

THE NEW AGE

INCORPORATING "CREDIT POWER"

A WEEKLY REVIEW OF POLITICS, LITERATURE AND ART

No. 1800] NEW SERIES Vol. XL. No. 19. THURSDAY, MARCH 10, 1927. [Registered at the G.P.O. as a Newspaper.] SEVENPENCE

CONTENTS.

	PAGE		PAGE
NOTES OF THE WEEK	217	TRANSCENDANT ACTION. By Dr. Wieger (Translation)	224
The Cwm disaster. The <i>Banker</i> on Mr. McKenna. The Marconi Wireless reconstruction. The League of Nations and the White Slave Traffic. Mr. Basil Watson—flogging, and hair-snipping. Mr. Henry Parker Willis on American affairs—the McFadden Bill. American diplomacy, Russia and Disarmament. Sir John L. Green on the Land Campaign.		DRAMA. By Paul Banks	224
QUEM DEUS VULT PERDERE. By C. H. Douglas	220	<i>Cocks and Hens.</i>	
THE AMERICAN ADVENTURE. By Hilderic Cousens	220	MUSIC. By Kaikhosru Sorabji	225
THE WILL-TO-POWER PSYCHOLOGY.—I. By Dr. James Carruthers Young	222	<i>Solito de Solis. Godowsky.</i>	
VIEWS AND REVIEWS. Sociology and Contraception.—I. By R. M.	223	REVIEWS	226
<i>Medical Views on Birth Control.</i>		<i>The Ladies. Russia in 1926. Reality: A New Correlation of Science and Religion. And Then Face to Face. Lars Porsena; or The Future of Swearing. The Last Victorians.</i>	
		LETTERS TO THE EDITOR	227
		From H. M. M., Louis Katin, Henry Meulen, J. R. M., Hilderic Cousens, Ernest A. Dowson, and Henry Dobbs.	

NOTES OF THE WEEK.

The disaster at Cwm puts the longer-hour aspect of mining reconstruction in its proper perspective. Just as everybody was settling down with complacent, patronising approval of the miners' "wisdom" in recognising the necessity of contributing a little more effort towards the financial solvency of the mining industry, comes this reminder of what it entails. Said one newspaper, describing the event: "The town was wrapped in slumber . . . Suddenly there was a stir. Bad tidings spread like wildfire in these mining communities, where the black spectre of death constantly hovers. Lights appeared in many windows, and into the rainstorm poured throngs of womenfolk—wives, mothers, sweethearts, sisters—converging from all directions to the Marine Colliery pithead, and clamouring in anxious tones for news." The news was "definitive." Fifty-two corpses. Whatever possessed Mr. Baldwin to turn up on the scene of the tragedy we do not know. That this infelicitous act did not end in another tragedy is a tribute to the restraint of the miners there. "Poor fellows," says the *Daily Mail* of the crowd who made a hostile demonstration against Mr. Baldwin; "we must make allowances . . ." and so on. "He did not come as a Minister . . . but as a man." Yes; and that is how the demonstrators regarded him when they jibed: "You try a turn down the pit." Happily Mrs. Baldwin was there—and she cried. The jeerers were abashed before her tears. "Don't let's make a fuss; can't you see how we are upsetting Mrs. Baldwin?" We mean no disrespect to this lady; her grief was without a doubt irrepressible. But what a symbol of the passivity of the stricken poor. They even weep by proxy.

* * *

In the current issue of the *Banker* Mr. McKenna's speech comes in for criticism. The fundamental differences in financial policy which he pointed out

between America and Britain must, so this magazine says, be sought in other directions than the legal framework of the banking institutions concerned. "They lie in the working of an international price level."

"What he has to prove is that an increase in credit supplies will not raise prices, and that he really has not done. No doubt 'production' will rise as prices rise . . . but that is not the same thing as proving that the stimulus of additional credit will be exhausted in expanding production and will have no effect on prices." (The *Banker's* italics.)

The *Banker's* case is that granted an expansion of credit is followed by a more than proportionate fall in prices it proves that the volume of production can rise in a greater measure than the volume of credit and that therefore the productive mechanism is more independent of credit expansion than Mr. McKenna's theory implies. This seems to imply that the differences between American experiences and our own arise more from differences of policy than from fluctuations in deposits. This amounts to saying that if Mr. McKenna wants similar beneficial consequences to those indicated by American statistics to follow an expansion of British credit, he must do something else besides merely expanding the credit. The *Banker* does not define what that something else is. But no doubt its reference to the working of an "international price level" contains the secret. The question that has to be investigated is whether American consumers' prosperity is being paid for by consumers elsewhere. If so, there will be a drastic adjustment of this anomaly not long hence. If we were to imagine England as representing the world credit system, and each county as a national credit area; and if we then imagined, for instance, Kentish bankers and producers (i.e., Americans) to control the general policy of English finance, we could conceive of all sorts of surprising economic phenomena showing themselves in Kent. But it would not follow either that Kent's experiences could be prolonged indefin-

itely or could be duplicated in the other counties. That is the general ground on which we reject Mr. McKenna's proposals.

The Ordinary shares of Marconi's Wireless Telegraph Company are to be written down from £1 to 10s. The capital of the Company will be reduced from £4,000,000 to £2,374,954. When this has been carried out it will bring the total writing off in recent years to more than £6,000,000. The present directors, as is the custom in such cases, are being blamed as responsible for this necessity. Nothing of the sort. They miscalculated the ability of the Company to earn a dividend on its original capital; but how were they to calculate rightly without being in the secrets of bank policy? What they knew, or thought they knew, was that the world, in the years following the War, would be "starving for goods." That story was put about by the whole Press. But another story of equal truth was held back, namely that the banks were taking steps to force the world to continue starving for goods. Industry was deliberately encouraged to anticipate revenues which it was foreknown to finance could never be collected. This was all part of a policy to deprive the public of credit power. It began by taking away gold and substituting paper currency; it continued by reducing currency and getting people to use cheque-credit, it went on then to cancel their cheque-credit by converting it into shares—that is to transmute their absolute claims on banks to contingent claims on industrial earnings. The final stage as we see in the above case is the enforced repudiation of those claims by industry. "Look how your money grows when you invest it," shouted these astute money monopolists. We hope the investor will now begin to look.

The League of Nations, having much to conceal in its shop-parlour, is continually rearranging its windows. The latest leading line is the White Slave Traffic. In 112 cities in twenty-eight countries, secret agents have interviewed some 6,000 persons actively engaged in this trade. The upshot of the whole investigation is a Report which, as the National City Bank of New York once said of Commissions, reveals nothing that was not known before by well-informed people. Who requires to be told that there are "few cases of innocent girls being decoyed away"; or that there is "some evidence" that girls are "lured into the paths of vice" with a view to being sent overseas? What does it all amount to? And what do you do about it? "In the main the girls enticed across the sea are already without character." Exactly. The one thing consistently ignored in all the Press accounts of this Report is why these girls lose their character. The reason is not difficult to divine. The international commercial exchange of prostitutes is dramatic, and good advertising matter. The national economic production of prostitutes is commonplace, and its investigation might offend subscribers to the League's funds. To hear of a young girl being enticed to the Argentine is one thing. It could be featured in a film. But to hear that her father had been asphyxiated in a coal-mine is clear proof of Bolshevik intrigue somewhere.

"I sincerely regret I cannot order you to be flogged," remarked Mr. Basil Watson, K.C., in sentencing a man to six months' hard labour at the North London Police Court. The man's offence was that of snipping a tress of hair from the head of a fourteen-year-old school-girl. "Is there any reason that the prisoner is mentally affected?" Mr. Watson had asked of Sergt. Hawkins; who replied with unanswerable logic: "I do not think so, because

he has been dealt with before for this class of offence." (!—Our italics.) We cannot believe that Mr. Watson is not aware of the content of this offence. If he is not he ought not to be a magistrate. If he is, he ought to know better than hanker after flogging. Hair-snipping, ink-slinging, and dress-slashing are different forms of sexual abnormality. And, we might add, so is the penchant for flogging. In no case of this sort does the delinquent ever explain why he committed the offence. The reason is that he is ashamed to. He procures by these grotesque exercises a gratification of the sex instinct similar to that which other people do in mutual sexual relations. Certainly let society be protected from his practices, but do not let anybody suppose that prison is going to cure him. He wants a doctor—or perhaps a psycho-analyst. Persons of this type are hardly ever dangerous to a girl's virtue. They are content with the petty damage they do to her replaceable possessions. Until society is able to afford professional treatment for them, we suppose that locking them up is the only practical answer to the problem. But let us have an end of all these sadistic magisterial brain-storms.

Mr. Henry Parker Willis has been appointed American correspondent of the *Banker*. In announcing this the *Banker* recalls that he played a considerable part in the formation of the Federal Reserve Bank, and was the first secretary to the Federal Reserve Board. His chairmanship of the recent Irish Free State Banking Commission will be within the recollection of our readers. In his first article, in the current issue, he is certainly entertaining. Dealing with the McFadden Bill which has been passed by the House of Representatives and, in a modified form, by the Senate, he says that comparatively little discussion has been given to the large aspects of the Bill. These are (1) the extension of the charters of the Federal Reserve banks and (2) the extension of the charters of National bank and relaxation of existing restrictions on their loan policy. He proceeds—

Probably the most important general provision carried by the measure—the extension of Federal Reserve charters—has not even been mentioned on the floor of either House. The original reserve banks were granted twenty-year charters, which would continue then till 1934. Within the past twelve months there has been a great deal of urgent demand for the extension of these charters, there being an assumption that unless something could be done very promptly, "radical" activity would set in, and might bring about dangerous changes in the Reserve Act itself as the price of charter extension. Hence the attempt "to carry through a measure of first-class importance as a rider" upon a bill which is itself of apparently only second-rate significance. (Our italics.)

This is characteristic of bank-initiated legislation in other countries as well as America. Mr. Willis speaks of a considerable "nucleus" of opinion in Congress which is "fairly hostile" to the reserve banks, and says that this might lead to a lengthy discussion of their affairs should the question of charter extension come up as a separate measure, as is still a possibility arising from the two distinct forms in which the McFadden Bill has been passed by the Houses of the Legislature.

Two other items of information in this article should be recorded. The first is that loan-credit on stock and bond collateral has been subject to "another great increase." The movement is especially marked in that group of loans classified by the Federal Reserve Board as "brokers' loans." These amount now to about \$2,800,000,000. The second concerns mortgage banking. A number of agricultural banks which came into existence after the passing of the Federal Farm Loan Act of 1916

have between them sold no less than \$2,200,000,000 of land mortgage bonds to investors. Both these items have a bearing upon the economic position of America discussed in a previous Note. However low the retail price-level is there it cannot be doubted that it represents all the revenue that producers can get for their output. To assume that they are asking less money than this, or are supplying more goods than they need in order to get this money, is to assume a change in their psychology as price-makers which no expansion of credit would account for. A reasonable hypothesis is that securities are competing with goods for the consumers' incomes: in which case the extent to which inflation is really going on obviously cannot be measured by any cost-of-living index. As we have already indicated, the general situation has not yet worked itself out.

There is nothing fresh in the position at Shanghai. The Cantonese military advance continues, but the negotiations which are hidden behind this ostentatious deployment of armed strength remain a secret. More important than any movements of armies in China is the rumour that a second British cruiser is to be despatched to Nicaragua. In the meantime the European Powers are having nothing to do with President Coolidge's proposals for the limitation of naval power, even though there are hints that America might buy this pacifist gesture from Europe by remitting debts. It is not hard to see how potently the dollar-financing of a huge land-Power like Russia would strengthen Washington's diplomatic bargaining-force apropos of naval armaments. The idea may sound far-fetched to the public, but that is because the public confuse the effective foreign policy of Russia with her nominal domestic policy. The ordinary man finds it impossible to believe that a Government which has forsworn Capitalism can concert foreign policy with Capitalism. He would do wisely to assume that in foreign affairs Russia to-day is what Russia was under the Czars. If Democracy in the old days could make secret treaties with Autocracy it is certain that Capitalism can ally itself with Communism for similar purposes. That Communism would be a bad master is not the same proposition as that it cannot be a good servant. And that is how the financial rulers of the world look at the matter. They have the power to deploy the one against the other, and to prevent either gaining a complete victory.

Sir John L. Green writes in the current number of the *English Review* on the Liberal and Labour Land Policies.

"There is much in common in the land policies of the Liberal and Labour Parties. Both seek to get rid of the owners of land; both criticise such owners on the score of their alleged inefficiencies . . . both profess a great interest in the tenant farmers; and both adopt the principles of land nationalisation."

The writer's answers to many of the arguments used by Liberal and Labour must be gathered from the article itself. We are not concerned with them here. The point to be noticed is the common cause made against the land-owner by Capital and Labour. The policy is thus lifted above inter-Party warfare and begins to take on the tint of an agreed measure. Now agreed measures have almost invariably turned out to be anti-public measures in the past; and this one is no exception. What it proposes to do, namely to subdivide the tenure of land irrevocably, is the last stage in the consolidation of financial supremacy. Land ownership on a large scale is the one remaining safeguard against centralised repressive government. A group of large ground landlords could link themselves and their land with industrialists to lay the

foundation of what we have described on frequent occasions as the horizontal trust—a kind of trust which, at a pinch, could distribute its production internally, and could therefore become independent of credit accommodation from external sources. Readers will remember that the Stinnes Trust was smashed up by banking houses because it tended to cover too many diverse lines of product. It has since been subdivided, and its various constituent activities distributed among vertical trusts. To see the distinction one need not consider a huge trust; let him imagine a combination of farmers (with grain, livestock, and wood), with others on an area covering iron deposits, coal, clay, and a few other constituents of primary requisites of life. Up to the limit of their resources, this small community could consume everything they chose to produce for that purpose, without reference to what people in other areas were doing. They might go short of luxuries, but they could be affluent in terms of food, clothes, and shelter. And it is pretty certain that almost intuitively they would devise a money system correlated to that fact. Social Credit would sprout out with the first season's grain. That is the "danger" of the horizontal trust. The "safety" of the vertical trust can now be seen. It takes the wood, the clay, the iron and so on, and says to the various owners and craftsmen—you can form separate combinations in grain-growing, of wood-working, of building, of iron-casting, or what not with other similar groups in other areas, but you must not combine in this area. The result would be that not one of these trusts—even if it grew world-wide—could live on its product. Each would have to exchange part of what it made with another. And in between every two parties would stand the professional exchanger—the financier, with his terms and conditions. He would control the character and volume of production and consumption.

Prior to the war the "horizontal" potentialities of comprehensive land-ownership were not likely to be noticed by owners. But increasing public education in the credit question since 1918 might lead to "dangerous" experiments along this line. In Canada, America, and Russia, where huge tracts of land are exclusively devoted to one kind only of production, the financier is not uneasy. But the question is very different when, as in a small highly industrial country like Britain, areas of land are the sites of industry as well as an agricultural production. In that case the financiers' immediate safeguard is to divide at least industrial from rural ownership, while his ideal is to subdivide both so as to have a separate ownership or tenure for every category of productive enterprise.

Free Trade began the process years ago. It was quickened by the Russian Revolution which took land from the large holders and gave it to the peasants. Note the common view held by publicists of all Parties that whatever happens to the Bolsheviks the peasants will never give up their land again. And now a renewed assault is preparing against the British land-owner. A raging political propaganda will advocate putting the land under "national" control. National control means banking control. And banking control means the victory of the Vertical-Trust policy. Mr. Lloyd George and Mr. Ramsay MacDonald are competing to get the job.

THE NEW AGE is on sale at Henderson's, 66, Charing Cross Road (close to Leicester Square Tube Station) and at the news stand on the corner of Holborn and Chancery Lane (opposite Chancery Lane Tube Station).

"Quem Deus Vult Perdere."

By C. H. Douglas.

Amongst the events of the immediate past which can be recognised as being of importance, the re-emergence of Mr. Lloyd George, in association with Lord Reading and Sir Herbert Samuel, has, definitely, a place.

Mr. Lloyd George has been associated with Jewish finance for many years. Himself a born opportunist, he has a strong affinity (as Lord Reading suggested in a recent speech was the case between the Welsh and the Jews) with financial operations which, superficially, at any rate, are strongly opportunistic in character. For instance, Marconi.

But the affinity goes further. It is the fate of the opportunist, as of the financier, even in success, to lose many of the fruits of victory. Success gained by these methods may, and often does, bring power, but it rarely inspires either affection or that somewhat old-fashioned attribute, respect, and as a result of this, is frequently associated with an inferiority complex.

Now, Mr. Lloyd George himself, and many of the people with whom he has always surrounded himself, have been inspired in their policy by an inferiority complex. Just as the Puritans suppressed bear-baiting because it gave pleasure to the populace, rather than because it gave pain to the bears, so Mr. Lloyd George, from the days of Limehouse to those of the present land campaign, has been, and has succeeded as a champion, not of the poor against the rich, but of the claimant to consideration on a materialistic, rather than a cultural basis. For one rich landowner there are fifty rich industrialists, and the actual or potential riches of, for instance, Sir Herbert Samuel and his firm, Samuel, Montagu and Co., probably exceed the combined resources of any half-dozen landowners in Great Britain. But the stability of social position which has been unjustly the special perquisite of the landowner, has bred poise and perhaps "manners." These have been, and still are, the target of the demagogue.

The exploitation of an inferiority complex is the key to many of the political puzzles of the present day. If you can get a capable man to attack any institution, under the stress of it, you can to that extent, divert attention from other matters, which, while greater in importance, have not impinged upon his personality. Finance has exploited many such complexes.

Now, the policy which is to be pursued by Mr. Lloyd George in association with Lord Reading and Sir Herbert Samuel, was outlined by the latter at a dinner of the "80" Club. He suggested that the five important matters to be dealt with, were: industrial relations, coal, land, cost of living, and electoral reform. It will be noticed that there is no mention of finance.

To obtain a comprehensive view of what would appear to be the situation created by the launching of such a campaign, it is helpful to turn for a moment from the field of internal relations to that of international relations. I suppose that it would be agreed that ultimately international relations from a realistic point of view rest upon the question of armaments. Jewish international finance has a very definite policy about armaments. It sees clearly enough that a strong appeal can be made to public sentiment for the abolition of armaments. This appeal is essentially an abstract appeal; it does not derive any force, in fact, it is entirely unconnected with any knowledge or consideration of circumstances as they exist in the world to-day. It

amounts to saying that, in a perfect world, armaments would be both an absurdity and a crime, but it omits to say that one lunatic in a totally disarmed world, armed with a machine gun, would rapidly acquire control of the earth. Exactly the same thing is true in regard to the policy of finance, as exemplified by Lord Reading and Sir Herbert Samuel, in regard to internal relationship. As the world exists at the present time, it would be absurd to deny that in every one of the fields to which reference is made in the above five points, there exists a considerable amount of special privilege. In no one of them does this special privilege even distantly approach, either in advantage to the holders or detriment to the victims, that stupendous and all-embracing special privilege of creating and controlling general purchasing power, which is exercised without effective restraint by the international financier. Nevertheless, the existence of these separate and partially uncontrolled special privileges does cramp the style of the proposed financial hegemony, just as the universal or even limited distribution of rifles would hamper the lunatic with the machine gun, and it is logical enough that they should, one after the other, be attacked by the seekers after unrestricted power.

It is probably in the nature of things that this attack will be temporarily successful. Most employers have been reduced to the position of salaried officials, most landowners are, in effect, managers for their banks, electoral reform has effectively disfranchised everyone in favour of the party caucus, and the cost of living, with other matters resulting from financial manipulation, has reduced most of us to a position of economic impotence. But the menace of this policy was much greater when it was less obvious. Even now, if each of the interests attacked were to say uniformly that they agreed that all special privilege was bad, and that, in consideration of the abrogation of those privileges attaching to the money market, wielded by such firms as Samuel, Montagu, and Co.—for instance, demonetisation of silver and gold—every privilege might equally come under review, this situation might be met.

Of course, this will not happen. But I think that when every privilege has been destroyed except that of finance, we shall have the astonishing situation that the whole world will solidly combine in the matter, and we shall not hear much more of either Mr. Lloyd George, Lord Reading, or Sir Herbert Samuel. How they will die is, of course, open to speculation.

The American Adventure.

By Hilderic Consens.

I.

In January and February there was reported from the United States a "mild recession" in business activity and a certain apprehension lest it turn into a mild depression. Some said it was due to the Federal Reserve Board raising the Bank Rate to 4 per cent. last August. The loans granted by the Federal Reserve Board and the New York Reserve Bank were certainly lower than at the end of 1926, and the decline was larger than seasonal fluctuations would account for. Now, despite credit expansion there remains a substantial margin of "free" gold, i.e., gold above what American banking practice thinks a necessary backing for the credit issued, and imports of bullion still stream into New York. So this decline in advances seems due to a smaller demand for credit from industry, arising from an actual or anticipated decline in demands for the products of industry at profitable prices. At the beginning of 1926 a fear was felt that industry might not be able to operate so extensively as in 1925, but it was not

realised. Last year, in fact, proved to be the high-water mark of activity since the post-war slump. Credits, production, the "national income," and capital export all increased. Price levels did not rise, and presumably the standard of living on the whole showed an advance.

In addition to the unprincipled propagandists of Americanisation, there are in this country other people who claim that American experience proves either that increasing output without rises in price can be brought about through generous issues of credit for production, or that price-stabilisation is a sound and feasible policy. It is clear that even if either of these arguments were proved to the hilt, they have no direct relevance to Social Credit contentions that the pricing system is erroneous, and that the proper level of prices ought to be below the financial costs arrived at by book-keeping and cost-accountancy. The "universes of discourse," to use the logicians' phrase, are not the same. What they would prove is that intrinsic cost-cutting and/or the reduction of profits per unit of production can be brought about without either bureaucratic management or trade depression.

But recent American history scarcely is a demonstration even of this. Let us consider the wholesale price level, which is never a satisfactory basis for discussing prices from the standpoint of the ultimate consumer, because wholesale prices tend to vary in different degrees and at different rates from the variation of retail prices. In America, for instance, a great part of retail buying, especially and necessarily in rural areas, is done through the mail-order houses, who issue elaborate catalogues, which preclude them making alterations in their prices consonant with alterations in their costs of production except over fairly long periods. In England we see that the prices of branded packet goods are maintained for long periods, while the retail price of butter varies almost from week to week according to the wholesale price of butter. The Bureau of Labour issues a wholesale price index once a month. Strangely enough, it issues a cost-of-living index only every six months, and that is unsatisfactory because it seems to take no account of variations between one part of the sub-continent and another, between city and country, or to consider the effect of the instalment system of buying. Cost-of-living indexes are in any event unsatisfactory criteria of the consumer's position because they take no account of the income which must be spent on "semi-luxuries" which have become "quasi-necessaries." But wholesale prices are important because they are an important determinant in industrial activity, programmes, and profits, and therefore in the wages and salaries of the staffs whose employment depends on the production programmes adopted. The index informs us that wholesale prices fell somewhat early in the year, but remained nearly stable from April onwards. An inspection of the items which comprise the index reveals some of the movements which the general statement masks. In England, too, we have had an ostensible stabilisation of prices masking considerable fluctuations in many of the components.

II.

Important raw materials, which are subject to international production and international markets, dropped in price more than proportionately, e.g., jute, flax, copper, rubber. Others, such as wool, kept stable. Agricultural products as a whole declined, because of the bountiful harvests. The fall in cotton was spectacular. In a few months it lost nearly a third of its price. The cotton trade was thrown into chaos and the grower into desperation. Agricultural products are exempt both from the rapid action of the costing system, and from the

manufacturer's privilege of "laying-off" when profits disappear. Since then we have seen the ill-advised and unsuccessful efforts of the agriculturists of the United States to use Government credit to hold up supplies and force up prices. Copper also weakened in price, through over-production, with the result that the United States copper interests are trying to set up an international combine to end unprofitable prices. On the other hand, the bituminous coal industry, thanks in part to the English coal strike, managed both to increase output and raise prices. Declines in some materials were off-set by rises in others.

The net result to the farmers of the United States seems to be that the purchasing power of their products declined from 89 points in 1925 to 83 points in 1926, and presumably this will affect consumers' buying this year. Apparently the mail-order houses last year did not increase their sales at the same rate as the general expansion of production as a whole. The cost-of-living index has varied as follows (mid-summer each year): 1921, 174; 1922, 170; 1923 and 1924, 173; 1925, 178; 1926, 175; and for December it is probably the same. Let us see what Mr. McKenna says on the expansion of credit in the United States (Midland Bank speech, January 28); "Since autumn 1921 bank deposits of member banks in the Federal Reserve system have risen from £2,860 millions to £3,751 millions; a growing population and expanding production call for a larger volume of bank credit, and it must be clear that if expansion of bank credit is not haphazard, but is capable of definite control and properly within the domain of policy, it is wise to ensure that the additional accommodation will be forthcoming. . . . An enlargement of credit, which in one set of conditions may be inflation, in another is an indispensable accompaniment of trade expansion." Clearly he is all against Free Banking, and, in fact, the Federal Reserve Board has shown itself determined and apparently competent to prevent rises in price levels. The expansion of credit has been 31 per cent. If we assumed that it was devoted to increasing production, after allowing for a rise of 3 per cent. in the cost of living over the whole period and 6 per cent. in population, we ought to expect a 27 per cent. increase in the national income as a consequence, but I doubt whether the increase is anything like that. First of all, we should have to eliminate the credit increases due to increased requirements of stock, real estate, and money market activities. Then the unfortunate fact is that much of the increased productivity is devoted to the expansion of capital equipment and the building of offices, etc., while the capital exports are mounting fast. These are partly financed out of savings, and in fact the Americans are increasing their savings, which means that they forego so many purchases of consumable goods, and consequently tend to depress the prices of consumable goods. Now if there is one thing certain, it is that the American industrial system, even in its present inefficient state, can supply consumable goods in excess of the buying power actually devoted to their purchase by the Americans. To meet the situation they are resorting on the one hand to the hand-to-mouth buying, and on the other to the instalment system on a large scale, chiefly for "quasi-luxuries" like cars and gramophones, but also to necessities like clothing. There is further evidence of the deficiency of consumer buying power in the fierce competition which prevails in the automobile industry, the decline last year in tyre consumption, despite a large increase in petrol consumption, the ever-increasing hordes of "go-getting" salesmen, and the unpleasant circumstance that building for commerce booms while building for citizens languishes.

The Will-to-Power Psychology.

By Dr. James Carruthers Young.

I.

"Wherever I found a living thing, there found I 'Will to Power'; and even in the will of the servant I found the will to be master. Only where there is life, is there also will; not, however, Will to Life, but—so I teach thee—Will to Power! Much is reckoned higher than life itself by the living one; but out of the very reckoning speaketh—the Will to Power!"—Thus Spake Zarathustra.

Nietzsche expresses himself thus: "Psychologists should bethink themselves before putting down the instinct of self-preservation as the cardinal instinct of an organic being. A living being seeks above all to discharge its strength—life itself is Will to Power; self-preservation is only one of the indirect and most frequent results thereof."—*Beyond Good and Evil*.

From the Freudian point of view "Will to Power" is merely an adjunct of the "Will to Reproduction" (or, rather, we should say, will to bliss or libidinous pleasure, whether leading to reproduction or not) just as self-preservation was regarded by Nietzsche as an adjunct of the "Will to Power." We are thus confronted by three capital categories, the will to power, the will to reproduction or libidinous pleasure, and the will to self-preservation. In plumping for one of these categories, however, one will be sacrificing two-thirds of the interest in the "Divina Commedia," as Dante has it, of life. All three categories are equally valid and true. They are co-equal and co-eternal as are the three persons of the Trinity.

Adler has made a choice of the category of the "Will to Power" as a pragmatic approach to the understanding of neurotic disorders. I say pragmatic because I do not think Adler is so identified with his theory of the "power" origin of all neuroses as Freud with his sexual theory. However that may be, Adler's recent lectures in London must have brought home to us the validity of his point of view in the treatment particularly of what we call psychasthenia, more surely perhaps than his published writings. Psychasthenia from the Adlerian standpoint may be said to be a condition of rapid alternation between the motives of "fear of being below," and its polarity, "desire to be on top." It is an indecision, based on the, largely unconscious, recognition of an inferiority—organic, or acquired through unfortunate circumstances of upbringing and environment. Reverses in the sphere of love are regarded as checks in the "power" progression, giving rise to neurotic "arrangements" devised to avoid recurrence of humiliation in the sphere of love, and not to sexual complexes as such; for example, the girl who is humiliated by the triumphs of her prettier sister in the sphere of love, and who makes a bee-line for, say, the London School of Economics and a modified or frank homosexual way of life. Pushed too far, of course, this theory can make one question whether whatever one is doing may not be an escape from something. As a psycho-pathologist, I may rend myself because the theory whispers insistently that I have escaped from surgery. To return to psychasthenia, the indecision or alternation of the polarities, as I have called it, when further exaggerated, leads to *folie de doute*. To understand this indecision, one must find the causes of the "fear of action" behind the indecision, and this brings us to Adler's conception of "the style of life."

The term "style of life" reminds one of the need to see the patient's life as a whole, and believes one of what may become an obsession to find a remote latent sexual content behind the manifest

content of dreams. Climbing a staircase, for example, in dreams lends itself much more naturally to the idea of achievement or "will to power" than to the idea of rhythmic sexual activity of any kind. So, the idea of falling dreams are regarded from the Adlerian standpoint as representations of the fear of failing in attainment. In Adler's psychology the exaggerated fear of failing, of not being "on top," always leads to the formation of fictive goals of "superiority," the striving after which gives rise to neurotic symptoms.

The power motive is well shown in the following dream:—

"I was present at a huge gathering of children of various ages. They were all dressed in the palest pink crêpe-de-chine underclothes. In spite of the numbers present, every garment was slightly different in design. As I watched they formed themselves into the most attractive tableaux, which followed one upon another with lightning rapidity. Suddenly the little ones turned themselves into pale pink crêpe-de-chine handkerchiefs, and the older ones grouped themselves into an arch. To the faint strains of music there appeared through this archway a tall, slim, queenly girl dressed in a frock of pale pink tulle and silver sequins."

The queenly girl, of course, represents the dreamer in the guise of the neurotic fiction she has proposed for herself, and actually followed with great consistency from about the age of thirteen. She is now twenty-six. Her whole deportment and "style of life," as Adler would call it, is that of the "flapper." Her desire is to remain slim and, as she says, "like a boy." She has a horror of becoming plump or of showing any sign of full feminine development. The outstanding features in her history are that her mother was cruelly deserted by her father, and died in the patient's childhood. She went to live with her father and step-mother, who made her subservient in every way to her young half-brother, and treated her harshly. At the age of fifteen, her step-mother accused her of being pregnant (as she was very plump), and actually had her examined by a doctor. Finally she ran away and became a nurse, lived an isolated and self-centred life, observed with the greatest alarm the slightest increase in her bodily weight, and starved herself consistently. After many vicissitudes she found a home with friends, and began to live the life of the woman who will take any amount of admiration, flattery, not to mention presents, from men, but give nothing but what Adler calls the "shabby rest" in return. By this he means meretricious superficialities such as smart clothes, smart, cynical, or baby-talk, etc., corresponding to all the characteristics, comprised by the Freudian term "Narcissism" or self love. In short she lived in a welter of crêpe-de-chine underclothes and admiration. She did not want to grow up, and so the phobia of eating continued. Unfortunately this paradise of "narcissistic fixation" was marred by a fearsome serpent. Besides the fear of eating, she had periodically an over-powering obsession to over-eat, which necessitated her taking copious doses of an emetic, to "get straight again," as she herself put it. It was these periodic outbursts which finally forced her to come for treatment.

That this preoccupation about eating has a deeper unconscious sexual significance for this young lady can be explained by the incident of the accusation of pregnancy by the step-mother. As a matter of fact eating came to be associated with grossness or sensuality, through sexual experiences of a fairly prolonged period with a girl cousin, long before the incident of the step-mother. This period culminated in a male cousin's exposing himself to her, which made her realise with horror the significance of her activities with her girl cousin. After this last incident she began to starve systematically, so that eventually she had to be sent to a nursing home.

Views and Reviews.

SOCIOLOGY AND CONTRACEPTION.

I.

Last time I wrote on Birth Control I found myself in trouble with correspondents. One person, however, has shown approval. Dr. Marie Stopes has blazoned my reference to her in advertisement, counting me among those who regard her as "the nearest approach to genius of either sex produced by this generation." May her advertisement send its readers to enquire what I wrote besides. This is not my motive for returning to the subject. Messrs. Martin Hopkinson have just published a work on Birth Control,* edited by Sir James Marchant, which I consider the nearest approach to a conscious appreciation of the problem yet published. These eight essays, not reckoning Sir Thomas Horder's introduction, although they repeat and contradict one another, are filled with genuine thought. All the writers are medical men, so that the disinterestedness of their ethics is not so that the disinterestedness of their ethics is not prejudiced; and their mutual contradiction at least serves the end of leaving us free from the tyranny of their unanimity.

In the first place it is gratifying that so many of the writers perceive in contraception more than one aspect. I do not mean the psychological, medical, and such aspects as the titles of the various essays reflect, but the essential distinction between the attitude of the individual as individualist and that of the individual as a member of the community. "An obstetric surgeon recently stated that he had done Caesarian section seven times in one patient, and contested the proposal to offer means for the prevention of pregnancy"; says Dr. Buist. If we add to this the case of the people for whom another child means nights and days of anxiety regarding its food and clothes we have the individual's case for deliberately limiting the family in a nutshell. The rest consists of piling up instances to press down one's objections on other grounds.

Family limitation has passed far beyond this region. If the only people who had to come to a decision on the question were clearly within this class it would no longer be a problem. Common sense tempered by natural instinct would settle each case as it arose. Family limitation is a sociological question; it is full of political, social, moral, and ethical implications. It is even a universal question, since the consequences of its adoption affect the future of Man. The Reverend Malthus, Charles Darwin, Imperialists, Economists, Feminists, Eugenicists, and many besides have brought contradictory racial and social purposes or necessities as competing values for determining the individual's—as a way to the community's—attitude. If one adopt the philosophy of any of these sects of mankind one must accept also their views on deliberate family limitation. Agreement with individualism—of which feminism is a corollary—necessarily entails agreement with the principle that every person has a right to consider his or her own interests to the exclusion of all else, including both the instinct that drives and the spirit that leads. If one be a Socialist, regarding barrenness as a class-privilege of the rich which must be shared by the poor, one applies willy-nilly the same individualist temper. Dr. Marie Stopes has to be grouped with these. The undercurrent of her work is assertion of the individual's right to please the narrowest conception of "himself." Beyond that she is a Eugenicist.

It would be facile to set the contradictions of these distinguished medical writers one against the other. They are sincere men and women exercising their thought to clarify one of the gravest and most pressing racial problems, in which family

* Medical Views on Birth Control. (Martin Hopkinson. 6s.)

limitation aforesought, and the actual decline in the birth-rate, are entangled. Yet one or two contradictions must be shown. More than one of the writers—Sir John Robertson, for instance—emphasises "later marriages" as a cause other than birth control for smaller families than hitherto. The marriage rate in 1861-5, quoted by Sir Arthur Newsholme, was 16.8, which is identical with that of 1916-20; while the birth-rate between 1896 and 1920 fell from 28 to 20, the average age of spinster brides in the latter year was 25.54, as against 25.14 in 1896. Dr. Leonard Hill, who has knowledge of the hypotheses regarding fertility put forward by Charles Edward Pell, contradicts, in the best essay of the collection, several of the other writers. Dr. H. Crichton-Miller, a psychologist, who ought to know better, unquestioningly accepts in one place the exploded scientific cliché that "on a biological craving for a specific form of physical gratification alone has depended the survival of every species, including mankind, up to the present time." Fortunately for mankind he writes on his own behalf later that "nothing can eliminate the parental urge," which becomes insistent even when sex relations no longer provide a bond for married life. Dame Mary Scharlieb's essay contradicts everybody by falling to special pleading.

Before touching the question of contraception from the broader sociological standpoint I must refer to the small school of thinkers who regard effective family limitation as impossible. Their view is based in some instances on what I believe their misunderstanding of Pell, who, although he regards the contribution of purposive contraception to the falling birth-rate as greatly exaggerated, practically advocates in his final chapter conscious regulation of conception by some means. It is undoubtedly a fact that the birth-rate tends to fall in a stable environment with the death-rate. It is not established that the death-rate absolutely controls the birth-rate. Were this the case depopulation, as in other countries besides France, would be outside explanation, a phenomenon in the newspaper sense. Pell does not emphasise the control exercised by the death-rate, but rather the effect on the birth-rate of the causes which reduce the death-rate.

What is of the greatest importance in considering the decline in the birth-rate is the widespread intention to avoid parenthood, whether invariably successful or not. Admittedly, many married people, consciously designing to prevent conception, are over-ruled by their unconscious—or the spirit exerts itself at a critical time. Like the absent-minded, whose deeper purposes are betrayed by psycho-analysis, the couple, in a conscious interpretation, suffer an accident; unconsciously they did what their instincts demanded; superconsciously they builded better than they knew. Which of these they actually did may possibly be deducible from whether they cursed the inventors of contraceptives, or blessed their lucky stars. Although the race may exercise its force through the individual in this manner, nevertheless as abortion and infanticide were effective in their way, I incline to the view that contraception is also effective in many unions.

Granted that the causes which have brought about the great decline in the death-rate have tended to reduce the birth-rate also, it still remains that at the time of the lowest birth-rate recorded in England, a great number of people are determined as far as they can without asceticism to ally conscious design with the influence of nature. Writers who oppose contraception nevertheless advocate some kind of conscious design, some without advocating chastity. In brief, people no longer trust either instinct or spirit. The question has therefore to be settled in the realm of awareness.

R. M.

Transcendant Action.

Translated by A. L. Mairet from the French of Dr. Wieger.

Tien-tzeufang, who helped the Marquis Wenn of Wei, often quoted Hi-Koung. "Was he your teacher?" asked the Marquis. "No," said Tien-tzeufang. "We both come from the same village. I have often been struck by the justice of his words. That is why I quote him." "Then," said the Marquis, "you haven't had a master?" "Excuse me, but I have," said Tien-tzeufang. "Who was he?" asked the Marquis. "Master Chounn, of the Eastern suburb." "If he was your teacher," said the Marquis, "why do you never quote his words?" "Because," said Tien-tzeufang, "that man never speaks. He is a transcendant man. He is heaven in human form. He needs nothing, he desires nothing. Well disposed towards all, when someone behaves as he should not, he draws attention to it by his perfect attitude and thus corrects him without words. You see quite well that I cannot quote such a man." When Tien-tzeufang had gone out the Marquis Wenn stood quite stupefied, and said not another word for the rest of the day. Afterwards he sent for his usual companions and said to them, "How different from us is the man of perfect virtue! Until to-day I always thought that the whole duty of the disciple of Confucius was to study the words of the wise and to be kind and just. Now, however, since hearing about the master of Tien-tzeufang, I am undone and as though I were paralysed. I feel I cannot open my mouth. All that I have learned until now was hardly worth learning. My riches, the care of which prevents me from giving myself up to Tao, have become odious to me."

Yen-yuan (Hoei), the beloved disciple, said to Confucius (completely converted to Taoism) "Master, when you walk slowly, I follow you slowly; when you walk quickly, I follow you quickly; when you run I follow you running. When, however, you mount upwards and leave the earth, then I can only follow you with my eyes." "Explain yourself, Hoei," said Confucius. "Well," said Hoei, "slow walking is like your discourse: I can follow it; quick walking is like your reasoning, I can follow it; running is like your imagination, I can follow it; but what I cannot understand is the transcendant power which enables you to persuade people, and to win them. What is that?" "It is," said Confucius, "the fascination exercised by my superior ego, my share of the universal soul, upon the ego, the share of the universal soul possessed by my hearer; unless, indeed, his soul is dead. Meditate well upon this! The most dreadful death is the death of the soul; it is much worse than the death of the body. The man whose soul is alive, acts upon other living souls, as the sun revives the earth. The sun rises in the East and sets in the West. It gives light to all those beings who turn towards it. With its appearance they become active; with its disappearance they become inert."

The King of Ou, sailing on the Blue River, landed on the Island of Monkeys. These animals, seeing him coming, ran away and hid in the bushes. One only remained and assumed an insolent air. The king shot an arrow at him; the monkey caught it with his teeth. Angry, the king ordered all his followers to give chase to the impertinent monkey, who was, eventually overcome by numbers. Before his dead body the king made the following remarks to his favourite Yen-pou-i. "This monkey has perished because he provoked me by showing off his cleverness. Be careful! Do not imitate him. Never irritate me by ostentation and conceit." Terrified, Yen-pou-i asked Tong-ou to teach him simplicity. At the end of three years, everybody was speaking well of him.

Drama.

"Cocks and Hens": Royalty.

The Forum Theatre Guild, an account of whose projected activities appeared in THE NEW AGE a few weeks ago, has been born in faith that the little theatre idea can grow up. In the little theatre the drama is the foremost aim, incidentals of presentation being managed as well as the resources allow. With the Forum Theatre Guild drama is still to be the central aim, but the incidentals—acting, setting, and production—are to be of the best. Any play that justifies an extended run after a fortnight at the Royalty Theatre, during which time financial solvency will have been ensured by subscriptions, will be transferred to another theatre. Plays produced for high dramatic value which appeal only to the taste of a limited public will at least have been produced for that public.

If "Cocks and Hens," by C. K. Munro, has any extension of its run the credit will be due chiefly to the excellent cast. The play gives the impression of a dramatist working when he cannot make up his mind whether he wants to be artist or entertainer. There is room for both, but not for indcision. In this play the pegs for the entertainment are too trivial, though good material is sometimes hung on them. The art, which is better than the entertainment, is accordingly spoiled. All three acts take place in one of Mr. Munro's favourite sorts, the lounge of a small hotel on the south coast, and a week elapses in each interval. When the play opens the professor—whose zest for life proceeds from his discovery that Falstaff's "The Babble of Green Fields" is pure Kyd—and his dressing loving wife are the only residents. These two give an entertaining exposure of a domestic life less reminiscent of cock and hen than of cat and dog. Their one acquaintance is a rival professor, who Boomer, a sentimentalist with a lion's mane, who seemed to visit them every day, though whether he lived in the neighbourhood was not divulged. Although Professor Cox goes out for long walks to avoid Dr. Boomer, lest the latter steal his discovery, his fear was as unfounded as most fear. Ostensibly hunting the professor for a meal to assimilate his discoveries that way, Boomer was really seeking the wife for consolation.

With the arrival of a third guest the cast is complete, except for a supernumerary fifth character, who does not appear until the last act, and who has nothing to reveal but a little scandal, whose fun fails to come off. But the third guest is interesting. Although this dark and lovely lady confides to the professor's wife that she has a husband of her own, she sportingly refrains from spoiling the professor's holiday by blurting it out to him. The wife performs that pleasant job after the professor has made a fool of himself—and surely been glad of it. Everything turns out approximately right in the end, since Boomer, quite tame when the intruder claims possession, goes home with her, while the dark lady goes back to London. But her farewell was not very final; and notwithstanding the professor's absent-mindedness, I trust him not to lose her card. Otherwise she finishes a fifth wheel on the coach, and seeing that the "great big Ishmael," as Dr. Boomer called himself, who despised women to the degree of marrying two, turned out to be the dark lady's bigamous and deserter husband, the transaction can be balanced in no other way.

The epigrammatic decoration of the play is better than the plot, while the ideas of decoration are better than the language. Mr. Munro's, to mention a small point, is the second play I have seen within a month where "demean" is employed in place of "degrade." More important, there was one passage in the play where the characters were invisible, so often did they use the word "dust";

and, still more important, a dozen points at which an interested listener found his heart in his mouth in terror that the actors had doubled back, and were repeating themselves. This is not style; and it should be remedied with a firm pencil. Some of the professor's speeches, in addition, were so realistic that they were as colourless as a newspaper report of them.

All the pother between the professors about Shakespeare was trivial even for professors, though one joke, which Ernest Thesiger worked perfectly, was first-class. The giant Boomer had discovered a line in one of the plays that was pure Shakespeare. "That'll make the world sit up," he said. His next remark ought to be cut as it simply overlay a good thing. In spite of all this the play has unquestionably artistic merit. One felt warmed many times by the author's insight into domesticity, and especially by his revelation of the psychic changes of his people. Men and women generally adopt different poses according to their company. They put all their poses into their pockets when they take their latchkeys out. They try to conform to what they think their company expects them to be. The alterations of mood in each character whenever he found himself in fresh company were subtly worked out. In these passages the play was an experiment in psychological overtones. Had this been successfully accomplished throughout and the entertainment trivialities dispensed with the play would have been of great importance, though the general welcome might have been neither warmer nor more understanding. Where the author was on this line, however, the wit was more delicate and more profound, as in the dark lady's reply to the professor's thirst for sympathy behind his wife's back "I can argue with you because I never argue with anyone else." In so far as the author trusted the perception of his audience he walked firmly. When he reckoned them fit only to read "Punch" he sank.

Hilda Trevelyan's bustling performance of the professor's wife finally pointed Nietzsche's contempt for the philosopher who marries. Hay Petrie's professor, played under the difficulty of hasty study and rehearsal, was too restrained. After a few performances, however, when he has found how much of the necessary intimacy the acting will bear, he will extract all that is possible until the lines have been rigorously pruned. Laura Cowie as the dark lady had attained the requisite degree of intimacy. She floated across the lounge or past the window like the soothing vision the professor thought her, and made herself perfectly heard and understood without appearing to speak above a sympathetic whisper. But the laurels went to another magnificent comedy character by Ernest Thesiger, whose only fault, in my judgment, was his convincing the whole theatre that his make-up was a caricature of Shaw. So were some of his lines, to be sure, but hardly the bigamy. Ernest Thesiger's scene with the professor's wife in the second act, after Dr. Boomer was supposed to have consumed I know not how many quarts of beer, was one of the subtlest and best rendered presentations of drunkenness on the stage that I have witnessed. It was realism transcended. Under this actor's skill the leonine exterior and the maudlin interior of the braggart, the giant oak among pines, whose only friend was his "great big dog," was more real than nature. He was able to score off many of his repetitions in a fashion that could not have been anticipated when the author committed them. One's outstanding recollection of this performance is the dominating height, breadth, and comedy of Ernest Thesiger. With a seed of the comic, this actor, by the exercise of his brains, seems able to cultivate a forest.

PAUL BANKS.

Music.

Solito de Solis. Aeolian: February 22.

The reception of this splendid young artist by a certain group of critics who have attacked his playing without the smallest justification looks uncommonly like one of those concerted dead-sets that the critics of the London Press can be observed making from time to time against certain artists, and to which I have alluded before in these columns. The present instance is so flagrant that another critic has been moved to make a protest against the "fashion," as he puts it, which appeared to be prevalent, of belittling one of the finest of the younger artists of our time. His programme on this occasion was remarkable for one of the most interesting and individual performances in years—so that I listened intently to every bar of a work which as a rule wearies me, namely, the *Les Adieux* Sonata of Beethoven. This was a beautifully proportioned, sensitive and imaginative piece of playing, finely nuanced, phrased and balanced. The two well-known Rhapsodies of Brahms in B minor and G minor were finely played with vigorously carved phrases and a fine austerity of timbre, perfectly fitted to this severe and rather dour music. The *Papillons* of Schumann and the 2nd Ballade of Chopin were "romantic" playing at its best—refined, restrained sentiment, or rather sensibility, supple and masterly rubati, all enveloped with admirable poetic feeling. And once again in the Bach Liszt Prelude and Fugue in A minor, the pianist's miraculous clarity and precision of finger-work and his fine sense of structure demonstrated how fine a player of Bach he is. (Apropos this Fugue, it is a pity that pianists with Signor de Solis's prodigious powers do not play the far finer transcription of this fugue by Theodor Szanto, published by Universal of Vienna.) The Schubert-Liszt *Soirée de Vienne* and *Der Erlkönig* were dazzling feats of bravura.

Godowsky. Aeolian. February 26.

After thirteen years' absence the playing of Godowsky, who is generally regarded as one of the supremely great pianists of the world, remains for me at any rate just as I remember it. There is the same effect of neutrality about it . . . a lack of vivid imagination and creative vitality. The pianist was obviously not at his ease in the early part of his programme, his playing of the *Les Adieux* Sonata was much less interesting than that of de Solis. The Fugue from the G minor sonata alone, transcribed by Godowsky himself, is not, I think, very successful. The effect is uneasy and rather clumsy. Half-a-dozen pieces from the pianist's own *Java Suite* were skilful and adroit manipulations of quasi-modern commonplaces, very interesting pianistically, it goes without saying, but of no special musical value. Of the Chopin group three *Etudes*, including a remarkable performance of the double third study, and the *Barcarolle*, were very interestingly played. I did not find the pianist's own arrangement of Schubert's *Litanei* nearly so satisfactory as that of Liszt. *Ungeduld* on the other hand was excellent. The Albeniz *Tango* arrangement is wholly successful and was admirably played, as was also a most diverting and exciting elaboration of an already exceedingly difficult composition, the same composer's *Triana*. Here, in his element and at his best, was Godowsky, the *prestidigitateur* of the prodigious symphonic metamorphoses on Strauss Waltzes. It was magnificently played.

KAIKHOSRU SORABJI.

"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.

Reviews.

The Ladies. By "E. Barrington." (Benn, 10s. 6d.) "Glorious Apollo," which made one of the three notable reputations of this good lady, has always excited in me such a prejudice that I refused to read it, and revolted against even the few extracts that were forced before my eyes in its long and lavish reviews. Why? Well, the feeling was one of resentment again, an indefinable, but (to me at least) very sensible vulgarity in the title itself. And, anyway, no woman is qualified to write about Byron, who was a blackguard of such outstanding quality that no biography of him is needed or at all to be excused. However, there is never any shame in honest recantation, and I doff my hat to these sketches of delightful unspoiled Englishwomen, beginning with the little Frenchwoman Mrs. Pepys, who is made to write her own diary and wring our hearts (rather beyond credence) with her despair when she discovers the key to Samuel's. Swift's "Stella" tells a better tale, rare and delicate and lovely, and Lady Mary Wortley Montague rattles away until one hardly realises that hers is a tragedy, too. And there are the Gunnings, and pretty, posing little Fanny Burney, who found Court life such a disappointment when she couldn't catch her handsome Colonel. Miss "E. Barrington" has scholarly ways, a full and shrewd and humorous sympathy, a style full of artful simplicities, and knowledge never displayed with any ostentation. She has written a clever and charming book, even though there isn't much of it for half-a-guinea.

Russia in 1926. By R. F. and M. S. McWilliams. (J. M. Dent. 3s. 6d.)

A compact book of 124 pages recording Mrs. McWilliams' impressions in Leningrad, Moscow, and Kiev. Mr. McWilliams adds a "Summary and Estimate." The authors are Canadians. They say they paid their short visit to Russia without any intention of writing about it; but their friends subsequently persuaded them. This can be accepted as true. The impressions are those of one who writes what she saw, not of one who saw what she wanted to write about. And the Summary is that which could be expected of a gentleman who uses ordinary common-sense in interpreting the facts observed. On the whole the book is sympathetic to the Soviet experiment. Three incidents may be mentioned as important. On one side of a square people were crowding to Church, while on the other was prominently displayed the now well-advertised Soviet slogan: "Religion is the Opiate of the People." Atheism has not cured the drug habit. Again: along a certain street traders were illegally hawking goods from baskets even outside the doors of the Government's monopoly-shops. Now and again they would slide shawls over the baskets and slip for a minute or two down a side street—just like London bookmakers. The explanation given was that though what these traders were doing was against the law it was "winked at for the sake of peace." No doubt the wink was the London one under such circumstances—the sign of the cross on a policeman's palm. "Pins," ventured the small boy in another story, "save people's lives." "How's that?" asked his teacher. "Please Miss—but not swallowing them." So might it be said of laws. Then again: it has been discovered in Russia that the Communist doctrine: "To each according to his need" will not work. People simply will not accept a flat rate of wage. Pay ranges from 45 up to 300 roubles a month in a typical industrial area. Another arresting observation of the authors was that in Petrograd there was gloom; in Moscow sadness; and not until Kiev was reached did they hear spontaneous laughter. As to the future, they feel convinced that whatever happens the 10,000,000 peasants are never going to relinquish the land that they have acquired. Mr. McWilliams makes an important point when, speculating on the industrial future of the Soviet régime, he points out that by reason of the expropriation of capitalist assets during the Revolution, the Government has not been obliged to include capital charges in making up its prices. But the time must come, he justly remarks, when this omission will have to be rectified; upon which he foresees an imperative necessity for Russia to come West to borrow money. "But outside capital will never be obtained except on condition of the recognition of at least a large part of the pre-war debt," which will mean large diversions of money from the revenues of Russian industry. An economic smash seems likely in his opinion. Possibly. But since one of the most striking general features recorded in this book is the people's insatiable quest for knowledge, it is at least possible that someone will discover how the catastrophe can be averted. The material for such discovery has been on the shelves of some of their libraries for five years.

Reality: A New Correlation of Science and Religion. By Burnett Hillman Streeter. (Macmillan. 8s. 6d. net.) This book, in its 350 pages, presents nothing new. It merely re-treads the already well-worn ground of the theologian's criticism of materialism as a concept rearing itself on a mythical basis. Canon Streeter's attempt to outline reality as a spiritual entity fails because he presents no evidence other than the somewhat ludicrous thesis that having disposed of materialism, pantheism, *et alia*, the only possible explanation is an anthropomorphic god: in other words where three hypotheses are put forward, and two are proved to be wrong, the other must necessarily be right. There are indications, especially in the first section of the book, that Canon Streeter has grasped the fundamentals of the problem to a vastly greater degree than is usual in orthodox theological circles, but he has attempted to write a popular book on an esoteric subject, and has paid the penalty.

And Then Face to Face, and Other Stories. By Susan Ertz. (Fisher Unwin. 7s. 6d.)

Miss Susan Ertz shows herself as a careful craftswoman in her title-story, which is about a First Class Civil Servant who was so Wicked that his Immortal Soul Jumped out and bit him. And since she thinks of her English first and her dramatic effects afterwards, she pleases. But it is not so easy for a young woman writer to achieve successful rebellion against the convention which expects her soft and romantic unrealities to flow like beer from a tap. At the same time, there are dangers even in the mildest affectation of forced masculinity, and we would not like to think that there was anything in Miss Ertz's work which would have made that artful puss Jane Austen smile. Anyway, Miss Ertz, despite her youth, has already passed the stage when magazine editors are afraid her work won't do because it is too good. So we congratulate her. For the marketing of good English is a perilous affair for *nous autres*.

Lars Porsena: Or the Future of Swearing. By Robert Graves. (Kegan Paul. 2s. 6d. net.)

Poets have to live up to a very painful standard of politeness, and until the Great War unloosed their essential selves, none of us would have believed that the most radical of them could use bad language even in hours of uncase, much less take pride and delight in the exercise. But your com-pany-commanding literary man, who loved the life of the trenches (particularly in retrospect and a V.A.D. hospital) will be the last to forget the flavour of strange oaths in Flanders or Picardy, so it is small wonder that Mr. Robert Graves has made such a naughty little book for us. I know a man who has a friend who is related to somebody who claims to have been told about the real manuscript which the publishers, shivering with horror, refused to pass before the eyes of their shocked and disapproving printers. However that may be, this is a very jolly little volume, to be enjoyed not once, but again and again.

The Last Victorians. By Arthur A. Baumann (A.A.B.). Ernest Benn, Ltd. 18s. net.

When an experienced journalist with an intimate knowledge of society writes a book on public men and prefaces his story with the confession that he is "a Victorian Tory, naked and unashamed," one knows what to expect. His brother Tories will chuckle and there will be considerable "Schadenfreude" in the smoking rooms of Constitutional Clubs up and down the land: even amongst mere Conservatives and hybrid Unionists, but the Liberal rump cannot be expected to greet this book with enthusiasm, and may even be a trifle peeved at some of Mr. Baumann's uncompromising comments, as, for example, when he dubs Lord Oxford,

"the King of the Not-likes, with Mr. Lloyd George attendant as the great Might-have-been." The author's natural predilection for "the Squire and his relations," overcomes his Tory prejudices at times. Take the case of Sir William Harcourt, whom he describes as

"a splendid gladiator, a loyal partisan, a staunch friend, and a great English gentleman, with the generosity and the recklessness of his order," although he was the author of the death duties which have played such havoc with the landed aristocracy.

His unqualified praise, however, is reserved for that typical Tory Mr. "Jim" Lowther, from whom he parts with regret:—

"The type has gone, but has anything better, or as good, taken its place? The modern M.P. is a very different person from Jim Lowther, more earnest possibly, better educated in the Whitehall sense of the term. But is he as representative of the majority of his countrymen? I doubt it much."

Experience of the Conservative industrialists and exponents of "big business" who adorn Westminster to-day will probably induce some who are not Tories to share Mr. Baumann's opinion. That the country gentleman often proves a better public servant than the prosperous city man will not surprise those who know something of the long and varied history of the unpaid magistracy and can appreciate the knowledge of affairs acquired in the management of great estates. This explains why Sir Michael Hicks-Beach was one of the "best Finance Ministers of the last century," and why "Goschen, bred in the City, was one of the worst Chancellors of the Exchequer, "frittering away surplus after surplus."

"Goschen took broad and spirited views on everything except money. When money was in question, the old habit of dealing in fractions was strong upon him, and he became meticulous. Knowledge of the world, not close calculation, is what makes a good Chancellor of the Exchequer."

Mr. Baumann deals very sympathetically with those two brilliant failures, Randolph Churchill and George Wyndham, but he is less than just to the memory of Parnell. As for the chapter on the Balfour-Chamberlain Partnership, it is not "Joe" who shows up worst in this somewhat sordid story of intrigue, but the "calculated inanity" of Lord Balfour in dealing with the question of fiscal policy,

"which excluded the Tory Party from power for nearly twenty years and is not settled yet."

It must be admitted on reaching the last page of this amusing book that one's old prejudice is confirmed; politics is a dirty business, and—judging from the epilogue, "The Statesman's End"—a disappointing one.

LETTERS TO THE EDITOR.

AN ANALYSIS OF PRICE.

Sir,—Mr. Coleman's article on the above subject is excellent; but he is wrong in stating that the price-factor may sometimes be an improper fraction. The general rate of consumption may, at times, exceed the general rate of production, and so bring the price-factor nearer and nearer to unity, but it can never exceed unity, because it is impossible to consume, or destroy, more than is produced, even with the help of civil wars, earthquakes, or other catastrophic events.
H. M. M.

WORK, LEISURE, AND CREATIVE ENERGY.

[Mr. Katin, whose letter appears below, recently submitted an article advocating a partial re-combination of subdivided jobs with the idea of making work more attractive. We could not print the article, but wrote to say that we regarded the sub-division of labour in industry as irrevocable, and that the inescapable evil of monotony must be met by the reduction of working hours. Mr. Katin's letter is a reply to this view, and since it embodies his chief original arguments, its publication will serve the same purpose as the article.—ED.]

Sir,—I am diametrically opposed to the acceptance of subdivided labour. Did I grant that I would be with you in everything else, heart and soul. I am sympathetic towards the reform proposals of Major Douglas and your own ideas re the scientific distribution of labour until a four-hour day is reached; or even a 2½-hour day, as some 19th-century economists believed possible. But I regard such ideas merely as ameliorating industrial conditions, not obviating them.

The condition of the worker is that he is a cypher, a nobody, in the workshop. The Capitalist and the Socialist both regard him from an economical standpoint. I prefer to regard him from the human standpoint, and from that angle I have come to the conclusion that it is not hours and wages that are at the bottom of all the evil, but the mechanical nature of his work. Even though you whittle his hours down to four a day, those four hours will be four too many. Given a personal interest in his work, an opportunity to use his creative energies in making a complete article, and I am of the opinion that the worker will be satisfied to work an eight-hour day and enjoy his labour. The point at issue, therefore, is—four hours mechanical drudgery or eight hours congenial craftsmanship?

Again, assuming you have obtained the four-hour day, what are people going to do with the remaining four? Only highly intelligent and educated people know how to spend leisure profitably, and before you have educated the workers to use theirs well, a good deal of mischief, loafing, and boredom will have been the outcome of the four-hour day.

LOUIS KATIN.
[This letter raises two main issues. (1) Does the typical worker want his job to be pleasant; or remunerative? As

one test: will he take less pay for a nicer job? (2) Can he be trusted with increased leisure? That is: what is he likely to do with his spare time in a Social Credit economy?—it being postulated, of course, that he will be able to live comfortably within his income.

We invite readers to contribute their opinions on either or both these issues. The best method of getting something tangible to write about is to put these questions to "typical workers" themselves and listen to what they say for themselves. This suggestion does not exclude contributions dealing with the fundamental divergency between Mr. Katin's general attitude and that of the New Economist. We shall reserve any comments of our own until later.—ED.]

"IN QUEST OF VALUES."

Sir,—When Janko Lavrin succumbed to the temptation to interpret the inner lives of selected great writers in terms of his own personal complex he produced a series of brilliant analyses, which did more, perhaps, to reveal the strange and fatalistic introspection produced by the blending of East and West in his own personality than to throw a new light on the writers he selected; except in the sense that perhaps his selection betokened kinship of thought.

Lavrin, however, seems, in the process, to have become obsessed by certain sweeping incriminations, which it would be dangerous to take as representative of Western thought. Whilst he certainly furnishes us with a whip to scourge humanity in our moments of malice—as did Nietzsche—there is little constructive suggestion. This is to be deplored.

Knowing the writer's opinions on the creative side and his "flair" for the "Supra-liminal," one is tempted to hope he will develop this aspect. Western literature already evinces very definite symptoms of a renaissance. Constructive interpretation of the "new" spirit is even more needed than destructive criticism of those decadent types usually associated with a period of upheaval.
J. R. M.

DEMOCRACY IN FRANCE.

Sir,—In a letter you printed on October 7 last I asserted in argument that France was highly centralised and undemocratic in administration. Under powers granted it to "save the franc," the Poincaré Government has just granted the 40,000 communes of France some measure of autonomy, almost the only measure of decentralisation in three centuries of French history. *Inter alia*, a commune can now repair its parish pump without explicit permit from the prefect and sub-prefect. If these officials do not reply to a request for authority to pave a road or build a village hall within forty days it is now presumed that they did not whereas before they were presumed to forbid if they did not reply within thirty days. Apparently they cannot now dismiss a subject which irritates or bores them. Provided the money is not got by loan, a commune can incur financial expenditure on its own responsibility, etc. An account of "revolution by decree" is to be read in *The Times* of February 26.
HILDERIC COUSENS.

THE "JUST PRICE" AND REDUNDANT MONEY.

Sir,—Your exposition of the community aspect of present-day costing must surely have removed all doubt from the mind of even new students as to the necessity for extra sumer-credit. Should someone, nevertheless, still retain a modicum of his predilection for more even distribution of income, he is not only faced with the basic deficiency you so clearly point out, but with the need to provide finance for capital developments. At present this very largely proceeds from the investment of surplus funds not needed for the purchase of consumable goods by those in receipt of large incomes. Under "even distribution" of existing income this investment surplus would disappear, to be replaced—whence?
ERNEST A. DOWSON.

PLEBS AND COMMUNISTS.

Dear Sir,—Your economic pronouncements would carry more weight if they were accompanied by a discernible relation to facts.

In your last issue you hang a little essay on to a handle formed of a quaint belief that Plebs are Communists. You should be aware that not one of the authors of the Plebs History of the Strike is a member of, or in any way connected with, the Communist Party. You should also be aware that the book has been bitterly attacked in the Communist Press as "neither honest nor history," "an apology for the General Council," "impartial but not candid," "confusion of thought," etc., etc.

You should further be aware that the Communist point of view is more likely to be found in two publications of the Labour Research Department:

"Trade Councils in Action" and "The General Strike," written respectively by Emile Burns and R. Page Arnot, both executive members of the C.P.G.B., or in—

J. T. Murphy's "Political History of the General Strike," published by the C.P.G.B.

Finally, all this would have been obvious if you had read the book completely. HENRY DOBB

[We are sorry if our confusion of Plebs with the Communists has given either of them grounds for irritation. So far as possible we like to keep informed of the permutations and combinations of anti-Capitalist groups, but we are very irregularly supplied with publications issued by the above two bodies. As a matter of fact, we only became aware of the "Plebs Atlas" (which we commended recently) through seeing it in a bookseller's shop; and we knew nothing of the book now under discussion until we called at the headquarters of the League. At the same time we do not think that our article has lost any weight through Mr. Dobb's information. In the last analysis all Labour groups must choose between "direct action" and "bargaining"; and it was not essential to our discussion of these alternative policies for us to identify in detail the supporters of either. If Mr. Dobb means us to understand that Plebs is a non-militant organisation we accept his statement. We inferred its militancy from the internal evidence of the book—which we read twice.—ED.]

FREE BANKING AND PURCHASING POWER.

Sir,—I had hoped that some of your readers would continue the discussion raised in your issue of the 10th ult. in the article, "Credit Expansion and Inflation." The date is somewhat far back: permit me to recapitulate your argument. You discuss the interesting situation in U.S.A. where an expansion of credit has been accompanied by a fall of prices. You explain that prices do not rise because the loans are made after delivery of the goods; and that since industry there earns a money bonus on every extra order it secures from a consumer, a great increase of production results, and prices fall.

You state that the onus of explaining this situation lies with the orthodox, who, you declare, have always insisted that an expansion of credit must always cause inflation, whereas Douglasites maintain that inflation need not happen. The reverse is, I think, true. The orthodox admit that credit expansion is occasionally necessary, and they predict inflation of prices only when that expansion is excessive. Douglasites, on the other hand, have constantly asserted an almost automatic sequence of credit expansion and high prices: it is the foundation rock of their theory. I could quote you yourself, Sir, from almost any issue of THE NEW AGE, to the effect that to increase the supply of credit is useless without the Douglas regulation of prices.

We of the Free Banking school, on the contrary, have constantly asserted that the Douglas price fixing is cumbersome and unnecessary, since additional credit issued by banks to productive enterprise will generally not raise prices. In special cases, when too large a quantity is issued, or at too long dates, prices may rise temporarily; but will fall again as soon as the goods are marketed and the loan repaid.

And why do you call this American development "a menacing heap of consumer debt"? What sounder credit issue could there be than one that furthers consumption and simultaneously causes a fall of prices? The only possible danger would be a sudden drain of gold abroad from American banking reserves, which would compel a widespread recall of loans in U.S.A. These consumer loans are made on security of little market value, and their recall would be difficult. But America holds so vast a store of gold that the contingency is remote.

Lastly, I would remark that your explanation of the fall of prices in the case in question as being due to the circumstances that the money is lent *after delivery of the goods*, has as little to do with the case as the flowers that I hope will bloom next month. The goods are being consumed through the agency of this credit, and could not have been consumed without it. Whether the goods were delivered before or after the issue of credit is immaterial to the question of price inflation. The retailer can sell only because he knows that this consumer credit is available, and he fixes his price in the normal way by reference to the volume of demand for his goods compared with the supply.

HENRY MEULEN.

[There is enormous invisible inflation going on in America in spite of the statistical evidence on which Mr. Meulen relies. We advise him to wait and see the result before he throws up his hat.—ED.]

ALL SONG-WRITERS

(Authors and Composers) should send for a remarkable free book, "SONG WRITING AS A PROFITABLE CAREER." Write for your copy to-day. Sent post free. International Music Agency, Box 210, Chichester Chambers, Chancery Lane, London, W.C.2.

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.

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

SET A.

Comprising:—

Unemployment and Waste (1d.).
The Key to World Politics (1d.).
Through Consumption to Prosperity (2d.).
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.

All communications should be addressed, Manager, THE NEW AGE, 70, High Holborn, W.C.1. Cheques and Postal Orders should be crossed and made payable to "THE NEW AGE PRESS."

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.