagu and Co. (financiers), Messrs. Glyn, Mills and Co. (bankers), and included an expert in transmuting company reserves into "employees' shares," together with the author of "Insurance for All and Everything." Let us repeat the names of the Commissioners—Sir Herbert Samuel, General Lawrence, Mr. Kenneth Lee, and Sir William Beveridge. Together, these gentlemen stand four-square for that very synthesis of disruptive factors in the economic situation which has produced the crisis with which they were called upon to deal. They declare that the Subsidy should stop on April 30, and never be repeated. They advocate a restricted distribution of wages by the Coal Industry, and seek to make this palatable to the miners by pointing out that the mine-owners will be left without any profits in most districts. They affirm the necessity for compulsory profit-sharing—rather a problem when there are no profits to share—and even so the profits are to be distributed to the miners, not in cash, but in shares. Hence the Report is nothing but a set of financial pleadings masquerading as judicial findings. The Commissioners say that there is "no part of this wide field which we have not sought to examine"—no part, let us qualify, but their own part. The plight of the coal industry is, like that of all other industries, summed up by the expression *monetary scarcity*. And in what part of the "wide field" is the control over the quantity of money resident but in that covered by the interests represented on the Commission, and therefore not covered in its survey? Every man on the Commission is either a principal or an agent of the policy of monetary scarcity—a deflationist. The Commission is standing on the dropped shilling and upbraiding the searchers for not finding it. The nation is bumping along on flat tyres; and what is the remedy put forward but a suggestion that air be extracted even from the rubber itself? Let us

resist the temptation to say rude things by the way-side and travel straight to the ultimate issue raised by this kind of reasoning. *Are we to proceed on a money economy or a barter economy?* If monetary costs and prices are the real obstacle, the logical course is to abolish money altogether and thus get rid of them. It stands to reason that if running on financially deflated tyres is "Sounder finance" than running on financially inflated ones, running on non-financial bare rims is the soundest finance of all. Thus the financiers' logic requires their elimination.

The most vicious recommendation of the Report is that which advocates family allowances. We thought we should see the suggestion sooner or later, and the expectation was in our minds a long time ago when we displeased some of our readers by our comments on the equal-pay-for-equal-work principle put forward by women's movements. We said in effect that it would not be applied under prevailing conditions. The family allowance idea embodies a principle just enough in itself, namely that personal incomes should be differentiated according to the varying demands made upon them. As an isolated proposition it is manifestly fair that a man responsible for the support of a wife and large family should have more money than a single man with no dependants. Hitherto this has been practically recognised in certain restricted fields of business outside the trade-union movement. But in the large field inside that movement the principle of collective bargaining has prevented it. A job was worth so much, and the man who did it must get so much; and the rate bargained for was that which would enable the family man to pay his way. So it may be said that the trade-union wage was a flat-rate family wage which was paid alike to the married and unmarried. The married could make both ends meet (speaking ideally, of course), and the unmarried could make one end overlap. Hence the doctrine of family allowances in the above Report. In practice it means snipping off the overlaps of the single miner to subsidise the short-ends of the married miner. It means a reduction in the aggregate payroll of the coal industry. The family allowance is another turn of the deflation screw. To a certain extent the single man had a good practical claim to equal pay with the married, for he could plead that, although not yet married, he expected to be and required an overlapping wage in order to weave himself a nest for his mate and fledglings. One pre-empted this problem will be met in future by increased facilities for instalment purchasing—"buy your home out of income"—or, as we prefer to put it, "start life on a mortgage." As they say in America, "a man with debts doesn't strike"; so the merits of the family-allowance idea multiply as you ponder it.

The meaning of this tendency should be taken seriously by the women's movement. Women have an overwhelming case in logic for "equal pay" when tested by the accepted canons of financial orthodoxy. If income may only legitimately be gained as a reward for personal service, there is no resisting the conclusion—"the same service, the same pay." But women will not get it all the same. Finance, whatever it thinks, goes to work something along these lines. "We'll allow (say) £5 a week, in our minds, for both men and women; but we'll pay the man £5 and the woman £3. The £2 thus deducted will be a subsidy which the woman must yield up, partly to enable us to pay the man working beside her, and partly to enable us to present a dole to the man she has displaced." Thus the £2 disparity may be said to represent in general a tax on women's wages, deducted at the source. The amount of the tax is virtually fixed by women themselves, that is to say it is the difference between the respective sums for

which a supply of male labour and female labour can be procured in practice. The only resistance that women can bring to bear is that of refusing to work except for equal pay. Arguments will not mend matters at all: and even a successful strike would only patch them temporarily. If women's wages were raised from the £3 to the £5, the tax would soon be reimposed in some other way. Every step woman takes towards economic equality with man, in terms of income, is a step towards the same equality in terms of liability to legal demands upon that income. Compulsory insurance premiums would then be equal. Marital responsibilities in all their monetary aspects would be equal, and in fact women would have to go half-shares with man in every expense. The inevitability of this can be seen in an exaggerated form in the supposititious case, where a daughter displaces her father in some job or other. She may say, "I will not be dependent for my keep on my father's earnings." So she takes his £5-a-week job for £3. She "saves" industry £2 a week. Her out-of-work father goes on the dole and draws this sum. Two things might happen. She might choose to pay in her £3 to help keep her mother and sisters, or she might not. If not, the law, in the long run, would have to compel her to do so. In a society where the displacement of one set of workers by another means that the old set lose their income, the new set must maintain them. The moral is to change the conditions so that the combined incomes of both sexes shall always be sufficient to cover their combined needs, irrespective of how many of either are required to work for wages. Then, and then only, will the principle of equal pay for equal work be practicable. Under the coming Social Credit regime this principle can be applied (as it should be) in the distribution of personal earnings, while the other principle of differentiated pay according to varying needs can be applied in the distribution of the National Dividend. And as the genius and humanity of the people develop their exploitation of the possibilities of Social Credit, we foresee the time when at last the National Dividend will be the general basic mode of pay, while wages, salaries, and profits will be special additional bonuses for specific service.

But let us get back to Messrs. Samuel Montagu and Co.'s Report. In one part of it they fear that if the subsidy were continued in the case of coal other industries would soon be asking for it. In another they point out that in the industry of coal mining, under subsidy, mine owners are obtaining in some districts profits per ton "substantially higher than before the war"; and hewers are earning on the average 76s. for a full week, "when in unsubsidised industries shipwrights, for example, are earning 56s., and engineering fitters 57s." The conclusion which the public are invited to draw is that the subsidy ought to be stopped. But in whose interests? Will it benefit the shipwright and fitter if the hewer gets 10s. or 20s. knocked off his wages? Will shipping and engineering firms prosper because the mine owners lose their profits? Will buyers of coal in this country—whether business organisations or private consumers—get coal cheaper if the subsidy goes? Will the taxpayer be better off? Here we come upon the only plausible element in the Commissioners' case. The taxpayer. The taxpayer will have to pay the subsidy. But do not let them hurry so fast. The point is that the taxpayer is not yet paying it. We have had the subsidy for seven months, diffusing benefits not only among those engaged in the coal industry, but also among those who have bought coal from the industry and those who have sold goods to the "overpaid" hewers and "profiteering" owners; and nobody has contributed a penny of the money. It has been provided by new credits created by the banking system. So far, then, everybody has, in

changeable and destructible. And the soul of eternity is God, the soul of the world is eternity, the soul of the earth is the heavens. God is within the mind, the mind is within the soul, the soul is within substance, and eternity is immanent in all of them.

This universal body, in which all bodies are contained, is filled full of soul, and the soul is filled full of mind and of God. Soul fills this body within and encompasses it without, and makes the whole of it alive. This great and perfect living creature from outside is the world, and from inside is every living creature. And above, in the heavens, the soul endures in sameness, but below, on earth, it changes its coming-to-be.

And, whether men suppose it to be fate or providence or nature, or whatever they suppose it to be now, or shall come to suppose it in the future, the nexus that holds the world together is eternity. This universe is God in act. The act of God is an unsurpassable power, and nothing human or divine can be compared with it. So take care, Hermes, never to consider anything on earth below or in the heavens above to be like God, or you will be wide of the truth. Nothing is like the likeless and only and one. Nor consider that He leaves room for any other to share His power. What life and deathlessness and change of quality should He delegate? What else should He do himself but exactly this? God is not idle, or everything would be idle, for everything is filled full of God. There is no idleness anywhere in the world; no, nor in any other world. Idleness is a word without meaning, both for the Maker and for what comes-to-be. All things need to come into being, all the time anew, adapting themselves to the turn of every circumstance. The Maker is in all of them, not seated in one place, not making one thing, but seated everywhere, making everything. For power, since it is ever active, is not self-supplying among the things which come into being, but they are wholly dependent upon God (Corpus Hermeticum, xi, 2-6.)

Man and Machine.

There is no insurmountable reason why machine-products should be standardised. Shoes of individual design, shapely, and fitting perfectly any sort of foot, can be made with the aid of machinery, as shoes that pinch can be made by hand. The fine worsted mills of Huddersfield offer greater variety of design than the craftsmen of bygone ages. Where the machines are adjusted often, and the workmen have been bred in a tradition combining personal independence of character with a love of quality in the work, machines have not been able to standardise product. To reveal a clue to the real cause of quality has been forsworn, and inferior ends have been set up, either in the pursuit of speed or in the love of money, persistence of manual workmanship has not been able to save the product from deterioration. Houses are still mainly the work of hands, which have not saved them from being jerry-built and standardised. Obviously, in demanding that machinery should be burned as a witch, distributists have named a misdirected, inanimate creature as the devil. In their search for the author of economic chaos they have overlooked the man, and, peculiarly enough, the man they have overlooked is the man with a devil in him; or, rather, the devil in every man that moves him to forget that he is a member of an order, one of a community. The spiritual significance of our present economic condition is the reverse of Christian. Instead of the sacrifice of one perfect man that all men might be saved, each of us conducts himself as though mankind would be well lost if one alone were thereby rendered secure. Such is the meaning of individualism.

The travail which will be inevitable in overcoming the misuse of machines ought not to intimidate us

into condemning machines altogether. An æsthetic, or, in all probability, more truly, a sentimental attraction by the simplicity of a bygone age, appears dangerously like the longing for any Golden Age, the longing for the road we knew, the fields we played in as children. It looks like a readiness to be content with little men because big men must choose big tasks. There is no divine reason against communication with Mars if we have something worth communicating; and the moment that we become spiritually big enough to work machinery for the family of men, for the guild of mankind, we shall have something worth announcing even to the Martians. But all that distributists have to tell at present is a very threadbare tale; lest idle hands get men into mischief, they preach, let them work the long way round. Distributists thus take advantage of the only ground on which labour-saving can be opposed, but it brings them into strange company.

Although wit has rendered the corporation a laughing stock, and nonsense seems as inevitable when humanity is discussed in general as when woman is treated in the abstract, yet it is now beyond question that mankind is a corporate entity, and that every war is a civil war. The earth is the Lord's, and what "the Lord's" obviously means is His people, all people. Perhaps the most futile of all human ideas is the idea of dividing and parceling the earth so that each man may have his bit. Such an idea represents the poverty of faith compensated by a handful of ground. This planet can be run only as a co-operative enterprise. It would be possible, of course, for a guildsman, without grave disloyalty to the guild, to own his household furniture, and to some extent, because of his power to use them, his tools. But he need not, because he is a carpenter, own a little forest, or because he is a smith own a little mine, or because he is a miller own part of the stream. Somewhere the granular division of property, like the granular division of labour, breaks down; at some point things have to be held in common. The man who thanked God for putting the sun where no proud emperor could set a flag, and no distributist a fence, was not of necessity either a Marxian or a saint; he simply saw that no man had a right to property in what was not proper to him.

The machine, rightly directed, represents the cooperative achievement of mankind over many generations towards the end of plenty for all. So far from dragging man away from the land it ought to send him back to the land, where labour reaps its greatest reward. The efficiency of effort for the production of manufactured goods, ought to set free more and more effort for occupation where intensive labour pays best. When distributists attack machinery at the same time as they advocate a return to the soil they attack the one agent capable of freeing man from captivity in the city. An intelligent application of realisable horsepower within the next fifty years would render possible such a breaking up of cities as now appears fantastic. It would exact, however, not a ridiculous distribution of bits of machinery, but a distribution of the product. But this is not distributism; it is rather more like the sharing of mankind's common inheritance—a veritable triumph of man.

A. NELSON.

More equipment—less employment.

One of the most pathetic aspects of industrial organisation to-day was the inability of well-directed factories to find employment. One of the hardest tasks before anyone seeking to justify our industrial organisation was to explain why factories so well equipped and so well run were unable to find employment for men and women who were willing to be employed.—Dr. C. H. Northcote (of Rountree and Co., Ltd.) at a Conference of Directors, Managers, and Foremen, held at Balliol College, Oxford.

A Vagabond in Denmark.

By Leopold Spero.

I.—SEA-CHANGE.

Where is my cabin?
On starboard.
On backboard.
The top.
Farewell, sweet home!

From Polyglott Kuntze's "Mastership System to Learn every Language without a Teacher, p. 9, The Voyage.

The slim ship slides out of Harwich in the clear light of a summer evening, marred by those mists which so unkindly veil the shining coast of East Anglia. She feels carefully for the well-marked channel between the gay and bouncing and irrepressible buoys, that seem to be so frivolous even when they are at their most serious work. Low and sandy and deceitful are these Essex shores, like a small grocer building up a retail trade on the misplaced confidence of trusting clients. With a glad shiver, at length she tumbles herself free, and squares her shoulders to meet the more honest greeting of the open North Sea, frank in friendliness as in rage, while the snaky lamps of Parkstone dip down in the darkness far behind.

On all boats, great and small, that ply on frequent journeys between different lands, there is always the double romance, the romance of those who are returning to homes long desired, and the romance of new adventure shining in the eyes of those who travel to strange places. Only a few, the wandering tradesmen to whom this passage is no novelty but a periodically recurring burden, show indifference to the varied excitements of coming on board, discovering your cabin, stowing bags and traps away, and finally appearing on deck full of confidence and lying tales about how not to be seasick.

By the time land is out of sight, those who have not retired in panic to the depths below are already talking in the language of the sea. Whether Ocean resents this impertinence habitually, or merely tires of it in sudden outbursts, is a matter for speculation. Certainly the mighty monster spends a good deal of his time being kind to holiday-makers. And appreciation of this attitude is shown even in the least reflective by that little touch of reverence and self-forgetfulness which appears when there is nought to be seen on all hands save the curve of the horizon, the grey-green, swelling, rhythmic waves, and the solid cupola of the sky. Even so may we absolve mankind from the sin of presumptuousness in challenging wind and tide, and faring forth over the waters to link up shore and shore in bonds of social brotherhood.

Some such thoughts as these must surely be passing in the mind of the little young man with the bowed shoulders and the eager head, moving this way and that, excitedly counting the minutes until somebody or other would speak to him. Here is the traveller who must always be unburdening himself of his life's history, and prefers to do it in the smoking-room. There, in a corner of that panelled and glossy temple of alcoholic mystery, you will hear, in half an hour, things about him and his wife that you would never have asked or guessed. You discover in a little while longer where he comes from, whether he is bound, and what he is being paid for it. He sticks to you like a leech, and only if you are of the temperament to walk round and round the deck, gazing at the stars, until it is time to turn in, will you finally shake off him and his reminiscences.

Yet the persistence of our friend has its credit side. The sea has blown into his eyes and into his soul, and cleared out a tangle of cobwebs, and left

him more human than he was, less suspicious, more hungry for companionship. He puts you in the right frame of mind for the true philosophy of travel, which is to see yourself in the mirror of another face. Travel is a levelling process. It makes you very much like the next man, and under new skies you appreciate how little are the differences which part mankind and make wars. The medicine of friendly intercourse cures those desires which are sown in the soil of ignorance and flourish in the air of misunderstanding. And what is more important, the ship, as she nears the other side, changes foreigner into native, and native into foreigner, and the watery ground between is common ground, and all of you alike, whatever your speech or figure, may be befriended with sun and favourable winds, or drowned among the dead men, with an indifference which is a mighty purge for insularities and other insolences.

So let us breathe this kind, salt air, and walk the narrow deck, which is for the moment our entire realm. There is a lively wind blowing from the north-west, and a wrack of low and tumbled cloud dips down from overhead. We saw some Boy Scouts marching valorously up the gangways an hour or two ago, loaded with a fortnight's material independence. They have shed their packs now, explored the passages and stairways, and are seated on the cover of the hold on the foredeck, swinging their legs and singing shanties of the old clipper days, when sails were realities, the unwearied white wings of man's triumph over the severance of continents, with their direct strength and beauty, all sane and open to the approving eye of heaven. And these sped mankind valiantly abroad throughout the centuries, managed by skilful hands and watchful brains. Small wonder that they inspired song in the rough hearts of seamen.

Yon Scouts are no sailors bold, and this may well be the first time they have ever been upon the sea. Nevertheless, they are right to celebrate days they never knew, and as they sit so comfortably upon the songless ship of steel and steam, which replaces romance with results, let them take their delight in the vicarious enjoyment of a bygone generation's disadvantages. You and I know very well that neither of us would have been as comfortable on a sailing ship as we are at this moment. Probably the Boy Scout knows it, too—there is not much he does not know these days. But it is an essential part of his outlook to pretend that there is a comfort in hardship, and he does more to justify the attitude than those of us who prefer a slate roof to canvas. So let him sing the songs he never heard, and will never hear again. They tell me, the keen, town-bred, bespectacled students of other, heartier days, who bellow "Shenandoah," and are so solicitous for the matrimonial prospects of Northumberland Billy Boy, that when seamen have forgotten every verse their fathers ever sang to the music of creaking windlass and flapping sail, their songs will be familiar in drawing-rooms. His

But your Boy Scout is more than an imitator. He is a genuine respect for the free elements, and he sings his shanties with enjoyment and does not merely suffer them with idiot incomprehension, or patronise them with pullulating malpractice. These voices are jolly and enthusiastic, and bare knees jogging up and down mark time for chorus and solo. Later on in the evening, we shall stumble here and there in the darkness over prostrate forms in shorts and khaki shirts and green scarves, bold knights unhorsed by the merest tumble of a dancing wave, and too far gone in misery to care for those brave appearances of parade. And we shall be pleased, you and I, to learn that even a Boy Scout can be seasick.

Meanwhile, the grave night is made musical for us.

An Editor's Progress.

PART I.—THE NEW AGE.

By A. R. Orage.

I.

I was looking through some old volumes of THE NEW AGE the other day, with the intention of tracing the earliest published work of a number of now well-known writers—Miss Katherine Mansfield, Michael Arlen (then Dikran Kouyoumdjian), W. L. George, Jack Collings Squire, and a host of others. As usually happens, my search was soon abandoned for still more personal recollections—of the hopes and fears and thrills and mortifications of fifteen years of editorship. There was no value in that, however; it was simply throwing good money after bad. And by and by I settled down to an orderly review of the course of development of my economic thought during those fifteen years. As I have no doubt that the trail I followed will prove to be a highway when a sufficient number of people have trodden it, a brief itinerary of the journey may serve the purposes of a guide.

Like every intellectual in those days—I refer to the earliest years of the twentieth century—I began as some sort of a Socialist. Socialism was not then either the popular or unpopular vogue it has since become; but it was much more of a cult, with affiliations in directions now quite disowned—with theosophy, arts and crafts, vegetarianism, the "simple life," and almost, as one might say, the musical glasses. Morris had shed a mediæval glamor over it with his stained-glass News from Nowhere. Edward Carpenter had put it into sandals. Cunninghame Grahame had mounted it on an Arab steed to which he was always saying a romantic farewell. Keir Hardie had clothed it in a cloth cap and a red tie. And Bernard Shaw, on behalf of the Fabian society, had hung it with innumerable jingling epigrammatic bells—and cap. My brand of Socialism was, therefore, a blend or, let us say, an anthology of all these, to which from my personal predilections and experience I added a good practical knowledge of the working classes, a professional interest in economics which led me to master Marx's Das Kapital, and an idealism fed at the source—namely, Plato.

It was inevitable that I should drift into socialistic oratory, labour politics, and journalism; and it was equally inevitable with this background that my line would be original. I well remember, indeed, my inward smile when it was assumed by everybody that THE NEW AGE which I bought in May, 1907, and began to edit in co-operation for a year with Mr. Holbrook Jackson, would naturally become the semi-official organ of the Fabian Society. Very little was anybody, including myself, aware of the course THE NEW AGE would take; but of one thing I was certain—no society or school or individual could count on my continuous support. The whole movement of ideas, called Socialism, including, of course, the then burning question of parliamentary Labour representation, was in the melting-pot; and my little handful of colleagues and I had no intention of prematurely running ourselves into anybody else's mould. The Socialists of those days were, in practice, individualists to a man.

It was not very long after beginning publication that the "old gang," as the established constellation of Socialist and Labour lights was called, began to suspect that a new comet had appeared. The predominant question of the moment was the possibility of fusing the trade-union movement, which served as the basis of the Independent Labour party, with the Socialist movement; and many and strong were the advocates in the latter of a union of forces on the political field. My friends and I, however, had quite a different idea. We had no objection to the trade-unions as such.

On the contrary, our slogan that "the trade-unions are the hope of the world" was evidence that we attached even an exaggerated value to them—for reasons that will appear. Nor, of course, had we any general, but only a particular, criticism in those days to make of the Socialist groups. But one distinction between Labour politics and Socialism seemed to us to be decisive—that whereas Socialism explicitly claimed to be nationally representative, the political Labour party was avowedly based on a single class—that of the wage-earners or proletariat. To both sections, it appeared to us, the political Labour party was making a false appeal. The trade-unions, it is certain, were originated in response to a purely economic motive; they numbered members of all the national political parties and were little disposed to make their occupation their politics. By appealing to them to support a parliamentary Labour party, it seemed to us that the heads of the party were diverting them from their original object and merely trying to ride on their backs to personal power. It was too late, however, to protest against this; the evil had begun; and the system of judicious bribery of trade-union officials with the prospect of a parliamentary career seemed likely, moreover, to permit it to continue. It did not appear too late, however, to preserve the Socialist movement for a national politic; and when it came to a decision concerning the political fusion of the Fabian Society with the Labour party, THE NEW AGE, after vainly supporting the ingenious proposal of Mr. Ramsay MacDonald to form a Socialist representation committee, repudiated the Fabian Society, and set out to plough a lonely furrow.

Avowed opponents of political labour in any shape or form, antagonists of the Fabian Society for the moment of its surrender to class-politics, our situation was, indeed, that of Ishmael. Our pen was against practically everybody of importance in all the political parties without exception, and against every Socialist and Labour organisation that was not minding, as we thought, its proper business. No wonder that the bright hopes, which the first Socialist weekly of London literary distinction had inspired in the breasts of Socialist and Labour groups, began to be puffed out rapidly one by one. Save for the brilliant debaters among them, who carried on a campaign of lively debate in our columns, much to our joy, all the established authorities turned their backs upon our own turned backs. Personally, we remained, as a rule, on the friendliest terms; but officially and editorially, it was silent war, broken only by the occasional aforesaid crackle of polemics.

This attitude of isolation, though it was maintained throughout my fifteen years of editorship, was, nevertheless, not at all negative or passive. If we had nothing to say for any of the groups hopelessly mortgaged to bankrupt policies, we had, at any rate, plenty to say for ourselves, and concerning the two main elements in the total situation—the trade-unions and the community as a whole. As we saw it, both were about to suffer a further injustice from the manœuvre that had been successfully carried out. The trade-unions were to be led by the nose from the economic field where alone they could conceivably win any advantage for themselves, into the barren fields of politics; and the nation was to lose the criticism and advice of national, that is to say, non-class Socialism. Henceforward, but for ourselves, every political Labour organisation and every Socialist body, collective or individual, might fairly be held in suspicion by both trade-unions and the public at large. They all had a more or less personal axe to grind; and the expense would be borne by the trade-unions and the community jointly and severally.

We began very early to prepare our programme for positive propaganda; and already in the earliest issues of THE NEW AGE, I recall articles advocating

duchess's page-boy "this key of my lady's to make her a duplicate." Whether he keeps up his artist pretence of preferring beauty to women we are left guessing.

The first act was ragged and sugary, and some of the love-making might be less American filmy. The next scene, in the garden of the summer palace, was good stuff well done. Conversing with one another as initiates into the feminine mystery, with no profane ears of the unlect man present to learn anything he is not fit to know, the two women, Angela and Amelia, gave a piece of first-class comedy. The duke's love-making in the garden was of a better sort altogether than the love-making in the first act, and his request to Angela to call him "Bumpy"—"but only in private"—reflected that excellent burlesque of dukes which only envious Americans can provide. From that point to the end Mr. Hugh Wakefield's duke was alive, comic, and enjoyable. The women were generally better than the men, which suggests that real life has at last invaded the stage.

Elsie French's mother of Amelia, although good in the scene where she threatened to have a stroke if she didn't get her money, was rather too much of a bad thing, but Constance Collier's duchess, in figure, form, and manner, was as Florentine as could be wished. She thoroughly deserved to be the only person in the play who finally got what she wanted. Ivor Novello did not make one begin to believe in Cellini; I doubt whether he believed in Cellini. Even his known exploits appeared imaginary, and he played Cellini all through not as a character but as a straight part. In fact, half the actors were presenting comedy as advertised, while the other half were indulging in burlesque farce, differing only from modern French farce in that the participants were not, with all appearances against them, really virtuous. Clarke-Smith as Cellini's friend, Campbell Gullan, as Ottaviano, and the page-boy admirably done by Brian Glenzie, rendered, apart from the duchess, all there was in the play reminiscent of Cellini's Florence.

PAUL BANKS.

Reviews.

A Summary of Socialism. By Gordon Hosking. (The Labour Publishing Company. 2s. 6d. net; paper, 1s.)

This is indeed a very "summary" work. Mr. Hosking assumes quite crudely the ordinary presuppositions of *socialismus vulgaris*, and merely jerks out a string of bald assertions expressive of this point of view. He even repeats quite solemnly the wild absurdity that, "The workers have nothing to lose but their chains." He goes the whole hog with doctrinaire Collectivism. Many present-day Socialists show themselves particularly anxious to introduce as many mitigations as possible in regard to property-holding. Not so Mr. Hosking; he flatly denies all private right of property in dwelling-houses and land, allowing only "security of tenure" of these under a public authority. By implication he would seem even to rule out a man's owning a loom or a potter's wheel. The workers will certainly not "lose their chains" in the coming Utopia—if Mr. Hosking can prevent it. The work is illuminating as a statement of the views held by probably a very great proportion of the Socialist rank and file; that is its only value.

The Life of Benito Mussolini. By Margherita G. Sarfatti. (Thornton Butterworth. 15s.)

Mr. Frederick Whyte, in translating Margherita Sarfatti's incoherent panegyric, "condensed somewhat freely," as he tactfully puts it, and so spared us the worst, but those who do not read Italian will be unable to tell the origin of the many inaccuracies or imagine all the delirious nonsense which a literal translation would expose. Still, there is more than enough. In his preface Il Duce significantly observes that "such parts of my life are recorded as can be made known, for every man has secrets and shady nooks that are not to be explored." These shady nooks when they are penetrated will disclose unsavoury details of his alliance with Business against what he terms "the more or less putrid body of the Goddess Liberty." His fatuous biography records how the promising youth repelled an attack by a stronger boy: "Young Benito found a biggish stone, which he sharpened carefully, and he hit his foe on the head with the stone, once, twice, thrice! . . . Even now Mussolini smiles with a certain pleasure and pride when his thoughts go back to that day." The nobleman! Corfu? It was nothing but the logical sequence of the principle of respect for the dignity of Italy." This endowment of a Nation with the second-rate emotions of a particularly touchy and stupid person is a hang-over from Hegel, which will have to be knocked out of public opinion if any real dignity is to be left for individuals: there never was enough to go round.

LETTERS TO THE EDITOR.

INCOMES AND ASSESSMENTS.

Sir,—I have read with much interest "The Just Price," by W. T. Symons and F. Tait, especially its account of the difficulties encountered by the Finance Enquiry Committee of the I.L.P. Difficulties which of course have baffled social reformers again and again, and which can be overcome only by a new outlook and a new policy.

So far I think we are agreed, but I feel bound to question some of the authors' statements, and have selected two of these for consideration.

On page 13 the statement is made, "It has been proved from Inland Revenue figures . . . that the equal distribution over the whole community of the taxable incomes of the rich, would supply but a very small fraction of the (sum) required by the multitude."

Now I have pointed out several times that statutory incomes reviewed by Inland Revenue figures bear hardly any relation to real incomes, in any sense. Let me give some examples to prove my point: (1) A friend of mine paid £5,000 for a small country house and grounds. Interest on this at, say, 6 per cent. comes to £300 per annum, yet the assessment of this property for income tax purposes is £42 per annum. Thus my friend occupies premises which are worth to him about £300 per annum (since he could very easily invest his £5,000 to bring him in this amount per annum), yet the corresponding Inland Revenue figure is about one-seventh of this figure.

(2) A house in my parish is let at £110 per annum on lease, the Schedule A assessment is £35. Thus the owner is in receipt of an income of £110 per annum, yet the corresponding Inland Revenue figure is less than one-third of this amount.

(3) Arundel Castle cost over a million pre-war pounds to build; and with its demesne, probably thousands of acres in extent, is of very great marketable value. The assessment is comparatively very small; I believe only a few thousands per annum, because tenants for such establishments are few and far between. If the assessment is £10,000 per annum (probably it is less) this represents 1 per cent. on the cost of the buildings alone, allowing nothing for the value of the land. If the Duke of Norfolk had invested his money in Government securities, he could have secured an income of £50,000 per annum. By putting his money into a building instead Inland Revenue incomes are decreased by at least £40,000 per annum.

Such illustrations could be multiplied all over the country. I will go further than this and say they are typical of the great majority of income tax assessments under Schedule A, and they prove the fictitious and artificial nature of Inland Revenue figures which bear really no relation to real incomes. I could follow this up by showing that Inland Revenue figures are fictitious in many other ways. In considering the question of redistribution they cannot be used at all, because redistribution must deal really with goods and services; money being used only as a measure of the relative value to individuals of the various goods and services and as a medium for their distribution and exchange.

On page 34, emphasised in italics, is the following statement: "Real wealth need not be owned by the State, its existence only needs to be proved." I should be grateful for a more exact explanation of the meaning of this phrase. Would the authors apply it to, say, a privately constructed and owned railway line, costing, say, one million pounds, the existence of which as real wealth has been proved by its utility? If the said railway line had been publicly constructed and owned, in what way would this fact affect the question?—Yours, etc.,

R. ARNOLD PRICE.

Warlingham, Surrey.

[Mr. Symons replies: As Mr. Price deals only with income from landed property, I will restrict myself to this—except for an illustration. His criticism appears to be twofold: (1) He questions the accuracy of the income tax value on as a gauge of national income. The rateable value on which these are based is, of course, considerably less than the gross income derived from property. But allowance is surely made thereby for the difference between gross and net income. Even so, as in the example given, the net income may be underestimated in certain cases. Against these, however, must be set the numerous cases in which the income tax figures (based, as usual, on the rateable value of property) represent the taxation of non-existent incomes. Mr. Price, familiar as he is with the present conditions of landed property, must know of many instances where no net income is realised at all, although the property in question is taxed as if it were. Taking these cases

into consideration, it may even be a fact that the inland revenue figures overestimate the income derived from land.

(2) In some instances capital invested in land yields a smaller income than a similar investment in, say, industrial shares. This is perfectly true. The capital sunk in Arundel Castle does not bring in the 6 per cent. which the lucky Stock Exchange speculator might get from other forms of investment. Why treat it as if it did? Were a Socialistic Government to distribute to the public the annual revenue of the Duke of Norfolk's Arundel estate it could only lay its hands on the meagre proceeds, and not on the £50,000 which might be realised were the Duke's capital otherwise invested. The Inland Revenue figures represent approximately the state of affairs as they are, not as they might be if the whole of the national capital were yielding 5 per cent. or 6 per cent.

If a taxpayer invested his capital in a valuable old master instead of in industrial property yielding a high return, his contribution to the national income would thereby be lessened and no attempt to create an annual return whether in money or in goods and services would extract 5 per cent. from the picture.

With regard to the point raised in the last paragraph of Mr. Price's letter, the question of public or private ownership would not affect the question of national income if the revenue were the same in either case and the figures taken into account.]

SOCIAL CREDIT AND WAR.

Sir,—Arnold Eiloart deserves respect, which most pacifists do not. But neither he nor I nor any of us is "immovably pacifist" in the sense which his plan would require; else we would not be alive on this earth. I don't know how his income is got; but even if he is a professional man this is true (see "Major Barbara"). Every person in the civilised world is living off money got, directly or indirectly, by depriving somebody else of the means of life. Economic competition, because, when pushed to its logical issue it is competition with the death penalty for the loser, is a form of war.

This is why any effective revolt against war, on conscientious grounds, is so intensely improbable. If it were likely ever to materialise, it would materialise now, among us who know the bitter truth; we would refuse to live under the system. An instinctive revolt against the personal experience of the horrors of modern war is another thing, and is likely enough, though the choice may lie between famine and sword.

H. B. S. L.

THE ESSENCE OF DEMOCRACY.

Sir,—The divergence between Mr. Montgomery's idea as to what aristocracy meant—a matter of the "quality of men"—and what I say aristocracy has always meant—the restriction of social advantages to certain sets of people irrespective of their merits, but dependent on certain conventions which have no foundation in facts—is illustrated by his writing, "When the man styled aristocrat does not live as his belief in heroic or divine descent dictates, etc., he is self-judged and self-condemned." The virtue of such descent, even in the eyes of the descendants, was purely magical; it implied no mundane merits either in progenitor or offspring, with one exception. The Homeric poems are apparently a picture of gods and heroes set out for the amusement of an aristocratic society. Have they any marks of superiority? One only; for the rest they are ludicrous. The Heroic Age is the name given to that period between 300 A.D. and 1000 A.D., when the barbarians from the North and the savages from Asia attacked Europe—it might be extended to cover also the later Tartar invasions. What is the characteristic of these onslaughts on civilisation? They are mostly led by men who claim to be of princely or aristocratic origin, descendants of gods or heroes. They have, generally speaking, no merits, but one.

What is this one concrete quality? The capacity for slaughter and looting! Oleg, prince of Novgorod, is typical, and a stickler for etiquette. About 885, "by treachery he seized and put to death Askold and Dir (rulers of Kiev) on the ground that they were not princes and not of the princely blood," whereas he himself was a genuine prince. Like the aristocratic Crusaders of a later date, he then raided and ravaged Byzantium. The son of his successor "had scarcely reached manhood when he formed a large and valiant band and set out to seek martial glory and spoils." Such are the actual contributions of aristocracy to culture. I could fill your columns with evidence, but, naturally, I should not be thanked for the attempt!

HILDERIC COUSENS.

[R. M. replies: If Mr. Cousens is determined, so far as his personal vocabulary is concerned, to reserve the term

"democracy" for the best that is to be, and "aristocracy" for the worst that has been, that is his affair. It is likely, I fear, to involve him in misunderstanding more of the world's thought than mine. Neither by derivation nor use has aristocracy meant what Mr. Cousens uses it for.

His examples are tantamount to citing Judas to show what Christianity has been, for certainly Judas has always been in it, whatever it might have contained besides. Leave that sort of irony to the rationalists. Granted that there have been all sorts of Christians, as there have aristocrats, the value still remains. I have not contrasted the idealised aristocracy with a degraded democracy, but simply the two values.]

Sir,—An argument on the comparative values of an aristocracy versus a democracy seems to me to belong to the heliocentric age. Has not Mr. Richard Montgomery heard of our trans-valuation of values?

We admit that members of a group cannot act as a group without the function of the few, and we are not going to idealise or to depreciate that mode of action. Those who are able and willing and needed to co-operate in a group under an expert for a specified time and purpose either industrial or cultural are called an aristocracy. But relative to other groups with whom they are not directly co-operating but from whom they derive benefits they are a democracy. All the members of the aristocracy and of the democracy are individuals who need opportunity for development in ways which group activities do not call forth or supply. It could be shown if it is not already obvious, that this view corresponds to an existing society, but one which is continually receiving artificial checks to individuals in favour of groups and in favour of purely abstract "groups."

If it is not realised that an aristocrat is a democrat with regard to the aristocracy of other groups, an aristocratic group-ideal is being perpetuated which obscures the issue in the same pages of THE NEW AGE.

S. F. MEADE.

THE NEW AGE AND SOCIALISM.

Sir,—In regard to your comments on my letter printed in THE NEW AGE of March 4 I remain an unrepentant critic.

If the Russian policy of 1917-20 in no way endangered Finance, then the policy of France in 1925-26 is equally innocuous from a Banker's standpoint, and your commendatory remarks on the French policy are mistaken. Russia was forced to take up the New Economic policy, because in the first place, she was faced with the blockade and the threat of war, and secondly, because she was ignorant of the technique of the real New Economics, and so could not become commercially self-sufficient.

I cannot take your plea of ignorance as to the nature of a middle class policy seriously. You must be aware that to any member of the proletariat who managed to scrape up the necessary half-crown and gained admission to his lecture Major Douglas's advice as to the investment of savings and tax dodging methods must have appeared decidedly humorous.

Again, Finance may be neutral as regards mere attacks on profit making, but it certainly is not when Socialist tactics endanger the outworks of the present system, and therefore we have a careful sifting of the sheep (MacDonald, Thomas, etc.) from the goats (Wheatley, Cook, etc.) going on continuously by the journalistic satellites of the banks.

K. J. REID.

[Our replies are as follows. (Numbers refer to your paragraphs in serial order.)—
1. We write retrospectively of Russia and prospectively of France. In 1917-20 we should probably have written commendatory remarks on Russian policy, because of its possibilities. It may be that France's policy may peter out. If that happens we shall say so, just as we now do of Russia's. There's hope in every story—before you know the end.

2. Because Douglas gives advice on tactics to the middle class, that does not prove that his general policy is "middle-class." He is quite ready, in appropriate circumstances, to advise any "class."

3. We agree to this proposition. That is why we have supported Wheatley and Cook, and have had nothing particularly good to say of MacDonald and Thomas. At the same time, both Wheatley and MacDonald profess to be Socialists. So you must define "Socialism" if you are going to take us to task about our attitude towards it.—ED.]

"Letters to the Editor" should arrive not later than the first post on Saturday morning if intended for publication in the following week's issue.

FORTHCOMING MEETING.

Thursday, March 18, at 70, High Holborn. Mr. W. A. Willox, on "The Utilization of Productive Capacity." Time, 7 p.m. Open meeting.

Credit Research Library.

The following books, issued by the Pollak Foundation for Economic Research in America, are being added to the stock of this Library.

They have not been written with the intention of supporting the Douglas Credit Theorem, but they bring into most lucid review facts and figures which will be invaluable to those who desire to see that Theorem related in detail to existing business motivation and practice.

The books are complementary to the literature sponsored by the Social Credit Movement, because of the fact that, whereas Douglas has isolated and synthesized the fundamental principles of Accrediting and Accounting production and distribution, these writers have assembled and presented just the kind of statistical information and practical every-day argument that will impel business men to seek for a constructive economic policy such as Major Douglas has propounded.

MONEY. By W. T. Foster and W. Catchings. Price, 15s. Postage, 8d. Mr. Foster, formerly President of the Reed College, is now Director of the Pollak Foundation for Economic Research. Mr. Catchings, formerly President of the Central Foundry Company and of the Sloss Sheffield Steel and Iron Company, is now a member of Goldman, Sachs and Company, and a director of numerous industrial corporations. This book attempts to show the fundamental difference between a barter economy and a money economy; to show how business depressions and unemployment arise out of that difference. It traces the circuit flow of money from consumer back to consumer, and the obstruction in the flow. It is a foundation for the work entitled "Profits," next quoted.

PROFITS. By W. T. Foster and W. Catchings. Price 17s. Postage, 9d. This book, in the authors' words, "is the only considerable attempt to present the statistical proof that industry does not disburse to consumers enough money to buy the goods that are produced." The following is a summary of their conclusions:—
"Progress toward greater production is retarded because consumer buying does not keep pace with production. Consumer buying lags for two reasons: first, because industry does not disburse to consumers enough money to buy the goods produced; second, because consumers, under the necessity of saving, cannot spend even as much money as they receive. There is not an even flow of money from producer to consumer, and from consumer back to producer. The expansion of the volume of money does not fully make up the deficit, for money is expanded mainly to facilitate the production of goods, and the goods must be sold to consumers for more money than the expansion has provided. Furthermore, the savings of corporations and individuals are not used to purchase the goods already in the markets, but to bring about the production of more goods. Under the established system, therefore, we make progress only while we are filling the shelves with goods which must either remain on the shelves as stock in trade or be sold at a loss, and while we are building more industrial equipment than we can use. Inadequacy of consumer income is therefore, the main reason why we do not long continue to produce the wealth which natural resources, capital facilities, and employees would otherwise enable us to produce. Chiefly because of shortage of consumer demand, both capital and labour restrict output, and nations engage in those struggles for outside markets and spheres of commercial influence which are the chief causes of war."
The Pollak Foundation offers a prize of five thousand dollars for the best adverse criticism of this book.
THE CREDIT RESEARCH LIBRARY, 70, HIGH HOLBORN, LONDON, W.C.1. Telephone: Chancery 8470.

SUBSCRIPTION RATES.

The Subscription Rates for "The New Age," to any address in Great Britain or Abroad, are 30s. for 12 months; 15s. for 6 months; 7s. 6d. for 3 months.

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All communications should be addressed, Manager, THE NEW AGE, 70, High Holborn, W.C.1.

The Social Credit Movement.

Supporters of the Social Credit Movement contend that under present conditions the purchasing power in the hands of the community is chronically insufficient to buy the whole product of industry. This is because the money required to finance capital production, and created by the banks for that purpose, is regarded as borrowed from them, and, therefore, in order that it may be repaid, is charged into the price of consumers' goods. It is a vital fallacy to treat new money thus created by the banks as a repayable loan, without crediting the community, on the strength of whose resources the money was created, with the value of the resulting new capital resources. This has given rise to a defective system of national loan accountancy, resulting in the reduction of the community to a condition of perpetual scarcity, and bringing them face to face with the alternatives of widespread unemployment of men and machines, as at present, or of international complications arising from the struggle for foreign markets.

The Douglas Social Credit Proposals would remedy this defect by increasing the purchasing power in the hands of the community to an amount sufficient to provide effective demand for the whole product of industry. This, of course, cannot be done by the orthodox method of creating new money, prevalent during the war, which necessarily gives rise to the "vicious spiral" of increased currency, higher prices, higher wages, higher costs, still higher prices, and so on. The essentials of the scheme are the simultaneous creation of new money and the regulation of the price of consumers' goods at their real cost of production (as distinct from their apparent financial cost under the present system). The technique for effecting this is fully described in Major Douglas's books mentioned below.

The adoption of this scheme would result in an unprecedented improvement in the standard of living of the population by the absorption at home of the present unsaleable output, and would, therefore, eliminate the dangerous struggle for foreign markets. Unlike other suggested remedies, these proposals do not call for financial sacrifice on the part of any section of the community, while, on the other hand, they widen the scope for individual enterprise.

Attention is directed particularly to the following amongst the considerable literature on the subject:—

- "Through Consumption to Prosperity," by Arthur Brenton, 2d.
- "The Community's Credit," by C. Marshall Hattersley, 5s.
- "Social Credit," by C. H. Douglas, 7s. 6d.
- "Real Wealth and Financial Poverty," by Capt. W. Adams, 7s. 6d.
- "Cartesian Economics," by Professor F. Soddy, 6d.
- "The Flaw in the Price System," by P. W. Martin, 4s. 6d.
- "The Deadlock in Finance," by A. E. Powell, 5s.
- "Economic Democracy," by C. H. Douglas, 6s.
- "Credit Power and Democracy," by C. H. Douglas, 7s. 6d.
- "These Present Discontents: The Labour Party and Social Credit," by C. H. Douglas, 1s.
- "The Solution of Unemployment," by W. H. Wakinshaw, 10s.

A preliminary set of five pamphlets, together with a complete catalogue of the literature, will be sent post free for 6d. on application to the Credit Research Library, 70, High Holborn, W.C.1. from whom the above-mentioned books may be obtained.

The undermentioned are willing to correspond with persons interested:—

- Bournemouth: W. V. Cornish, 77, Maxwell Road.
- Dublin: T. Kennedy, 43, Dawson Street.
- London: H. Cousens, 1 Holly Hill, Hampstead, N.W.3; Major C. H. Douglas, 8, Fig Tree Court, Temple, E.C.4; E. A. Dowson, 14, Dulwich Road, S.E.24; D. Wemyss Lewis, 176, Camden Road, N.W.1; E. Wright, 38, Bromar Road, S.E.5.
- Manchester: F. Gardner, 24, Mansfield Avenue, near Blackley.
- Middlesbrough: Mrs. E. M. Dunn, Linden Grove, Linthorpe.
- Newcastle-on-Tyne: W. H. Wakinshaw, 12, Lovaine Crescent.
- Rotherham: R. J. Dalkin, Wickersley.
- Hon. Secretary, W. A. Willox, 70, High Holborn, London, W.C.1.

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