

THE NEW AGE

INCORPORATING "CREDIT POWER"
A WEEKLY REVIEW OF POLITICS, LITERATURE, AND ART

No. 1755] NEW SERIES Vol. XXXVIII. No. 26. THURSDAY, APRIL 29, 1926. [Registered at the G.P.O. as a Newspaper.] **SIXPENCE**

CONTENTS.

	PAGE		PAGE
NOTES OF THE WEEK	301	A VAGABOND IN DENMARK.—VIII. The Mountain of Heaven. By Leopold Spero	307
The <i>Observer</i> on "a loan, not subsidy." The City Editor of the <i>Daily News</i> on the inflated Budget expenditure on debt service. M. Pietri and Senator Klotz analyse Britain's bill—France does not owe anything—the similarity of their argument to that of Major Douglas in his suggestions to Mr. Lloyd George for the repayment of the American debt. The Leigh Waste Co. and the question of partly paid shares.		MUSIC. By Kaikhosru Sorabji	308
ENERGY FROM COAL.—II. By C. H. Douglas	304	DRAMA. By Paul Banks	308
THE TRUE INWARDNESS OF CATHOLIC SOCIOLOGY.—I. By N. E. Egerton Swann	305	"This Woman Business," Haymarket.	
SCIENCE AND THE MODERN WORLD.—I. By Richard Montgomery	306	ECRASEZ L'INFAME. By J. S. K.	309
"Science and the Modern World."		"Voltaire."	
		AND A NEW EARTH. By Arthur Brenton	309
		"And a New Earth."	
		REVIEW	310
		"The Golden Crucifixion of John Bull."	
		LETTERS TO THE EDITOR	310
		From Philip T. Kenway, H. E. B. Ludlam, J. Adamson, "Onlooker," and S. Rigby.	
		ANSWERS TO CORRESPONDENTS	312
		Z. C. S.	

NOTES OF THE WEEK.

As the appointed time for the determination of the coal subsidy approaches the less determined is the attitude of the Press on the question of withholding financial assistance of some sort from the industry. The *Observer* will not have a subsidy at any price—it "must cease for ever." But having said that, it takes a mere semicolon's breath and proceeds in the same sentence to observe that "in real statesmanship good judgment of *method and time* is almost everything." Exactly. The subsidy must cease for ever, but statesmen must be careful how and when it must cease for ever. The *Observer's* method of discontinuing it is to continue it under a new name. The "key of the crisis," it advertises in a prominent headline, is a "loan, not subsidy." But, in terms of national accountancy, where is the difference? The subsidy itself was a loan—a loan to the taxpayer. If the contrary is urged, and it be asserted that the subsidy has been a gift which nobody need repay, we ask in whose interests it has become a matter of such urgency to stop it. But we shall hear no such assertion—at least, just yet. Nothing will be openly said which will disturb the popular belief that industries and individuals alike can only secure money by either borrowing it or selling goods and service for it. So it is quite likely that there will be a "Reconstruction Loan"—as it is being called in some quarters. Speaking for ourselves, we are quite content. No conjuring with appellations will alter the fact that money will be flowing out to the community faster than it is being recovered. It will be new credit. It is true that this *credit* will now be debited specifically against the coal industry instead of generally against the taxpayer, but that obviously does not solve the problem of getting it back. And until it is got back it will be a subsidy. Incidentally, there is cause for congratulation that the subsidy was granted last year. If it had not been, Mr. Churchill would have realised a surplus of five million pounds or so—in which event it would have been applied automatically to the reduction of debt, in other words, it would have gone to banks and investment houses and been cancelled in return for Government bonds. That

sounds healthy enough until one reflects on the sequel, namely, that new credits to an equivalent amount would immediately have been created and used for "developing production" anywhere in the wide world where these institutions saw a safe and large return. As it is, the course of events has stopped this little game and has kept the credit where it properly belongs—namely, in the channels of home industrial enterprise. One cannot too frequently point out that the cancellation of Government debt, while it saves the British citizen interest due on that debt, all too frequently facilitates the private financing of his foreign trade competitors to his own hurt.

* * *

The City Editor of the *Daily News* grows more venturesome week by week. Last Friday he was discussing Mr. Churchill's forthcoming Budget. Looking at the expenditure side of last year's accounts, he singles out the Consolidated Fund Services as "the least useful half of the expenditure return," pointing out that the National Debt Services, inclusive of the £50,000,000 sinking fund, cost £358,229,000, as against Mr. Churchill's original estimate of £355,000,000, giving an excess of £3,229,000. "Is this the time," he asks, "for interest payments to be exceeding the estimates?" Much of the excess, he proceeds, represents the higher rate of interest on Treasury Bills during the last twelve months; but "the higher rate itself sprang out of Mr. Churchill's decision to return to gold." At times during this period banks and other large institutions have been buying these bills "at a price that has yielded nearly (and very occasionally just over) 5 per cent."

"Here is a paradox. The banks, whose credit, however strong, is not as strong as the Government's, have been able to borrow at 3 per cent. and lend the money to the Government, whose credit is the strongest of all, at a gain of 1 to 2 per cent."

In explanation of how this arises, he points out that Treasury bills are among the monopolies of large financial resources—"no tender under £50,000 is considered"—with the result that:

"the moneyed interest can dictate to the Government—

unless we have Treasury officials who show their teeth—what interest shall be paid on them.”

He suggests that the Chancellor of the Exchequer ought to address the moneyed interest in these terms:

“Will you please show, without paradox or metaphor, or gloss, what was paid in interest on debt last year, separating Treasury Bills from the main body so as to show what was paid for them. Will you please state who gets the benefit of those higher Treasury Bill rates and why it became necessary—if it was necessary—for the Government to pay them in a year when the effective national income was actually falling.”

He does not hope for any such challenge to be uttered, and in concluding this section of his article turns to criticise “payments to American bankers who hinder our progress rather than help it for credits which we have not the courage to use.”

All this, it will be seen, if far removed from any fundamental issue; but the temper of this writer's remarks has unmistakable significance. It affords us a glimpse at what is something like a mutiny arising in ruling circles—the emergence of “Communism” among the experts, so to speak. The question of rates of interest considered as a monetary burden on the community has no real importance: the significance of interest is that it is an instrument which finance uses to impose policy on public and private enterprise. When the Bank Rate is put up, practical business men do not merely say, “This means that we shall have to pay more for advances”; they also say, “This means that we are going to be told to pay back what we already owe.” The interest rate is the banker's eyelid. There is no harm in his wink; it is what the wink means. Nevertheless, there is logic in the *Daily News's* attitude, and a poetic justice in the embarrassment which it may cause among professional financiers. So long as they keep up the pretence that financial credit is a naturally scarce commodity, nothing is more appropriate than a close scrutiny of their share of it. Was it to be expected that everybody in Great Britain was for ever going to do nothing more than peer into the cash registers of bakers and grocers to find out “where the money goes to”? The Englishman may be a fool, but not a darned fool: he is prone to blunder, but in the end he blunders through. And financial interests will find to their cost that their “law” of Monetary Scarcity is a prolific mother of “laws” of Monetary Redistribution—whether the godfathers be Socialists or Capitalists.

According to the *Manchester Guardian*, M. Pietri, who is described as one of the ablest and most active members of the Finance Commission of the French Chamber, delivered a remarkable thesis recently before an audience of the elite in Paris. The thesis was that not only did France not owe Britain money, but that Britain owed a balance to France. This was his argument:

“Hitherto we have not contested our creditor's bill: now we must discuss it item by item as she has done. Now if we thus examine the items of our debt we shall find that the total includes not merely the price of the goods, munitions and supplies that were sent us, but also the sellers' profit, and, in addition to that, the heavy taxes on war profits which the English and American Governments imposed upon their manufacturers, and which these manufacturers in turn levied from their customers. These enormous war-profit taxes the British and American Governments have already collected. By not deducting them from the sums they are now claiming from us they are trying to collect them a second time. And, indeed, the profits realised by the British and French-American firms which supplied us were abnormal—to ten times ordinary peace-time profits.”

The report says that M. Pietri then gave figures to prove that the excess-profits and war-profits taxes referred to amount to 46 per cent. of the purchase

price demanded from France. If that were deducted from the American debt it would cut it in half; and as for the debt owing to Britain, it would reduce it to zero—for, contrary to what is generally supposed in England, he argued that France has been paying back large sums of money from the very moment of the occurrence of the debt. On this point Senator Klotz, a former Minister of Finance, addressed the assembly. He said:

“Now, let us take the case of Great Britain. We borrowed from her £1,200,000,000 sterling, and we have repaid her £840,000,000. Were it not for interest we should be only £360,000,000 in debt to her. In fact, she is demanding more than £400,000,000 from us. If Great Britain's excess profits amounted to only 30 per cent., we should owe her exactly nothing. Now M. Pietri has shown that it is far more than 30 per cent. It therefore follows that it is Great Britain, not France, that is the debtor, and she should be asked to settle her debt.”

May heaven preserve France to us for ever and ever. There has been no responsible analysis of the international debt problem publicly expounded by any statesman, even remotely suggestive of this brilliant demonstration. Unless our slow-witted Ministers bestir themselves, it will be Paris and not London to whom history will accord the honour of having first raised the standard of revolt against centralised financial policy. Even so, nothing can now wipe out the stigma of obtuseness or cowardice in our own statesmen in having left the posing of this vital issue to a weaker Power. It is to be hoped that they will not further disgrace themselves by neglecting to support the serious consideration of the debt problem on the principles of this analysis. There has been no excuse for them. Mr. Lloyd George was provided with the clue to the problem as far back as September 11, 1922, when he was Premier. On that date Major Douglas addressed a letter to him outlining concrete suggestions for the settlement of the American debt. The first of these suggestions was in the following terms:

“That the British Government address and publish a further Note to the United States Government setting forth with the maximum clarity: (a) That the debt contracted to the United States by the Allied Powers in general, and Great Britain in particular, was a debt for goods, and that the capital appreciation incident on the supply of those goods accrued to the United States nationals, together with the financial media representing that appreciation.* (b) That the Allied Powers, and Great Britain in particular, are now prepared to deliver at the same rate, over an equal period of time, at prices ruling during the periods at which the various debts were contracted, goods to the value of the debt, in return for U.S. War Bonds, which will be cancelled on receipt.”

The financial media representing capital appreciation accrued to United States nationals. In other words, America did not part with a single dollar. This is precisely the idea that M. Pietri is voicing when he refers to the British and American Governments as having “already collected” the war-profits taxes and now intend “to collect them a second time.” Then, as to the method of repayment suggested by Major Douglas—repayment in the form of British goods priced up to the same degree of inflation as was practised by America—this would obviously remedy the injustice of which M. Pietri rightly complains, and there can be little doubt that he has some such method in mind. Is it too much to hope that after wasting more than two and a half years since it was brought to the notice of the Government, steps will be taken to associate London and Paris (and other European capitals) behind a joint Note to America on the lines above described?

On May 1st the Official Receiver of the Leigh Waste Co., Oldham, 1920, Ltd., will apply to the

* See also *The Veil of Finance*, p. 28, where an illustration of the process is given.

shareholders for the first of four quarterly 2s. 6d. instalments which will constitute a 10s. call on each share under the direction of the Manchester Chancery Court. In a *Daily Herald* report on March 16 it was said that “further power was given in case of hardship to call on shareholders to pay 1s. every two months.” This suggests that shareholding is not necessarily a middle-class (and therefore non-proletarian) practice, as was recently suggested by one of our correspondents. It would be better for the workers if his suggestion were correct. For example, the *Daily Herald* has its own financial expert who publishes advice about investments; and we notice that he was reminding his readers some time ago that he had told them to sell Ebbw Vale shares “while they could obtain 8s.—6s. (Present price 4s. 6d.)” That is by the way. The point we want to make is the danger to people of limited means who invest in partly-paid shares. In one sense, the warning is as old as the hills, for the mere acceptance of a contingent liability of this sort obviously puts one at the mercy of contingencies. But there is another aspect of the case. It is that the administrators of a concern can, and do, raise money from the banks, using these contingent liabilities as security. In such cases what really happens is the same as if each shareholder, in addition to paying down part of the face value of his share, had himself borrowed a further sum from a bank and lent it to the company. The danger of this lies in the fact that, in practice, much more money is being risked by a concern than is represented by the amount actually paid for the shares; and since its possible losses are commensurate with total amounts it adventures, the shareholder is let in for a larger incidence of loss (when losses come) than he has any idea of. And the danger is all the more serious by reason of the fact that the banks, who can call their loans in when they like, may easily cause losses to the company by doing so, however efficient-ly its administrators may be conducting it. In the case in question, it is a scandal that people too poor to pay a paltry 2s. 6d. a quarter should ever have been encouraged to apply their resources to investments of this sort. The reward for trying to “save” in this instance takes the form of obliging the shareholders to pay up £500,000, in addition to a similar amount already lost. The financial system being what it is, this form of encouragement to thrift amounts, in our opinion, to getting money under false pretences.

We spoke about “family allowances” a week or two ago in connection with the Coal Commission's Report, stating that this idea involved paying the single man less than the present standard wage, not paying the married man more. The Irish Free State Government decided last August to pay less to bachelors than to married men in the Civil Service. The maximum salary of an unmarried clerical officer was fixed at £150, and that of a married officer at £200. Now the junior executive officers are being dealt with in the same way. Salaries for single men are to be reduced to the same level as those for women. This is how we have said that the concession of “equal pay for equal work” would be granted to women. No doubt the authorities are grateful to the feminists for asking for it. Every little saving helps; and further ideas may be put into the Government's suggestion-box—due credit (moral, not financial) being given to the persons whose ideas find favour with the management. Ireland is a free State—and the days when the master was above learning from the man are gone for ever. God save Ireland.

“The Saorstát Banking Commission has been the subject of much speculation in commercial, industrial and agricultural circles of late.” Thus

writes the Irish correspondent of a London newspaper. It consists exclusively of experts, but

“although the farmers and industrial community may feel aggrieved at not being represented, their interests are amply safeguarded.”

How this correspondent knows that is a mystery, for he says elsewhere that the “need for secrecy is essential to frank discussion” by the Commission. We suppose it issues a bulletin. Or perhaps the information comes from the anonymous “eminent economist” whom this correspondent mentions as being of the opinion that there should be a continuation of Irish note issues into one issue, “to be controlled by the Government through a standing Commission on which the banks would have representation”—from which one gathers that this is the kind of thing being discussed by the Saorstát Banking Commission. In fact, he says that agreement on the principle of consolidating the note issue is so much assured that members of the Commission will no doubt go to London to consult the Treasury and the Bank of England on the matter. “The suggestion that the Commission would go to New York is ridiculous.” This pregnant little observation is thrown out apropos of nothing so far as the immediate context of the message is concerned. But a concluding paragraph of the report states that the chairman of the Saorstát Commission is Professor Parker Willis, “who is an eminent American economist and editor of a leading financial journal.” So shall we say that the Commission is not visiting New York because New York is visiting the Commission? That sounds intelligible at any rate. And shall we suggest that when the Commission arrives with New York in Threadneedle-street it will find New York already there to welcome it? That sounds like magic: but since THE NEW AGE is seen regularly by magicians, it does not matter: they will (or will not) interpret the saying.

The *Daily News* cannot make Mr. Wheatley out. Here, says its leader-writer, is a gentleman who is “probably ‘the best stayer’ in the race for the next Labour Premiership,” openly saying that in granting the existing subsidy the Conservatives “had blundered into doing the right thing.” Mr. Wheatley had said that the subsidy could be continued and could come “out of the surplus wealth of the country”—a statement which the *Daily News* immediately interprets as a suggestion to extract the money from the rich classes. It cannot conceive of such a thing as there being “surplus wealth” which is not in somebody's private possession. “It is the old idea that the rich pay the taxes.” That is precisely what Mr. Wheatley's idea is not. It is the new idea that the country's unused reserves of Real Credit are capable of paying all current and future taxes for the rich and poor alike. “Mr. Wheatley,” concludes the writer, “should realise that the tragedy of taxation is that, however carefully you may adjust the burdens on the backs most able to bear them it is the working man who for the most part in the end pays.”

Well, does he not?

Abstinence, £8 millions: cash, nil.
“An extraordinary rating case came before the Whitehaven magistrates when the United Steel Companies, Ltd., Sheffield, whose Ordinary capital exceeds £8,000,000, and two subsidiary companies, the Beckermat and Bigrigg Mining Companies, whose works are in the Egremont district, were summoned for non-payment of poor and general district rates. A sum of £3,717 was due. Colonel Mason, representing the United Steel Company, explained that . . . the total tonnage on which rates were demanded was on the basis of 395,802 tons in 1924, whereas in the half-year ending September last only 134,696 tons were actually raised. . . . Unless local public expenditure was immediately reduced, these mines would close and this great charge of nearly £32,000 a year would fall upon householders in the Whitehaven Union. The magistrates made an order for payment within twenty-one days.”—*Press Report*.

Science and the Modern World.*

I.

The world has had its fling of materialism. The experience of deploring the resultant atrophy of the power for aesthetic enjoyment has overtaken the moderns in general, in the same way as it befell the central figure of Darwin. Giving all to science is giving too much. One of the leading mathematicians of our time, Dr. Whitehead, without in any degree belittling science—his life affirms the contrary—boldly proclaims that the intuition which underlies the work of the poet produces a more inspiring interpretation of the universe than the intellect behind the best established principles of science. Though the poet's knowledge be far less than that of the scientist, the poet's experience appears to be the richer of the two.

Science might have committed a very trifling peccadillo, for which repentance would probably have followed quickly, if it had merely led to an effort to understand the universe without reference to origins and purposes. But it went much farther. Each particular type of mind, juggling with its own abstractions, found them so powerful that it tended to deny the validity of all other groups of abstractions. The physicist has been prone, although he would probably deny it if explicitly accused, to regard the generalisations of physics as all-embracing. The fundamental fact about the universe was that it was a space in which an infinite number of masses were located and changed about in time; devoid of colour, scent, and sound. In his determination to probe its foundations to the bottom the physicist was ready to bank on the reality of corpuscles, vibrations, waves, anything that he could hope ultimately to count, and to debit scent, sound, and colour, to conjuring tricks played by mind, with the same relation to truth as the flowers that bloom in the spring.

The chemist lived with the physicist on much the same sort of food. Could he but have seized the atom, he would, he felt, have possessed the main-spring of the universe. What were shape and quality by contrast with a group of numbers magically arranging themselves in series? So marvelous and all-conquering have the discoveries in chemistry and physics been, their success demonstrated by eighteenth and nineteenth century technology, that seekers in other branches of science have been drawn, as by some tropism, to regard these sciences as light itself, by means of which alone anything else could be seen. The biologist gradually put himself under a mysterious obligation to explain even the mind of the scientist as a falsely cherished hallucination due to mistaking heat for work. Indeed, if science can be said to have prayed for a sign in the century of its coronation, the miracle it longed to see was a table-jelly tottering into protoplasm under the influence of a dissertation on the atomic theory.

It may be suspected that Dr. Whitehead shares the common human failing, uncorrected by mathematics, of seeing what a fine time the other fellow has. But he has gone much farther than mere iteration of his belief that the poets' universe is no better destroyed for a formula than the scientists' heaven is exchanged for a kiss. He has endeavoured, justly, to reason out the fallacies on which the "undoubtedly materialistic trend" of science has sustained itself; and he has, finally, suggested what he believes to be a superior outlook both by reference to the greater vital satisfaction it brings, and on grounds of greater rational accuracy.

In spite of its unquestionable superiority over scholasticism in many pragmatic respects, in its will-

ingness, for example, not to over-ride or evade "stubborn and irreducible facts," the modern scientific mind had weaknesses in its pre-conceptual foundations. Although professing to be more reasonable than scholasticism, science is fundamentally irrational, for which it cannot escape the penalties. In the *Enquiry Concerning Human Understanding*, Hume wrote:

"In a word, every effect is a distinct event from its cause. It could not, therefore, be discovered in the cause; and the first invention or conception of it, a priori, must be entirely arbitrary."

As Dr. Whitehead comments, "some variant of Hume's philosophy has generally prevailed among men of science." Indeed, the observation that cause and effect are never scientifically established, "but merely," in Nietzsche's phrase, "concatenations of phenomena," no sequence exactly resembling another is well-known to the modern mind. Huxley, for example, pressed it home in his discoveries on induction. And yet the consequence of that simple metaphysical observation, if its truth be admitted, is, Dr. Whitehead notes, that

"Science is impossible, except in the sense of establishing entirely arbitrary connections which are not warranted by anything intrinsic to the natures either of causes or effects."

The faith with which "science has removed this philosophic mountain" has to all practical ends been unconscious. As a result, the scientist, whose function more than any other depends on consciousness, has failed to see the rope of error he was weaving.

Each event, so far from being unconnected, is conditioned by other events. It must, therefore, be acknowledged to have internal as well as external relations. The conditions of any event are ultimately the whole event. There is also an unmistakable principle observable in events which signifies an endeavour after duration; the notion that past, present, and future have nothing to do with one another cannot be maintained.

"Science is taking on a new aspect, neither purely physical nor purely biological. It is becoming the study of organisms. Biology is the study of the larger organisms; whereas physics is the study of the smaller organisms of physics."

With the aid of these conceptions Dr. Whitehead gets rid of a great many difficulties which have hitherto impelled science to divorce and degrade philosophy. By regarding the organism as fundamental, the universe of being and becoming, in other terms, the universe of forces tending towards structural permanence interworking with forces tending to incessant change, becomes intellectually conceivable. Mind and life no longer oppose to science a stumbling-block of stubborn fact that, refusing to be reduced to the interplay of known forces, has to be disregarded as unscientific abstraction.

Recent scientific discoveries—regarding the atom, for instance—have entirely dissolved the eighteenth century concepts, which seemed for long impregnable and eternal. The time is favourable, in the task of forming new concepts, for adjusting the mental background of science in a manner that promises greater understanding where understanding has seemed most remote. By treating the concept of organism rather than that of mechanism as basic, mind, including cognition, conation, etc., being a function of organism, is welcomed into the universe by the front door; it is brought into the field of science without provoking that uncomfortable dualism according to which matter and mind change and re-change places between reality and abstraction according to point of view.

RICHARD MONTGOMERY.

* "Science and the Modern World." By A. N. Whitehead. (Cambridge, 12s. 6d.)

A Vagabond in Denmark.

By Leopold Spero.

VIII.—THE MOUNTAIN OF HEAVEN.

"No other spot in Denmark is arrayed in such festive attire from the hand of Nature."
(From Xenius Rostock's "Denmark," translated by F. Watson Mason, p. 19.)

But we must on to Silkeborg.

And thither with bated breath, for in Silkeborg is concentrated the entire enthusiasm of a modest nation's self-advertisement. Tell a Dane you have visited his country without seeing Silkeborg, and you leave in his heart a wound that time itself can never heal. For here, in the centre of Jutland, there arose one morning in 1844 a solid gentleman named Michael Drewsen, who decided that these lakes and hills required his professional attention. Michael Drewsen was a builder by trade, and his statue in the wide market-place, outside the imposing Town Hall and Summer Theatre, and the Dania Hotel, which helps them to shut out the lovely view, which you must go behind them to see, is that of a determined, parsonical, practical party. Drewsen built Silkeborg in 1844, and did not die of it till thirty years later. But as he stands there, complacently surveying his handiwork, and finding in it Nature's long-desired complement, you may still see in his stone expression the benevolent satisfaction of the radical who has made a good thing out of his life's devotion.

The train from Skjaern moves in slow and stately fashion towards this impressive Mecca of Scandinavian charabanquerie. For a time, in the darkening light, one surveys a landscape still flat, with the same whitewashed steadings, each in its own protesting clump of fir and beech, but now with distant gleams of forest and heather-land. Now and then Holland, but lacks Dutch mellowness and architectural tradition to soften its pointed neatness, intertural poses itself with cheeky satisfaction. But as the darkness grows, one leaves the dull level for the promise of hill and lakeland. And when the train finally draws up at Silkeborg station, there is a bustle on the platform, a press of hotel porters, and the feeling that this is going to cost you money.

As you sit in your room at the back of the hotel, and look out over the placid lake to the darkling woods that stretch before you, with the single bright lamp of Venus hanging over their topmost point, you hear the encouraging whisper of Drewsen's booming voice, and you realise that in building Silkeborg that solemn gentleman remedied the neglect of centuries.

In the morning, the sun points his fingers brightly here and there, and shows the lake pranked and decorated with upstart villas from end to end. In the far foreground you see a little bathing-shed, and the pink bodies of shuddering, capering boys, and hear their shouts borne across the quiet waters. And when you leave the hotel and walk round, past the Summer Theatre, down the road to the water's edge, you feel the sabbath peace stealing into your soul. This, the first sight of Silkeborg, is pleasant indeed.

Give me a stamp for abroad.
A postal card.

Where is the letter-box?
I do not know. Ask a policeman.
(From Polyglott-Kuntze's "Danskeren i England.")

Down the winding high street, that leads away from a corner of the square to where the lake is cut off by a wide bridge, and a serpentine toy harbour marks the entrance to the Gudena River.

But is it a river, or a bit of a lake, or a great, countrified pond, this smooth and oily water, in which you see not merely the reflection of the blue sky, but a deeper green formed by millions of tiny plants waving and bending just below the surface? Here on one side is a park with the road running up again through and past it, and out across the open spaces of the centre of Jutland to Aarhus, where you will find no such excursionist romance as we see here, with the white-duck villas crowding round, and the little white boats all puffing and blowing as the excursionists tramp on board, waiting to be churned away every hour past the narrowing woods with their clamorous landing-stages, and out into more open water. Here we might be on the upper Thames. The stream is no wider, and the cyclists and serene pedestrians who wave at you from the path through the pine-trees are just such figures as you will see at Ditton or Sonning on a sunny afternoon.

What a crowd of tow-haired hobbledehos in ready-made suits, and fleshy, patient, decent young shopgirls in shocking greens and blues and pinks, with bangled wrists and tight-drawn hair, huge, pleasant mouths, and noses of such alarming snubness! They crowd the decks, content to stand when all the seats are taken up by the mothers of families, and the patient, black-coated fathers with their children, mostly peaceable, but ever and anon howling dismally, just because, if not for that howl, everything would be so pleasant and happy. And it is not good for the head of a large family that he shall have even one day's holiday unmarred by the noise of his responsibilities.

The cracking, snapping talk goes on all around. Boats come in and boats go out, all packed and hooting and fussing. One would scarcely believe there were so many people in Denmark. And one would certainly never expect to find so many people of such modest means concentrated here in the show city of Jutland, and able to go and see the Hill of Heaven for two-and-a-penny return.

Sundayfied as they are, with the men in their stiff collars and irksome bow ties and starched suits, and the girls all anxious that they shall seem their best before their young men, the formality soon gives way, under the cool swish of the dividing waters, to an easier air of comfort, to snatches of song and a happy inquisition into all that Nature has to show. And here is a young woman who knows all about it. Bobbed hair has not yet come to Denmark's country proletariat, although the barbers in the towns will do "pageklipping" at reasonable prices if boldly faced about the matter. But she is bobbed and shingled, she wears dainty earrings, a dress smartly cut, silk stockings, and lizard-skin shoes. The other girls look up to her as if she were made in a different mould, and follow her eagerly outstretched arm as she points out what is to be seen, and goes from one to another, taking care that they shall get their money's worth. One may wager that she has acquired the metropolitan polish in Copenhagen, for her eager speech is of the town rather than the country, and her bright and birdlike movements betoken a brain awakened by matters of greater interest than bacon and butter. She is like a very smart Buff Orpington in charge of a brood of ugly ducklings, and she clucks away to each of them as if she had never had any other egg but that one.

And now the greasy, green, peasoup water opens out into a lake, flanked by reeds and a rocking-switchback of pine-clad hills, and the little Orpington's arm expands with the wider aspect of the landscape. She points out the ancient castle on the hill, the green, reedy, delightful islands, round which the boat is nosing so eagerly. Her eyes are alight with fresh interest in what she already knows so well. Her firm mouth smiles, her quick, friendly gestures embrace the whole of Nature. Knowing

that her eyes are pretty, she puts on tortoiseshell-rimmed sun-glasses, which make the hobbledehoy more afraid of her than ever. They gape at her with abashed desire. She is too good for them, much too good, and they know it. And they feel that she is putting the other girls up to some of her metropolitan tricks, and shift uneasily from one foot to another at the idea.

A practical little person, and a real feminist.

And now, far ahead, the only mountain in Denmark comes into sight, the woody, rolling Himmelbjerg, with its ugly tower perched atop to scan the countryside. Long before the boat lands at the pier, discharging its cargo of holiday souls all eager for that climb, you may see others painfully toiling up its scarred slope, with such content and confidence that you know there must be a restaurant at the end of the journey.

Music.

Mr. Ernest Newman, "our leading critic"—who or what he now leads beyond the "Petit bourgeois musician," as his inverted spiritual counterpart Monsieur André Coeurey would say, is difficult to tell—has lately assumed a rôle for which he is obviously so temperamentally fitted—that of the Man with the Muck Rake—that one wonders why he has ever done anything else.

Wagner, Schumann, Mozart, into all their middens Mr. Newman's snout goes nosing industriously, emitting a stertorous grunt when some unduly and succulently odoriferous incident is unearthed. Mr. Newman pleads the cause of historical truth as justification. That is all very well, but the cause of historical truth has not yet prompted Mr. Newman to undertake the rehabilitation of some hitherto reprobated character among the musicians. There must be plenty. No, I'm afraid it won't do. Psycho-analysts have established an unpleasant explanation of the symptoms from which Mr. Newman is suffering; they call them the inferiority complex. Most of these "Leading Critics" are like the lady in "The Importance of Being Earnest," who "remained thirty ever since she became forty, which is a good many years ago now." But apart from the gratification of Mr. Newman's vanity and the indulgence of his possible subconscious vices, it is really difficult to see what is the importance, or even interest, of establishing how many married women Wagner seduced, and when and where he seduced them, except as a despicable means of currying favour with the man in the gutter whose base envy of those immeasurably above him is always greatly soothed and flattered by the discovery of something that enables him to foster the preposterous and impudent illusion that he and they are, when all is said and done, much the same. And the more the facts expose the hollowness of the illusion, the louder grow the howlings of egalitarian cant.

The L.S.O. on Monday, April 12, was noteworthy for a performance, a very fine one, under Vladimir Shavitch of the great "Faust" Symphony of Liszt. This glorious work so wonderfully a counterpart of the "Faust" of Goethe in its emotional sweep and breadth—has not been properly heard since Busoni conducted it at that never-to-be-forgotten orchestral concert of his in June, 1920. The pitiful "Chasseur Maudit" of César Franck was totally effaced in the vicinity of this masterpiece. Franck's feeble attempts at diabolism are laughable beside what Liszt achieves in the "Mephistopheles" movement of the Symphony. It is the old story again, that only the great saint is also potentially the great diabolist and vice versa. Franck, with his anaemic sentimentalism, is ludicrously far from the world of Liszt and Goethe. Borowsky in the Bach D minor piano concerto was very disappointing. The outlines were not nearly sharp and keen enough, and his tone and rhythm were too rounded, too woolly and blurred, lacking almost completely that incisive steely quality through which alone the greatness of this music can come to fullest expression. His playing of a hideous arrangement of the Carnival scene from "Pétersbourg" was a sad lapse in taste. If the transcription had been specially designed to show how atrocious the piano can be made to sound it could hardly have been more successful.

KAIKIOSRU SORABJI.

Drama.

This Woman Business: Haymarket.

Mr. Benn W. Levy has presented the patrons of the Haymarket with a comedy that should keep them merry for a long time. To get the characters into the circumstances they have to be dropped like rain from Heaven—or pulled in by unchivalrous force—but once they are there the pot of fun is kept gaily boiling for the rest of the play, which is a good deal longer, though one doesn't notice it, than most running at present. The play is not intended to cut ice, but to revive the bored and blasé. The circumstances are a house-party of men in Cornwall, all of them woman-haters, and unanimously resolved to dwell for at least three weeks in Paradise defined without Eve. Mine host is a millionaire, his guests a judge, a soldier, a banker—or was he only a bank-clerk—and a poet. It is amazing what mixed crowds collect at theatrical house-parties.

How the woman happened does not matter; this is not science, but comedy. That she was a liar was apparent at the start even to a Divorce Court judge retired on grounds of age, though it may be that Divorce Court judges reckon all women liars—and all men perjurers. Considering the conditions they—all parties, that is—can scarcely help it, and that it is all for the best can be argued if not proven. What of the five experienced misogynists, whose knowledge of women, and whose fear of women exceeded those of ordinary folks in the same proportion, did not know was that one woman to five men is a far more threatening proposition than five women to one man. One rarely hears of a man having to run away from a harem. Not even the poet had gleaned this elementary principle of the economics of love, the natural result of his ignorance being that he led the competition for monopoly.

Crawford—the foremost woman-distruster of them all—did not see that she would be more dangerous without a Christian name, the surname sounding more "pally" soon had each of the ranting philosophers apologising for his convictions and whispering his excuses for an unsuccessful affair in exchange for her facile sympathy. The only person who held out against her was the millionaire, whose one idea was to send her packing with a month's wages in lieu of notice. When she turned her back they were united and quarrelsome, and when she appeared they were competitive and friendly.

Women were pretty terrible before Freud, but now that they have added the conscious observation of the psychoanalyst to their ancient instinctive genius for pretending mother, nurse, and appellant for protection all in due season, men had either better cave in at once or establish world-peace to release their inventive talent for home defence. Crawford penetrated the millionaire's hate, and analysed it into repressed love plus fear. According to some alchemy that Mr. Levy can hardly have inherited from Eliphaz, this woman perceived that all she need do to transfix a timid millionaire was to face him in jockey trousers, and tell him about the race. Her excuse for the trousers was that she had worked on a farm, agriculture preceding hunting in her curious bringing up; and she appeared at Court for the suitable for a land-girl being presented at Court for the benefit of the Press photographer. The idea of a woman whose aim was to trap a millionaire setting out like a poacher in a garment with spacious pockets rightly gave best to the prosaic tactics of ordinary affairs.

The speeches in the first act were too much like debating society specimen dialogue, but O. B. Clarence's effort as Judge Bingham saved them. Once they were over, and the most common-place of their epigrams—that sent our minds back to the leader-writer's room—forgotten, the comedy danced. Sebastian Smith's fussy little bank-clerk, who had run away from a wife and seven daughters because they sided with their mother in a dispute about a coffee-bean, was a comic treat. Between him and Bromley Davenport as the retired soldier the ball was kept up superbly. Every man-nerism, at least as much as what they had to everyday life to crow at transcendent cranks rousing one another to blasphemy and rage. The reconciliation of these two, in the discovery that the runaway sweetheart of the one became the stay-at-home wife, and bearer of seven daughters to the other, kept a pathos out for sight that it put into mind, while not losing the comedy for an instant. They fall, like two connoisseurs of art, to spontaneous discussion of a common spiritual treasure, detached from either pride of possession or envy. I cannot fergo quoting the reply of the poet—he wasn't, of course, much good at it—when Crawford, having torn her dress while walking with him, so as to be "not quite nice," pleaded to be allowed to go and mend it. "It doesn't matter—we are all men here."

"Ecrasez L'Infâme."

In one of the numerous divagations of that labyrinthine compilation, the history of Frederick the Great, Carlyle complains that there is no

"proper History of Voltaire, in which should be discoverable, luminous to human creatures, what he was, what element he lived in, what work he did: this is still a problem for the genius of France!"

That was written somewhere between 1855 and 1865. Since then the deficiency has been made good, as far as English readers are concerned, beginning with John Morley's still unsurpassed essay published in 1872—and concluding for the time being with Mr. Richard Aldington's study in the *Republic of Letters Series*.* For the younger generation who have yet to make their bow to the shade of the great Frenchman no better introduction could be desired than that proffered by Mr. Aldington, who very modestly expresses a desire

"to make a bridge between the mass of existing Voltaire knowledge and the people who would like to know the essence of it, yet have neither time nor desire to make a close study."

Readers of an older generation who are familiar with John Morley's work on the Encyclopædists—narrowed as it is by his Puritanism, according to Mr. Aldington—will find little in the latest appreciation of Voltaire to add to their knowledge of the versatile Frenchman. It will, however, serve a good purpose if it draws attention to that remarkable trilogy "Voltaire," "Rousseau," and "Diderot," with which John Morley enriched English literature, and wherein he made so much plain that was hitherto obscure in the literary activities which played so great a part in the history not only of France, but of Europe, and whose influence is still felt whenever battle is joined with the forces of reaction and obscurantism.

Voltaire ought to appeal to a money-loving age which calculates all success in terms of pounds, shillings, and pence, for he made literature, as a profession, pay to such an extent that he died "worth" the equivalent of £7,000 a year, an amount of purchasing power which, translated into the figures of to-day, would account him a millionaire. Also he was a genuine "best-seller."

Between 1778 and 1835 it is calculated that thirty-four complete editions of Voltaire's works were issued, besides innumerable reprints of separate books. M. Lanson estimates that in the period 1817-24 alone, 21,600 complete sets of Voltaire's works were published, making the extraordinary total of 1,598,000 volumes."

It is fair to presume that there were readers as well as purchasers of these "Complete Editions" and that the ninety-seven volumes of the first Baudouin edition, for example, published 1824-34, were not mere passive adornments of library shelves; for Voltaire had something to say—and he said it; in fact, he was so insistent that he did not mind repeating himself, and was a past master in the art of putting into burning, unforgettable words what other men were thinking—as one of his enemies said: "Voltaire is the very first man in the world at writing down what other people have thought." For one who has read *The Conduct of the Human Understanding*, a thousand have devoured *La Lettres Philosophiques*, not to mention the notorious *La Pucelle*.

Now all writers on Voltaire justly lay great stress on the debt he owed to England. Mr. Aldington says: "For him Locke's writings became a kind of 'philosophical gospel.' . . . On the whole one may say without exaggeration that the years in England were probably the most stimulating and valuable experience in Voltaire's life."

It was in England that he breathed the atmosphere of liberty and braced himself for his great struggle with the "Infamous." Even a loyal Churchman can sympathise with him in his attack on the besotted cruelty of the Gallican hierarchy and ecclesiastical courts, which were the main cause of his hatred of the Catholic Faith. It is disbelievable in the fundamentals of the Catholic Faith, and contempt for the bigoted and yet be filled with rage and contempt for the bigotry that condemns a Calas to be broken on the wheel. After all, it is with the brave, warm-hearted champion of humanity that we are concerned to-day rather than the author of *La Bible Enfin Expliquée*, and it should never be forgotten that—as John Morley points out—

"he was the first influential writer . . . who deliberately placed war among retrograde agencies, and deliberately dwelt upon peaceful industry as the true life of nations."

J. S. K.
* *Voltaire*. By Richard Aldington. (G. Routledge and Sons, Ltd. 6s. net.)

"And a New Earth."*

There can be no reader of *THE NEW AGE* who will not find matter of engrossing interest in this romance of Mr. Jacomb's. Firstly, considered as a story of action it would excite any schoolboy. Imagine a hero who almost single-handedly repels the attack of an international modern fleet on a small island of which he is in occupation, who puts to death a body of scientists on this island, who bombs and destroys the Albert Hall during the progress of a meeting including the most famous ecclesiastical dignitaries in the world. Imagine further another world war arising out of the failure of the naval attack above-mentioned, the exhaustion of all the combatants, followed by a sudden and simultaneous outbreak of insurrections, followed in turn by the revelation of the existence of a hitherto secret world power which now announces that "The Supreme Council has appointed and crowned as the Emperor of the whole world, David, the eldest descendant in the direct male line, of David, the great King of Israel and Bathsheba." Nor is this the final thrill. King David has hardly had time to issue his first decree (in fact, he does not appear at all) than an American astronomer discovers an enormous comet approaching the earth. The comet does not come near enough to throw the earth out of its orbit, but near enough to cause it to swing over on its own axis, and incidentally to draw the oceans up into waves of colossal magnitude which wipe out all but a few thousand of the world's inhabitants.

The technique of the planning of this story is admirable. The book opens in the year 877, new era—i.e. 877 years after the Great Flood. The world at that time is without knowledge of most of the scientific discoveries made previous to the cataclysm, when one day Commander John Finchley happens upon the diaries of George Smith—the hero of all the happenings narrated—and his successors. He finds them at the spot where Smith's island once stood—but now not an island, for volcanic upheavals at the time of the Flood had surrounded it with land instead of water. The first chapter of the story recounts the joy with which, by this discovery, the New World rediscovers all the lost scientific knowledge of the older dispensation. The rest of the book is in the form of a reproduction of George Smith's life, ideals, and adventures, as narrated in his diary.

George Smith comes into a fortune of £65,000,000. After a year or so of indulgence, followed by illness, he devotes his life to the service of humanity. By arrangement with the British Government he buys an island called Easter Island. He hires the best brains in the world, clears the island of all its vegetation, and replants it with everything conducive to the happiness of its destined inhabitants. The new inhabitants are young children, which he obtains by purchase from unmarried mothers—not the poor downtrodden mothers of the streets (for he wants the healthiest stock he can get), but the indiscreet mothers among the richer classes. His ideal is to put these children on the island, provide them with everything necessary for their bodily, mental, and spiritual nourishment, so that they shall develop in an environment of care-less leisure. How he does all these things, and the acute and sometimes cynical *obiter dicta* with which he brightens his description, is for the reader to enjoy for himself.

Then comes the feature of the story which will attract (and very often repel) what are called "thoughtful men and women." George Smith has to solve problems like these—What knowledge is to be imparted to the children? What differentiation of knowledge as between males and females? Are they to be taught any religion? If so, what? How are they to regard questions of sex—love—and so on? In the process of solving them he states at length the reasoning upon which he founded his system of education in all these respects. Whatever may be one's reaction to some of his conclusions, there is no doubt that the series of analytical studies presented will stimulate everyone's imagination.

The author of this book makes no pretence that the views held by the George Smith of the story are not his own; in fact, he asserts that were he put into the position of his hero he would attempt to do all the things described. Since one of the hero's exploits was, as has been told, to slaughter Christian clericals, Mr. Jacomb must be conceded more than his share of moral courage. Why this "outrage on the humanities" was perpetrated is, however, explained—and such is the magic of Mr. Jacomb's methods that the bombardment of the bishops evokes no antipathy towards his hero.

But if Mr. Jacomb has no mercy for Christians who get in the way of his projects, he has no anti-Christian bias. * "And a New Earth." By C. E. Jacomb. (Routledge. 7s. 6d. net.)

He feels it necessary, in this connection, to explain in his preface that he is not a Jew. The nature of the theory he holds on the Jewish question has already been indicated, and he puts into the mouth of George Smith expressions which suggest a close study of the Protocols of the Learned Elders of Zion. This is the second time, by the way, that this theory has been made a conspicuous feature in a work of fiction during the past twelve months; and since in each case the author has otherwise revealed himself as one closely familiar with high finance and high politics (this being particularly emphasized in the present case), the phenomenon, while not necessarily proving the theory itself, does give rise to speculations on whether there are influences working deliberately to familiarise the reading public with the fact that such a theory exists and is believed. Of course, a traditional proneness to identify enslavement by Debt with enslavement by Jewry would account, under prevailing financial conditions, for the idea of a deliberate attempt at Jewish world domination; but it is not the idea, it is its popular expression under the aegis of responsible publishers like Messrs. Routledge which tend to make one wonder if anything is going on in the higher reaches of British politics which renders such publications a "safe business proposition" in the ultimate sense of that term. Sir Curtis Lampson's equivocal panegyric on Lord Rothschild—noticed in the Notes of THE NEW AGE last week—may be recalled in this connection.

However, there is no mistaking the symbolism of Mr. Jacomb's story. In the end, the newly crowned King David goes the way of King Pharaoh. And out of the Flood is preserved Easter Island, with its colony of youths and maidens possessed of all that is best in the arts, the sciences—and Christianity.

Lastly, Mr. Jacomb's literary style is like a Bach fugue. When George Smith goes to Vienna to arrange about his huge inheritance, which was in the care of a banking institution there, he says:

"My reception in Vienna baffles description. When I descended from the train, I was accosted by an obsequious little man whom I had observed pacing anxiously up and down the platform. When I admitted my identity, he bowed almost to the ground, placed his hand over his heart, and in faultless English favoured me with a formal harangue of welcome to his capital. Before I had recovered from my astonishment, he had whisked me into a handsome private motor car, saying that he had already reserved the Royal suite for me at the most fashionable hotel in the city, and that he would accompany me there to assure himself that I was comfortable in every way. With his own hands he seized and carried my pair of modest suit cases to the car. It was some minutes before I discovered the identity of this mysterious but helpful guide. He was none other than Count Carloff, the noble Managing Director of the bank which held my deposits. His behaviour to me was my first lesson in the social levelling power of money. Two years previously this little man would have refused scornfully to see me had I sought an interview. Yet now . . . well, sixty-five millions of pounds constituted a fortune worth being polite to, and I was beginning to realise it."

Then, an example of Mr. Jacomb's quality as a cynic. The captain of a British cruiser had been sent to enquire what George Smith was up to on his island—it having been rumoured by the English Churches that his educational methods in sex questions were obscene. The captain came, saw, and was conquered. But to conquer the churches at home was a different proposition; so—

"The captain made a suggestion which I accepted after some slight hesitation. It was that I should arrange a Sports Day, at which selected members of the crew of his ship should come ashore and test the skill of the local talent. He reminded me that the majority of people in England valued sport above all else, and pointed out that if he could state in his official report that the Easter Islanders were all skilled athletes, it would go far towards persuading many people to accord me sympathy against the criticisms of the stern moralists—who were not good at games—who had caused so critical an investigation to be made into my methods."

Further—a reflection on Leisure:—

"So much for mere necessities. The argument became more powerful with the envisagement of luxuries. The desire for these grew in proportion as individuals amassed material or wealth, and emancipated themselves from the necessity of labouring themselves. With the possibility of leisure, all physical needs being supplied by the work of others, the desires of individuals began to expand. Their æsthetic natures came to life."

ARTHUR BRENTON.

Review.

The Golden Crucifixion of John Bull. By H. J. D. Thompson. (Published by the author at 12 Western-terrace, East Boldon. Price 4d., postage 1d.)

This pamphlet—the first issued under the auspices of the Economic Freedom League—offers "two entirely new concepts" of financial theory. First: The obvious fallacy of attempting to circulate $x + y$ wealth of goods with a supply of goods tickets only sufficient to circulate x wealth of goods. Second: The issue of new money to balance with the Unearned Increment which results from every normal act of production. The shortage of money in relation to prices is not a new concept, nor is the idea of issuing new money against new production. The novelty lies in the author's interpretation of x and y in the first clause and "Unearned Increment" in the second. His explanation is as follows: "x wealth of goods, by one act of production, is transformed into $x + y$ wealth of goods. . . . y is the Unearned Increment of wealth, the gift of nature." He uses coal as an illustration of the manner of applying his theorem. Assume "a 10 per cent. factor of Increment in Coal Production," i.e., that the community consumes "the equivalent of 18 cwt. of coal (in the form of wages, stores, services, plus owners' services, i.e., profits) in producing 20 cwt. of coal." Then "the difference between the 20 cwt. of coal produced and the 18 cwt. of coal consumed is our Unearned Increment, 2 cwt. of coal." And since "18 cwt. required 36s. of goods tickets, therefore, 20 cwt. must require 40s. of goods tickets to distribute this wealth," the extra 4s. of goods tickets to distribute the extra 2 cwt. So, "if the average selling price of domestic coal is 40s. per ton, the just Selling Price to the public is now 40s. less its factor of increment, i.e. 36s." Finally, "when the colliery has proved actual 4s. of the coal, for each ton sold the Treasury will forward 4s. of new money to the producers' bank attached to the colliery district cartel." It is difficult to see the reason for applying the term "Unearned Increment" to the something which is the direct outcome of a single act of production. Why not "Earned Increment"? It is equally difficult to understand the necessity for dragging in algebraic formulae; unless the author deliberately seeks to hide a perfectly intelligible proposition behind symbols in the hope, thereby, of intriguing people with a new mystery. Is his main principle not fully explained by the statement that for every increase in the production of consumable goods there should be a proportionate issue of new money as a free and permanent gift to the consumer? An important omission in this pamphlet is the absence of any explanation why it is necessary to issue fresh money for the increased production. To take the illustration given—if 36s. is distributed (in costs plus profits) in the process of producing 20 cwt. of coal, the observant reader will wonder why 20 cwt. cannot be sold for 36s. without the issue of new money. He will assume, as everybody does assume, that as the 36s. was paid out to the community the community will be able to buy all the coal out of its earnings. However, since the principle of a free distribution of new money for consumption is insisted upon, this pamphlet will help to create the right atmosphere. The "why" of the matter must be sought elsewhere, as the author remarks at the end. In a preface he acknowledges his indebtedness "to my friend, Mr. W. H. Wakinshaw, who is the author of the new constructive Theorem and its practical application as herein analysed and discussed."

LETTERS TO THE EDITOR.

GNOSIS AND CHRISTIANITY.

Sir,—There has been in your paper of late a lot of writing in favour of some mystical religion—its details I have so far quite failed to gather.

I have indeed been told by one of its disciples that what its advocates are driving at is to prove that God is in all of us, only more fully revealed in some than in others and to the highest degree in Jesus Christ. This doctrine, which I myself would readily subscribe, I cannot indeed see in any of the writings above alluded to, but then I have failed to see there anything clearly.

To show the kind of article to which I allude, let me take, as a perhaps extreme example, a paragraph from the writings of Herr Smidt (p. 270, April 8):—

"These heights, soaring above the Universe, and the light world of Gnosis, are not phantoms of the Beyond, but in the first place, and essentially, they are ourselves. The 'romances' of the Aeons and Syzygies, which being translated means the forms of eternity and heavenly nuptials of the Gnosis, this shining forth of the depths of vision of the Universe, of the Logos out of the depths of the primeval light and of its system of heavenly wisdom.

its splendour of beauty, this fall of the Sophia into the depths of matter, of chaos, and of night, this fearful struggle with the powers of darkness and of death," and so on.

This, I am told, is in explanation of the real Christianity. Can you, I ask, in the wildest stretch of your imagination, picture Christ talking so? Christ, who uttered the greatest truths in the simplest language and never "spoke with tongues."

To diverge into economics for a moment, you could address the financial Pharisees in a parallel style, till the cows came home, to their great content, leaving all as it was; but to get anything effectually believed plain speech would be necessary. In economics and in theology you must keep a foothold on this earth; you cannot effectually just balloon away into the empyrean, at any rate you don't get anywhere till you come down again.

To return to solid ground again and THE NEW AGE. The paper is confessedly run in the interest of Credit Reform. If it become equally identified with any sort of religious propaganda there can be no doubt that its present influence in the Economic field will grievously suffer. I would, therefore, venture humbly to suggest to you, sir, that if such articles are admitted, it should be on the understanding, as in the earlier days of your paper, that the freest criticism should be allowed whether serious or gay. A NEW AGE writer should be able to stand fire. People who are seriously hurt by chaff or by reasonably artistic ridicule or even parody are seldom much worth listening to. The *reductio ad absurdum* is to my mind one of the soundest forms of argument, though (or, shall I say, because?) its force can only be appreciated by people with some sense of humour, in other words, by the sane.

PHILIP T. KENWAY.

[To argue against any thesis the critic must understand it. Otherwise the only object of the criticism will be to assail the unintelligibility of the writer as an exponent. The difficulty here is that some readers welcome and apparently understand what most neither do nor wish to understand. We agree that the practice of allowing frequent occasions for the "deep" to the "deep" in the manner instanced might cause justifiable dissatisfaction. At the same time, if, as some of the writers challenged believe, the concepts underlying the Social Credit theorem have their counterpart in the spiritual plane, it is worth while their attempting to establish the fact. Whether they have hitherto been successful is for people who understand their symbology to say.—ED.]

"AN EDITOR'S PROGRESS."

Sir,—Allow me to thank Mr. Maurice Reckitt in appreciation of his recent letters in your journal. In the heyday of Guildism I was an active propagandist of Guilds. From experience I can say that the workers did not care one jot about Democratic Control as an ideal system of industrial management. They only applauded the Guild orator because they believed that he was out for something that would put more purchasing power (money) in their pockets. Fortunately we now are aware that democratic control to achieve this material desire is an illusion. The money problem must first be solved, come what may after in the form of industrial management.

Consequently, I fully appreciate Mr. Reckitt's contention that "free brain" is already in existence; and so I unhesitatingly assert that Social Credit can be made a burning question.

Not long ago I took an active part in a Parliamentary Election, in the rôle of speaker. Whenever I uttered a few Social Credit truths my remarks were greeted with applause. And the audiences had not heard of Douglas, let alone studied his writings!

Mr. Orage's "fall" was of his own making. He thought he had "got hold" of something that the rulers of a plutocratic era would espouse and adopt. He failed to see that Douglas's analysis of the financial system was a logical outcome of sociological evolution, and that Douglas's method of reconstructing the social edifice could only be attained by sufferers under the present system consciously working and organising to replace a plutocratic "democracy."

H. E. B. LUDLAM.

Sir,—I, like many old NEW AGE readers, have been very interested in Mr. Orage's progress.

The most important admission is outlined in Part III., where he says:—

"My first reaction to the astounding proposal to 'sell goods under cost'—convincing me, as I look back upon it, of the utter impracticability of the suggestion. . . . In short, I am as much convinced that the suggestion will never be put into practice, etc." "At the same time, his analysis did not leave the situation hopeless theoretically; it was only

hopeless practically." "What was I to do?" "After years of editorship I sold out and left England."

So now we know why. But surely those who really understand Social Credit would not be defeated on account of inability to circumvent the natural reluctance of people to sell goods under cost.

The alternative to such a proposal is to sell goods as at present, at cost price plus a profit, and to distribute a National Dividend to everyone. Such dividend to be in addition to and with alteration to the present sources of individual incomes.

The dividend could be paid to the people through the Post Office, the Labour Exchanges, and through the banks, every person being required to register with one or other of these institutions for the purpose of drawing their dividend.

It is my opinion that price control would be quite unnecessary, because the National Dividend would not be money which was accounted into cost of production, but would be the equivalent of discounting it from cost of production.

In any case, if it was found that prices did rise after the National Dividend policy had been adopted, it would be quite simple to control prices by legislation at cost price plus an agreed margin by way of profit.

If Mr. Orage or any other Social Creditor is anxious to know how to arrive at the total sum of money available for distribution as dividend to the people, I shall be very pleased to elaborate my scheme, which I have briefly outlined.

Perhaps after understanding my scheme of National Dividends Mr. Orage will admit that he has found God and will return to perform His work.

"They also serve who only stand and wait."

J. ADAMSON.

10 Laurel-crescent, Walkerville, Newcastle-on-Tyne.

[The person who boggles at the idea of selling below cost is not going to swallow the idea of a free national dividend. To him both propositions will appear identical and equally impracticable, for they involve giving something for nothing, and the only difference he will see will be that while the first method involves the sacrifice of the producer, the second involves that of the taxpayer. In any event, propagandists will be forced back to principles whichever proposal they put forward. They will have to explain (a) how it is possible to dispense free credit at nobody's expense, and (b) why this is necessary.

From a general propagandist point of view, the primary thing is not to argue the merits of the "Adamson Scheme," the "Wakinshaw Theorem," "A + B," or "x + y," but to get people sufficiently interested to wish to hear anything about these competing techniques. That in itself is a big enough job for popular propagandists to be going on with.

If Mr. Adamson finds that his scheme is superior to Major Douglas's as an instrument for converting people to the principle of a free-credit distribution, by all means let him go on using it. Whatever value there may be in general propaganda at all will lie in the public pressure that it can be evoked on behalf of that principle, not on behalf of any particular method of administering it.

If we believed that the ultimate choice of a technique of administration depended upon public opinion, there would be a case for arguing the respective merits of Mr. Adamson's or anybody else's modifications of Major Douglas's proposals. But as we are quite convinced that the public will not be consulted at all (nor will ask or wish to be), the whole controversy, in our opinion, is irrelevant to the difficulty pointed out by Mr. Orage. Nevertheless, we shall be pleased to forward a copy of Mr. Adamson's scheme to him if he will send it to us.—ED.]

THE ADMINISTRATION OF THE "JUST PRICE."

Sir,—Anticipating the probability of cheating under the "New Economic Dispensation" is no doubt, superficially, a telling argument against the "A + B" rebate scheme, and it is not surprising that Major Arthur Moore exploited it in his endeavour to discredit Douglas. But whatever else it may be wrong with the Douglas Proposals, their adoption could not possibly encourage, let alone breed, cheating to the same extent as does the Scramble System of to-day. Providing always that technically it worked "according to plan," the scheme might remove much of the incentive to the practice of that dishonesty which, as some people not intimately associated with the business world are fond of telling us, is supposed to form an integral part of a business man's mental equipment.

"ONLOOKER."

CURRENCY AND CREDIT.

Sir,—Mr. T. B. Johnston's letter on Legal Tender, Trade, and Unemployment of April 1 should not be allowed to pass without comment.

You reprint two charts showing the Currency Notes for 1924 and 1925. I am not sure that the deductions he draws are quite correct.

The relation between Currency Notes and Credit is not a very close one. A year or two ago I worked this out, and

was surprised to find when the restriction of Credit began in April, 1920, the Currency Note Issue actually increased. Mr. T. B. Johnston had a letter in the *Economist* for June 26, 1920. In this letter, after quoting Lord Milner's fear of what would happen if Credit was restricted, he said: "Everywhere banking facilities are being restricted." At this time the Currency Notes were being increased and continued to be for months afterwards. When he says: "The only way in which overdrafts can be reduced is by cutting down the wage bill," I entirely disagree. Credit restriction in 1920 caused the wholesale cancellation of contracts, both at home and abroad, and Mr. Johnston's letter of protest to the *Economist* was a protest against Credit restriction. And there had not then been a reduction of wages. That followed the new policy.

S. RIGBY.

ANSWERS TO CORRESPONDENTS.

Z. C. S.—You say, "If men were pieces of nitrate of silver, your reply to my letter would hold good. But men do not react in the same way to the same stimulus."

Men, in the mass, do react in the same way to the same stimulus. The whole system of advertising is based upon this truth. The exceptional reactions of individuals have no power to affect national policy. "When sufficient of us refuse to bear arms," you say, "Governments will see that the occasion for war does not arise." If, by "us," you mean British citizens, we draw the opposite conclusion. Rival Governments would see in this an occasion for attacking us. You must discipline your idealism, cut out rhetoric, and work your theories out in terms of probability. Do you seriously consider that any body of citizens large enough to impede high policy by refusal to fight when told to can be created by the means at the disposal of the whole pacifist movement—let alone the ludicrously small means of the Social Credit Movement?

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.

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.

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 mornings, 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.

CREDIT RESEARCH LIBRARY

The Key to World Politics. Chart showing plan of world government now being attempted by the international financiers. Price 1d. (postage ½d.).

Through Consumption to Prosperity. An Outline of Major Douglas's Credit Proposals. Reprinted, with additions, from the "New Age" of October 16th, 1924. Written specially to serve as an introduction to the study of the New Economic Theory. Gives a clear account of its distinguishing features, with just sufficient argument to establish a *prima facie* case for further investigation. 16 pp. Price 2d. (postage ½d.). Prices for quantities, including carriage, 6-1/-; 10-1/6; 50-6/9; 100-11/3; 500-50/-.

The Veil of Finance. Reprint in book form of a series of articles from the "New Age" by Arthur Brenton. If a banker appeared on an island under primitive conditions, and applied to its activities the present laws of "sound finance"; what would happen? This is the main basis of the author's analysis and its application to the costing and pricing laws of modern industry. 64pp. Price (paper covers) 6d.; (boards) 1s. (postage 1d.).

Socialist "First-Aid" for Private Enterprise! A reprint of the "Notes" in the "New Age" of April 17th. A critical examination of the I.L.P.'s "Nationalisation" policy from the "Social Credit" point of view. A useful pamphlet to distribute in Labour and other reformist circles.

The Monetary Catalyst—Need Scientific Discovery Entail Poverty? A reprint of the "Notes" in the "New Age" of June 5th. Written with the special object of attracting the attention of business, technical and scientific men.

A consecutive introductory reading course in Social Credit is provided by the following sets of pamphlets:—

SET A.

Comprising:—

Purses and Prices (½d.).
The Key to World Politics (1d.).
Through Consumption to Prosperity (2d.).
Monetary Catalyst (1d.).
Socialist First Aid (1d.).
Catalogue (gratis).

Post free 6d. the set.

SET B.

Comprising:—

Set "A" above.
The Veil of Finance (6d.).

Post free 1s. the set.

Catalogue of other books and pamphlets free on application

CREDIT RESEARCH LIBRARY, 70, High Holborn,
W.C.1

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.

Cheques and Postal Orders should be crossed and made payable to "THE NEW AGE PRESS."

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

"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.

Published by the Proprietor (ARTHUR BRENTON), 70 High Holborn, London, W.C.1, and printed for him by THE ARGUS PRESS, LIMITED, Temple-avenue and Tudor-street, London E.C.4.