

THE NEW AGE

INCORPORATING "CREDIT POWER"

A WEEKLY REVIEW OF POLITICS, LITERATURE, AND ART

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NOTES OF THE WEEK.

The listing of the British Four per Cent. Funding Loan on the New York Stock Exchange is a new development in Anglo-British finance, and has evoked much comment in the London Press. British loans have been floated and listed in Wall Street before, but these have always been obligations to pay in dollars. The outstanding example was the British War Debt to America. But the Funding Loan now listed is an obligation to pay in sterling. *The Times* of April 19 says of it in a leading article:—

"It is one of the lesser long-term British loans, the amount outstanding being about £388,000,000. The loan is one of the few British issues interest upon which is paid free of tax to holders resident abroad. It was given this tax-exemption privilege in order to attract subscriptions from abroad. It is natural, therefore, that the Guaranty Trust Company of New York, which bought about £2,000,000 of the Funding Loan, and yesterday readily resold it to investors there, should have chosen it, even though it is amongst the dearest of them, in preference to other long-term British Government loans, which do not carry this tax-free privilege. The introduction of the loan on the New York Stock Exchange is to be attributed to the scarcity of high-class American securities giving a yield as good as that which can be obtained on the Funding Loan, which is being offered on terms to return nearly 4½ per cent., or ½ to 1 per cent. more than the best American securities can be bought to yield."

and proceeds to comment as follows:—

"The listing of the loan is to be welcomed, as it will tend to raise the price level of British Government stock; and indeed it has already had this effect. If the experiment of the Guaranty Trust is successful and more British securities find a market in New York a further rise in prices will occur. The raising of British credit would facilitate the conversion of the high-interest-bearing War debt, notably the Five per Cent. War Loan, into new loans bearing a lower rate of interest."

That is to say that by giving Americans a high return on the money they invest in certain blocks of British Government stock we shall be able to reduce the interest paid to British citizens on the remainder. This reduction of interest is called "the raising of

British credit," but we find it difficult to tell why, or to see how an expansion of America's mortgage rights over Britain's economic activities can enhance Britain's prosperity. In fact, the very reverse is the logical outcome and intention. If the non-financial elements of all classes in this country were consulted and informed of the nature of this move they would prefer that "British credit" were "lowered" or at least let alone, by the numerically insignificant section who now manipulate it.

* * *

The Times, among other arguments in favour of the scheme, uses this:—

"Moreover, there is much less inconvenience if Americans hold large amounts of Funding Loan than if they make large deposits with English banks, which happens when deposit rates are appreciably higher here than in New York. The deposits can be withdrawn on demand, and taken out in gold, but Funding Loan cannot be resold from America to this country unless a buyer here is found. The ability to resell this loan to London, therefore, would be limited by the capacity of the market to absorb it."

This is not reassuring. To suggest that because "x" is better than "y," therefore "x" is good, is doubly misleading. It assumes firstly that "y" is good, or at least not bad; and secondly that either "x" or "y" is necessary, whether good or bad. *The Times* is saying in effect that Britain has got to borrow dollar finance either as bank-deposits or as investments. But such necessity does not lie in the nature of things, it lies in the bankers' control over these things. Britain can do without external money altogether as soon as she bases her internal price-accountancy on the costing principle embodied in the Douglas Credit Proposals. Again; while it is true that this new scheme will tie America's money up as stated, in the sense that gold cannot be withdrawn in repayment unless British investors first purchase back stock, it is equally true that American financiers are not anxious to collect gold, but rather to unload it on other countries. Readers will remember that Mr. J. F. Darling's idea which one must presume to

have the sympathy of the Midland Bank, was the opposite—namely that the Government should devise an Empire credit scheme so as to set free a large quantity of gold which it could and should unload on the United States. Further, while the ability of America to cash out her investment is limited by the ability of the London market to take it up, *The Times* seems never to have heard of the device of throwing stock on a congested market for other reasons than a wish to sell it. If the original investment were one between the London market here and some thousands of small independent investors in America there would be something in the reassurance which *The Times* offers. But it is probable that the bulk of it will be in the possession of Wall Street, or—what amounts to the same thing—can be acquired and mobilised for purposes of political policy by Wall Street at any time by the process of bidding up for it. We have read the life of Mr. E. T. Hooley, and know that if you control a major proportion of any stock you can make the price of it play any antics you choose. What we should like to hear is a sound reason why the same foreign investment-influences which have just increased the prices of British Government securities should not be able to depress them again whenever they like.

We have recently been commenting in these Notes on the dollar-penetration of British private enterprises. The present dollar-penetration of British Government enterprises represents the same principle, only on a higher plane. Dollar-penetration is dollar-control. In the case of private enterprises the control is primarily over prices. In the case of Government enterprise it is over taxes. From the point of view of administrative industrialists taxes are a diminution of the prices they collect, or of the profits they make for shareholders, therefore also a diminution of dividends. Likewise, to the labour-industrialists, taxes are a diminution of wages and salaries. Therefore dollar-penetration of the tax-imposing enterprise—represented by Government securities—is dollar-control over every sort of personal income. It is control over purchasing-power. Now, in the case of British private enterprises, the public do have the legal right to refuse to buy an article. But nobody may legally refuse to pay taxes. Yet taxes are an addition to price, for the same reasons that they are a diminution of personal income. If an article you want costs £2 and your income is £2, it does not make the least difference to you whether the article goes up 10s. through industrial (indirect) taxes or your income goes down 10s. through personal (direct) taxation. In both cases your effective income as a consumer is short of the required sum by the 10s. And the aggregate result of all this is that British industries will divert their programme of production from the things useful to you, and will either manufacture other things dictated to them by the controllers of their share-securities, or stop producing the "surplus" altogether. Our readers, of course, know that the industrialists' neglect of consumer-needs arises automatically out of unsound principles of costing, and would still persist even were there no dollar-finance involved. But what appears to be taking place at present is that American financial interests are endeavouring to keep their industrialists active at the expense of Britain's inactivity. They are sneaking British oil to lubricate American machinery.

The central fact in the situation is that America needs above everything to find jobs for about four million citizens now out of work. Leaving other countries out of account, America can only find those jobs by filching them from British citizens. She has tried every device possible from mass-production at the top to hire-purchase at the bottom in the attempt

to keep all the wheels of her fixed-capital revolving; but has failed. There is left to her no option but to get new markets outside, and no method of doing so but by suppressing the functioning of rival producers who now supply those markets. In the face of this imperative necessity it is hopeless for financial experts to argue, as they are doing, that America's new investment policy is directed to stimulate non-American production. It may stimulate American-controlled production within other countries, but even this process cannot proceed far unless in the meantime the industries within America are enabled to re-engage the four million unemployed. If you saw any group of manufacturers who possessed more factories than they could keep running in Manchester going out to buy a controlling interest in precisely similar factories in Oldham, and someone in Oldham rubbed his hands and said "See now; these gentlemen mean to make us all more prosperous here," you would call him a fool. Yet Mr. Arthur Kiddy has been saying this very thing in the *Spectator*.

"America's prosperity is great, but to be enduring and progressive it requires that other countries should also develop and be prosperous."

This idea of what Mr. Kiddy calls the "financial interdependence of one country upon another" is verbally most plausible. But we challenge him to test its truth by applying it. Directly he began to do so he would discover that prosperity would have to mean the opposite in the one country to what it meant in the other. Under the universal principles of "sound finance" America's highest peak of "prosperity" would be reached in circumstances where the world outside stopped working altogether and bought American production exclusively. But under those same principles the outside world would completely cease buying directly the scheme began. The only customers with money to spend would be Americans. The reason is, of course, that no man is permitted by the financial system to consume products unless he takes part in making them. But if the Governments of the importing countries regarded the incoming American goods as equivalent in principle to an equal volume of domestic production, and proceeded to create and distribute national credit to their citizens gratuitously as if it were deferred wages, salaries, and dividends, then these countries would become "prosperous." But America, under this new principle of external leisureed prosperity, would completely cease selling directly the scheme began. Her citizens would rise up as one man and say, "Why should we work for foreigners? Damn their orders! Let them make their own goods." Thus they would turn round and blaspheme against the "prosperity" they were previously seeking. Our readers can work the moral of this out for themselves. It is sufficient for us to point out that the adoption of Douglas's method of independently financing consumption in this country would set free influences destructive of the indiscriminate will-to-work idea—that menacing psychological factor in international competition for balances of trade and of armaments.

We have said that America, having a surplus of gold, needs to part with it, not collect it. This fact must be borne in mind in the case of the "Memorandum on the gold reserve and its relation to industry," published last week. We will quote the writer of the City Notes in *The Times* on the subject:—

"The American listing of a British stock happens to coincide with the publication of a Memorandum which has been sent by the Conference on Industrial Reorganisation and Industrial Relations to the Chancellor of the Exchequer, signed by Sir Alfred Mond and Mr. Ben Turner. This document may give rise to some furious thinking. It is described as 'a Memorandum on the gold reserve and its relation to industry.' The salient points made in this statement are as follows: 'That before the War

the customary automatic application of the gold standard caused industrial fluctuations which seriously disturbed the progress of national development and gave rise to grave social and industrial ills; that the signatories are convinced that it is impossible to restore prosperity to industry and trade or to revive or maintain stability of trading conditions unless the elasticity of currency and credit is so arranged to meet the requirements of industry and commerce that industrial recovery will not be arrested by the lack of credit facilities as soon as increased production becomes effective; that the signatories are not convinced that it is either practicable or desirable that the credit that it is either practicable or desirable that the credit of the country should be determined more or less automatically by gold movements, as in pre-War days; and that, in the opinion of the signatories, a full inquiry should be held into the best form of credit policy for this country."

It is difficult to do more than guess at the intentions of the signatories. On the face of it the document is a plea for an expansion of loan credit. This would be all well and good as a single step away from stagnation if the enterprises to be fed with the new credits were under independent British control. But, for all that is said to the contrary, the beneficiaries from the expansion may be American-controlled enterprises situated in Britain, like the Greater London and Counties Trust. The public do not know, nor have means of ascertaining, to what extent dollar-penetration into British industry has proceeded, and at what pace it is proceeding. But on the hypothesis that America has acquired substantial control over the home and export price-policy of the great trusted enterprises in this country, it is conceivable that she regard Sir Alfred Mond's campaign with equanimity; the more so since Wall Street has installed its own nominee, in the person of Mr. W. W. Stewart, as "adviser" to the Bank of England, which institution itself, moreover, is suspected of being virtually American property and of functioning as a branch of the Federal Reserve Board. Until this uncertainty is cleared up Sir Alfred Mond's talk about expanding credit in order to restore "prosperity" to Britain, by which we presume he means an increase in Britain's industrial output, amounts to nothing. The whole problem arises later. What opportunities for marketing the extra output will be provided? And where will they be provided? In the American market? In neutral markets that America is supplying or is hoping to supply? Whichever answer is made affirmatively is tantamount to supposing that Wall Street is content to intensify the American unemployment problem in order to give John Bull new markets. We can dismiss the supposition. Wall Street, if in control of British banking policy, can sanction an ostensible intentions of those British publicists who demand them. Therefore the first clause in the terms of reference under which a Financial Inquiry should be conducted is the question of who owns the Bank of England.

It is, of course, legitimate to adopt another hypothesis. Sir Alfred Mond's Memorandum undoubtedly reflects the growing irritation at, and suspicion of, the credit-policy of the banks, among industrialists. So it is permissible to infer that it represents a straightforward British demand for help irrespective of the views of foreign bankers. This inference is supported by the comments of some of the newspapers, which are either distinctly unfavourable or at best gently dubious. The writer in *The Times* before referred to says:—

"We see no objection whatever to the holding of such an inquiry as is proposed by the signatories, provided it is carried out by people competent to make it. It is not a subject that is readily understood, and an inquiry held by people inadequately informed of the true functions of money would be valueless, and might conceivably do harm. This country obviously cannot construct for itself a monetary system divorced from the general principle adopted as the basis of the monetary systems of the rest

of the world. For good or ill, 17 European countries have within the last few years returned to the gold standard in spite of its defects, for the simple reason that they are convinced by experience that it is better than the pulp system resorted to during the War. Extra-European countries have done the same thing, and practically the whole civilised world is once again on the gold standard."

The *Spectator* comments thus:—

"We are not sure of the precise meaning of the memorandum, but it might easily be taken to mean that the Industrial Conference desires a departure from the gold standard. We should be glad to be assured that this is not the meaning. It is true that more credit is required by industry and that industry is justified in looking to the Bank of England for it, but that surely need not imperil the gold standard. The gold standard may seem to be a kind of brutal accident or arbitrariness that is called in blindly to control the financial deeds of men; but it is just because it is beyond the range of human manipulation to any serious extent that it is a safe standard. A man-aided currency would be subject to every kind of political strain and motive. No Government in a bad financial hole could be trusted to be just to the nation at the expense of their own reputation if they knew that they could stave off disgrace by inflating the currency. In this connection we may mention that the Norwegian Government have announced that they will return to the gold standard on May 1. Thus the whole of Scandinavia has returned to the fold."

It will be noticed that both these papers are commencing to hold the Inquiry themselves. But their reasoning proves nothing but the necessity for the Inquiry. For instance, they fear the consequences of a departure from the gold-standard. But Mr. McKenna, who speaks with an authority greater than theirs, has declared that the standard to which the "whole civilised world" has reverted is not a gold-standard but a dollar-standard. That reveals one important conflict of definition that must be independently resolved. The fact that seventeen countries have gone back to gold proves nothing unless it can be shown that they did so volitionally. Even the humblest layman knows that they were driven back. Scandinavia, says the *Spectator*, has "returned to the fold." Whose fold? And have a look at it—a bleak, grassless patch that every sheep would avoid like the devil unless hunted by him. Moreover, consider the contempt for public intelligence in the implications deliberately sent by the argument. It is exactly like the saying that because it took them no end of time and trouble to lock up seventeen prisoners it will entail just as much to let them out. "For good or ill" these countries have gone back to gold, remarks *The Times*. Quite so; and an Inquiry is necessary to decide which it is. If they have gone back for ill, they will not remain there for good. They had to be caught singly, but there is no doubt about their coming out in the mass if the word is given.

No wonder that *The Times* enters the proviso that the Inquiry must be carried out by people "competent to make it." We all know the sort of people—the Sir Samuels and Lord Isaacs, investigating complaints by Mr. Mond's. A pretty family group, but not national enough for a national problem. And that is not all. *The Times*, even given its proviso, only withholds its objection to "such an inquiry as is asked for by the signatories." On turning to the text of the Memorandum as reproduced in the *Daily Chronicle* we find the sort of inquiry "asked for" vaguely indicated in the following terms:—

"(c) That it is therefore essential to hold a full inquiry into the best form of credit policy for this country before decisive steps are taken by the Government."

Is it an accident that the word "public" was omitted? If so, it was great carelessness considering the importance of the document. In our opinion it was a deliberate omission. If so, it explains why *The Times* did not think it worth while laying down conditions about whose evidence should be called.

Given a private inquiry, packed with bankers' nominees, then there could be free trade in evidence—even including that of Major Douglas himself if he were to waste time tendering it. But if a public inquiry, we feel sure that *The Times* would have implicitly demanded protection against Social Credit imports.

One healthy circumstance attending the formulation of the Memorandum is the sudden activity in Labour circles. A correspondent writes us as follows:—

"I enclose a copy of a resolution passed in the Tyne-side area by the Amalgamated Engineers' and the Boiler-makers' Unions, and forwarded to their Central Executives, and to the Editors of the *Referee*, *Daily Herald*, and *Glasgow Forward* for publication.

RESOLUTION BY THE A.E.U. AND BOILER-MAKERS' UNIONS.

"The members of our union desire to protest at the limited terms of reference given in the above memorandum. The centre point of discussion should be a remedial policy for removing the flaw in the Price System. Until this point is honestly met and overcome, any inquiries into our financial system are a waste of time, will leave us still, as Sir Josiah Stamp describes, in the Stone Age of Economics. The Rt. Hon. R. McKenna asked for an inquiry into the Theory of Credit and the discovery of the principles of Central Bank Credit Control. How limited therefore is the terms of reference, it will merely waste the country's money to hold such an inquiry. As long as financial principles attempt to fight mathematical law, we inevitably have a series of economic crises. Coal, Cotton, Agriculture to-day, Engineering, Steel, and the other basic trades will be Dardanelled to-morrow. We therefore request that the terms of reference be broadened to include the above subjects."

"They are also forwarding their protest to the M.P.'s representing their respective unions in Parliament. They believe that the memorandum was drawn up by Sir Josiah Stamp on behalf of the Bank of England, as this gentleman was made a Director of the Bank a fortnight or so later. They are up in arms over the hoodwinking of the T.U.C. executive.

"You will also be interested to know that the recent proposal of Sunderland Corporation to confer the Freedom of the city on Mr. Havelock Wilson was turned down by Councillor J. Wilson, M.I.M.E., who proposed that Mr. Havelock Wilson's name be deleted and the Rt. Hon. R. McKenna's name substituted in its place. This motion fell like a bomb and so nonplussed the Corporation that they decided to withdraw their proposal. Councillor Wilson, however, is persisting in bringing forward his own motion at the next monthly meeting. As the Press boycotted this amended motion I hope you can publish these facts.

"Support has been promised from the Stanley, Swallow, Blyth, Blaydon, and Benwell I.L.P.'s to the Boiler-makers' and Engineers' resolutions, and it is more than likely that the Railway Clerks' Association will table a similar motion. The miners have forwarded a copy of the above resolution to Mr. Cook. As they refused to have anything to do with the Peace Industry group they think it would be misinterpreted if they were to publish a resolution of their own."

The more Trade Union branches that follow this lead the better. But they should realise that besides terms of reference they must even more strongly insist on full publicity. What is wanted is that the banks should be brought out into the open. We add a suggestion of our own, namely, that Mr. Justice Eve's name be put forward as Chairman of the Inquiry. Our reason will be clear from our reference to him in our issue of April 12. To the best of our knowledge, he has been more directly in contact with the tragic results of high-financial misgovernment than any other Englishman of his eminence and qualifications. He appears to be ignorant of the real reason for the over-capitalisation which he is constantly called upon to reverse, but it is better to have a Chairman who is not aware of the right clue than one who is interested to suppress it.

Just here it will be apropos for us to interject the information that we have an excellent diagram illustrating how the principles underlying Major Douglas's pricing proposals would work. It would be a useful "exhibit" at a Court of Inquiry that really meant to inquire. The diagram is a blueprint measuring about eighteen inches by fourteen inches. It is the work of a competent engineer, and the idea and draughtsmanship are ingenious and technically correct. It is not easily followed by people without economic and engineering knowledge, and is therefore not suitable for general distribution; but it is well worth the study of those who are conducting propaganda on the Douglas Theorem. We can have copies made for 1s. each, post free, if any readers wish to have them. Later on, if requested, we will find space to publish a short description of the indicated mechanism shown, and of the correspondence of its parts and movements with various aspects of price-accountancy. But the teaching of the diagram should not be beyond the ability of Social Credit students to verify in its broad application to the subject.

The Banker for April contains an article by Mr. H. Parker Willis describing the "Discount Rate" struggle in America. In the autumn of 1927 the Reserve Bank of New York reduced its discount rate from 4 to 3½ per cent. One of the "alleged grounds" was that this was intended to "assist Great Britain," in her return to the gold standard. But the Chicago bank did not want to follow suit as requested, and there arose a "sharp controversy" culminating in an "imperative order" to Chicago to obey the request. Thus the whole country was placed against its own best judgment. But on January 26 on a 3½ per cent. basis, "although outside New York, last the restoration of a 4 per cent. rate in Chicago was announced, and was locally represented as a "victory" for the Chicago bank "over the Bank of the New York bank, and incidentally of the Bank of England." The *Chicago Tribune* in a leading article on February 7, called for the resignation of Governor Strong, basing its demand on the ground that he had been trying to "control discount rates in the interest of Great Britain." Within a few days of the raising of the rate, and before the New York bank "had time to retaliate," funds which had been "unduly concentrated" in the New York stock market began to flood back to Chicago. New York had therefore to raise its own rate to 4 per cent., which it did on February 2. Naturally all the other Reserve banks had to do the same thing, and so the 4 per cent. rate was re-established all over America. From Mr. Willis's account it appears that there has for long been a conflict of policy between the bankers in the eastern States, particularly New York, and those in the interior. The bankers in the interior dislike a uniform discount rate; they want the right to raise rates so as to conserve or to attract funds, and object to the present policy which drains them to irrigate the New York stock exchange. At present, Mr. Willis says, no less than 4½ thousand million dollars (say nearly £1,000 millions) is out on advance as brokers' loans. He states that whereas one of the reasons for initiating the Federal Reserve System was to keep member banks' reserves "out of the stock market," these reserves are now "tied up," there just as tightly as before its establishment. To-day there is a growing movement among the interior Reserve bankers to break up the centralisation of financial policy. A "very influential group in and out of the Reserve system" is supporting a programme which includes:—

"Higher rates, a differential between districts, and probably a differential between long- and short-term paper, reduction of the preponderating influence of the Reserve Bank of New York, withdrawal of a substantial portion of bank reserve funds from the stock market, and

the application of a much more direct and immediate supervision to the whole question of foreign credits and foreign loans."

Although Mr. Willis considers that this programme does not reveal a policy of denying credits to European countries "when the latter desire it," it will probably alter in "very essential particulars the methods by which the banking system of the United States responds to the calls or requirements of foreign markets."

This is a useful reminder that the power of Wall Street to dominate British policy is not immutable. It is easy to write down on paper all the dire things that American finance could do to our exchange, and to show how it could impose a virtual blockade on our imports of food from across the Atlantic, supposing we were to adopt a domestic credit-policy of which it disapproved. But the accompanying reactions in the interior States must be taken measure of. The very existence of a sort of civil war among United States bankers at the present time contains an assurance that the interior States are not to be relied upon unconditionally to "punish Great Britain," any more than we have seen that they refused to "assist" her, at New York's bidding.

The tendency among the interior States to withdraw funds from the stock markets of the eastern States may have a bearing on the Mond-Turner Memorandum. We are not prepared to explain how, but we have a feeling that, given sufficient American control over British banking policy, it would not be impossible for a vacuum in the New York brokers' loan funds to be filled up by the creation of extra loan-credit in Britain. As our orthodox experts keep telling us, no bank can create credit without a borrower; and the question is, Who would be the borrower of the expanded British credit? Would it go into independent British mills and collieries or would it become brokers' loans and be used to underpin American stock markets?

The *Daily Express* supports the Memorandum in these terms:—

"What industry requires to-day is release from its rigid bondage to a financial system that makes prosperity hang on the quantity and value of a fluctuating metal. It needs the freedom that can only come from currency and credit arrangements that are elastic and responsive. It is an excellent development of the industrial conference to have this issue thus put so squarely before the Government and the country."

In spirit this attitude contrasts with that of *The Times* and *Spectator*, but the intention behind the article must be left for interpretation until we have more facts. Some indications may be afforded by Lord Beaverbrook's lively exposure of the frailties of our Ministers which has been proceeding in the *Evening Standard* since Monday, April 16. Every one ought to get the back numbers and read the complete series. What Mr. Hesketh Pearson wrote in "The Whispering Gallery" is as nothing compared with what Lord Beaverbrook gives away. The issue for Monday, April 23, is to contain (we are writing before the day) an account of the "feud" between Mr. Lloyd George and Mr. McKenna. If his Lordship's intention is to disgust every citizen with politics and politicians and destroy the prestige of Parliament, he is carrying it out most efficiently. But it is too early to say what the game is and how the interests behind the *Evening Standard* are concerned in it.

NOTICE.

The M.M. Club will meet on Wednesday, May 2. Discussion at 6.15 p.m. as usual.

Twelve o'Clock.

[*"Shakespeare strikes twelve every time."*—Emerson.]
EXTRACTS FROM "THE NEW AGE."

Edited by Sagittarius.

"The trouble to-day is that what the banker does is always assumed to be done in obedience to natural law."
Notes of the Week.

"He entered, bought up birds and birds and birds
And loosed them on the sunset. More than skill
In tools, or dreamed machines, or lore of sherds,
Or Lisa's eyes that hold all good and ill,
These, Leonardo, were your mightiest words
Let loose upon the centuries; they are flying still."
—Geoffrey Johnson.

"The great hope in such a world-wide mutiny would lie in the possibility that it would be led by officers who had learned all there is to know of the relation between private financial policy and the apparent inevitability of war. These would then know better than to hand in their rifles, swords, and guns to the authorities when they returned home, but would first round up the King Johns of their countries and enforce the New Economic Magna Carta."
—*Social Credit Policy.*

"But bravery is not of necessity the highest manifestation of intelligence. Indeed, if heroism stinks of brandy and dies of dysentery, as Napoleon said, bravery, inoffensive as it smells, dies of starvation."
—*Current Political Economy.*

"Yet the farmer's complaint, in Denmark as in England, is not that he cannot grow food. He complains that he cannot sell it—at a price that will straighten the balance sheet."
—*Current Political Economy.*

"For artists matter is material. It is wealth. What heavenly good will angels be if art has been abolished, if they wish neither to sing nor to clap their hands, if they cannot inhabit bodies of some kind."
—*Drama.*

"Not being an Englishman, and feeling very strongly on music—as others do on religion, I do not find myself called upon to conform to the standards of 'gentlemanly criticism' that are current in England—moreover, I have the privilege of being a contributor to a periodical that is blessedly (so I take it) above those standards—that is to say, tepidity—lukewarmness."
—*Letter to the Editor.* Kaikhosru Sorabji.

"Call nothing sacrosanct:
Spare none, not even ourselves: dissect
All, ourselves most of all: nor expect,
Save after our death, to be thanked."
—A. S. J. Tessimond.

GARRULITY.

March Sun, and dank grass from the weight of snows;
The broken birch trees, lopped by winter's hand;
The celandine is herald of the fruitful land—
The blue mist rises from the aeroplanes on high
There are nine pairs of aeroplanes on high
To set the sky off or to scare the sun—
I think that I can hear the old earth sing
Although we hang together with bits of rotten string.

Gurgling with joy the starling serenades
His darling on a piece of rusty spout;
With tenderest green the venturous grassy blades
Salute the new year, grow, and never doubt;
Some thousand tons of rubber, glass and wheels
Whirr over roads that shine like polished glass—
An oak leaf rustles on a twisted bough;
There is a timid rabbit near the blade of a plough.

Hills stand near valleys, two and two make four;
The longest day's in summer, eggs are cheap.
When money hides, I must make study more
Of high-falutin things and take less sleep;
Then I shall join the crowd, not walk alone
Where thought is free to carry the world's weight—
To contemplate poor man without a goal,
With a witless mob above him, with eyes like a mole.
JEAN BAPTISTE.

The Penny Gaff.

The world is only justifiable as an aesthetic phenomenon.—Nietzsche.

Adult education societies acknowledge that they can hope to be no more than accessories to that great adult-education institution, the newspaper. Life, insofar as it is a fundamental thing, is generally voted a dull thing. The phrase "to see life," which means to indulge one's desire for gaiety, excitement, and unusual experience, rarely refers to seeing life really. Peasants, naturalists, vagrants, poor men with big families, these and others actually see life. Some of them are also interested in life. Others conclude that there may be too much of life as of other good things, as the sea-side boarder said of the fleas.

"To see life" generally means to take part in a rush of decadent activities which stimulate sufficient excitement to relieve the dullness of life. Nothing, in despite of modern artistic and dramatic movements, could be more the contrary of life than the show. Whether it be the conjuror, the juggler, the acrobat, the concert, the theatre, or even a novel and slippers, the show is a spice of something far different from life brought in to prevent our dying of boredom. The concert is generally held to be the activity of mankind that corresponds with chirping among birds, but anyone who thinks that a concert is part of life is recommended to try singing with full voice, say, Handel's "Sound an Alarm" in Lombard Street on a busy morning, or in Shaftesbury Avenue on a busy evening. If he successfully convinces the police that he is merely providing an entertainment in the belief that anyone who likes it will relieve his destitution by paying for it, and that some who dislike it may be frightened into paying by remembering that there, but for the grace of God . . . he will merely be moved on. If his costume and manner contradict the assumption of destitution, then, the occasion being morning, the passers-by will shrivel him up with censorious looks of wonder as to where he obtained the beverage necessary to make a man behave like that so early in the morning. The occasion being evening, all the great ladies and their escorts would condemn the police for not removing the offender even more quickly than they would remove him. The noise of a thousand pairs of feet, the grinding of fifty omnibuses, the vulgar hooting of a hundred taxi-cabs, the shouting of forty hoarse newsvendors—none of these is offensive in a London thoroughfare, at either the business or the pleasure end. One human voice singing, one human being laughing, would be so novel, so *uncouth*, so utterly beyond the possibility of justification, that instant removal of the disturber of the peace would be the duty of all public officials and protectors. Although the errand-boy has established a right to whistle, in moderation, nothing could excuse him were he to break out in song; and the better the song the more inexcusable.

Once a year or so a group of young men celebrating something may play ring-a-roses round the pillar-box at Piccadilly Circus. They establish nothing but the certainty that they are not, at least that night, very nice young men. They confirm that youth is a vulgar thing. Only the honours of their fathers prevent their being locked up, and those members of the public who believe in equal rights dash off letters to the newspapers demanding why the idiotic and offensive young men were not locked up. Do not suppose that the omniscient editors furnish a reply. These editors

are wiser than to ask what is truth, than either to give answers or to wait for them. It is their job to provide Britain's bored millions with their daily show. If editors publish these letters, it is for their entertainment value. Without the newspaper England's literate population, compulsorily educated at public or private expense, could not exist. How many Londoners on Good Friday give a thought to the event the day commemorates? Almost to a man the great British people remembers only one thing—that on Good Friday there are no newspapers, and that the results of the day's football matches will not be available until Saturday morning. Almanacks say that the longest day of the year is the twenty-first or twenty-second of June. Any man in the street will affirm from experience that the longest day is Good Friday, and that Christmas Day would be as long but for the fact that the turkey and pudding occupy more time than the hot-cross bun.

The newspaper, then, is the Englishman's show. It is the modern substitute for the penny gaff. The backbone of England cannot eat his breakfast without it. In spite of all the beautiful coloured pictures in the trains and station galleries of the tube railways, he cannot get to his office without his newspaper. He cannot enjoy his coffee without it, nor eat his steak-pudding and two vegetables. In the evening he cannot get home without a more up-to-the-minute one. The newspaper stimulates his exhausted senses, galvanises his weary brain, and provides a new way of keeping his mind off life each time his interest in the show flags. Perhaps no great discovery ever added to the length of the newspaper so much as the cross-word puzzle, which the trained brains of Britain solve while listening-in. Each of these *diversions* takes his mind off the other, the whole purpose of modern amusements apparently being to take people's minds off things.

Nietzsche! Behold the men. You probed life for its justification and found only will-to-power. You searched the world for its justification, and in the end could see no other excuse for its being than that it was a fine show. The newspaper has taken you at your word. The world is a show, more or less fine, and the newspaper is its showman. Recently, in a court-martial case involving a number of naval officers and gentlemen, involving the prestige of, and making ridiculous in the eyes of the whole world, the senior service of the greatest Empire—the world has ever known—the *maritime* Empire—the *Star* referred to the public who listened to the case as "the audience." It is only the entire absence of logic from Englishmen's deeds in which interests are concerned that still gives exemption from entertainment tax to newspapers, the sole reason that suggests itself being that newspapers are a necessity, not a luxury. Men and women can no more live without them, notwithstanding all the writers from Herodotus and Lucian to Cervantes, Rabelais, and Balzac, not to mention Shaw and his contemporaries, than without bread. Whatever excuse may be found for newspapers being exempted from entertainment duty, there can be no possible case against charging—prices being graded according to spiciness and the quality of the King's Counsel in attendance—for public admission to the courts of law. These would still be no less public than theatres, and the Lord Chamberlain would have no powers inherited from Mrs. Grundy as regards censorship. Entertainment tax and the admission charges would certainly, where money for paying interest is so scarce, considerably relieve the burden of the national debt. Mr. Churchill has scarcely lived up to his reputation for originality and initiative in failing to carry out this project. Surely the *Daily Express* was looking forward to this further

step in the march of progress when it published the other day, with presumptive approval, the objections given by Mr. Alexander Cairns, a Middle Temple barrister, to hotel bills as evidence in divorce cases.

"The husband in some cases, however, has endeavoured to shield a mistress by providing evidence against a casual acquaintance, and the Court naturally feels that it is being deceived."

Wherever Scotland stands, England, Heaven be praised, stands where it did. No man has a right to shield his mistress. Her name should come out. Although there is now practically no scandal—except in suburbia—attached to co-respondency the court that nothing audience will agree with the court that nothing which so detracts from the entertainment as the hiding of the lady's identity should be tolerated. With her under cross-examination the brightness of the dialogue would be greatly increased, and we are all, newspapers included, in favour of brightening things. By the charm of her presence even our oldest judges might be stimulated to epigram.

R. M.

Views and Reviews.

ORIGINAL SIN RE-INTERPRETED.

By V. A. Demant.

It has often been claimed, by writers who find theological terminology necessary in arousing a reaction to their views, that the doctrine of Original Sin implies a poor view of human nature. The belief—so runs the humanist's commentary—has been used to justify governments, priesthoods, and legalistic systems for curbing individual freedom. The premise is mistaken and the inference confused. It is one of the main purposes of Dr. Williams' lectures* to show historically that the only doctrine of Original Sin which can lay claim to catholicity within the Christian Church is one which is more accurately described as "original infirmity," as distinguished from conceptions of "original guilt," which has overlaid it through the towering influence of Augustinian theology. And this catholic doctrine is a merciful doctrine in that it extenuates rather than exaggerates man's responsibility for evil. According to the author, "it is the idea of the 'inherited infirmity' which (as I should contend, healthfully) minimises a 'sense of sin' that might otherwise become morbid." The Pelagian doctrine of man, on the contrary, in its posed aloofness from the moral struggle, loads the scales against human nature in accounting for evil. Paternal government, system of rewards and punishments, the whole legalistic fabric of life, are built upon this estimate of man's unlimited responsibility, which is the direct antithesis to the idea of his "inherited frailty." From the same philosophy proceeds the cry for a "change of heart" as the only cure for the maker of modern civilisation, with its habit of blaming the other fellow. Such a philosophy postulates the indeterminate malice of human theology has nothing secular counterpart of Pelagian theology. It has no gospel, no good news of the possibility of deliverance from a power which warps the wills of men—a conception which, by the way, brings THE NEW AGE into closer alignment with orthodox anthropology-psycho-logy than with the ethical humanism of the social physicians.

After distilling the Christian doctrine of Original Sin from its accretions, Dr. Williams devotes two

*"The Ideas of the Fall and of Original Sin." By N. P. Williams, D.D. (Longmans, 21s. net.)

lectures to its re-interpretation in terms of contemporary knowledge. Unlike many who have attempted such a synthesis, this learned author never allows himself to explain away the subject matter of his problem. For him Original Sin, in the sense of "inherited moral infirmity" is a fact. When, however he baldly identifies the moral sentiment with the social "complex," or as he unfortunately calls it, "the herd instinct," we are disposed to agree rather with what he says than with what he means. There is, he claims, in the human soul a lack of balance between what has come to be known in the misleading text-books as the instincts of self, sex, and the herd—the first two monopolising a relatively high quantity of the last. *libido* or psychic energy at the expense of the last. And this innate weakness of "the herd instinct" relative to the self-regarding and sexual "complexes" is "The Sin that dwelleth in me" of St. Paul! This is deplorably jejune, even if we substitute for "herd instinct" the "social sense" which is clearly what the author means. There is good ground for believing that "the good" is ultimately "the perfectly social," but the proof would require much more thorough treatment than can be deduced from McDougall, even when wrapped in the terminology of Freud and Jung. But we can appreciate a concentrated analysis which succeeds where the attempt is made to arrive at a tangible conclusion:—

"The ultimate psychological fact, therefore, which gives rise to an interior 'moral struggle' ending only too often in the defeat of the social and ethical principle, is the weakness or shallowness of the 'herd instinct,' relatively to the two other primary instincts of human nature (those concerned with the maintenance of the self and the perpetuation of the race). And this unsatisfactory portion which the three cardinal instincts bear to each other is, it must be remembered, nothing acquired or artificially constructed; it is simply given by heredity, in the total make up of human personality with which we are born."

But "herd instinct" will not do. And this uncritical use of a false psychological concept is found still more inadequate when Dr. Williams seeks to find the cause of its relative weakness in an "Ultimate Fall."

As an apologist, Dr. Williams validly maintains that the Christian experience of the contingency of evil demands that its origin must be sought in the temporal series—and he does good work in showing that two classical attempts to lift evil out of time, and place it as one of the constituents of reality, those of Kant and Hegel, lead, the one to a manichean dualism and the other to a monistic gnosticism, both of which positions explain away the Christian sense of evil as a rebellion, from which the whole problem arises. But while, therefore, "the origin of evil must be sought in the world of created being, and within the sphere of time and contingency," this critical theologian will have nothing to do with the idea that "a first human sin" can be a first cause of all the evil that is in the world. In seeking a clue for positing a Fall, outside the human but still in the temporal order, Dr. Williams strikes the keynote of his philosophical reconstruction of the Fall doctrine: "Away from Augustine and back to Origen." From Origen he borrows and adapts the conception of "a collective Fall of the Race Soul of humanity in an indefinitely remote past." This self-corruption of a self-conscious *anima mundi* at the beginning of cosmic evolution, and not the failure of primitive man to escape from already existing evil, is the true and ultimate Fall. This positively malignant factor intervened in the crisis of the birth of the race, and the transmitted defect in the corporate instinct in

comparison with the growth of self-consciousness which distinguishes man from the brutes. Dr. Williams is led to this pre-human but still temporal Fall by the failure of the "first human sin" theory to fit in with two sets of facts, the existence of what we must call evil in the sub-human world of Nature, and the concept of Evolution which denies the original perfection of man on earth.

At this point it seems that our author's philosophical grip of the problem of Christian anthropology capitulates to an over-ready desire to accommodate quasi-scientific hypotheses. If to sin is to act anti-socially—and Adlerian psychology would give point to the contention—then sin cannot exist before society, and *one* world-soul cannot sin except in relation to other world-souls. We are thus landed in an infinite regress in seeking the origin of evil. And granted the need for positing a Fall there is no ground for denying that it can have occurred at the inception of human life for the reason that, as Dr. Williams supposes, moral consciousness only dawned upon man late in his terrestrial career. Even on the hypothesis of the biological evolution of man from the brutes, it is the creation of culture, with social obligations, that alone can be said to constitute the beginning of man. Freud, in "Totem and Taboo," tried to show that the Oedipus complex was the source of culture, and the psychological begetter of the sense of guilt—and morality. But in fact the conflict which the psycho-analysts regard as having created culture and morality actually presupposes their previous existence. The moral problem raised by the Oedipus complex, for example, only comes into being when the family becomes a social unit and its life is prolonged beyond the period which is necessary to fulfil its merely biological functions. It is the transformation of the family, from being merely a response to instinctive motives, to a rudimentary type of all society, which constitutes the beginning of culture, and it is this social function which gives rise to the conflict with instinct. The moral struggle is therefore the price of culture; the conflict of loyalties between self, sex, and society is the outward and visible sign of the inward and spiritual grace, which constitutes the appearance of Man on earth. If Dr. Williams wants a scientific equivalent of the theological conception of sin, let him call it, not "defective herd instinct," but the refusal to face the struggle which comes into being as soon as culture demands a modification of instinctive behaviour. But the necessity for this modification is co-eval with man, and is the ground of morality. Dr. Williams, in his anxiety to come into line with modern thought, has hastily assumed a naive evolutionism, from which all but British anthropology has become emancipated, and which does not face the question of the distinctive nature of man in the created order—such as can be found in works like Malinowski's "Sex and Repression in Primitive Society." There is consequently less need for a theologian to suppose that "the first sin" must have been acted beyond the human pale than Dr. Williams imagines, for both the psycho-analysts and the anthropologists find moral obligations co-existent with man, though the psycho-analysts regard them as the misguided result of a universal complex, and anthropologists see the complex as only possible when social necessity has created morality.

But whether we are to seek the origin of evil in the human or in the cosmic order of being, these erudite lectures of the new Lady Margaret Professor of Divinity at Oxford should prove a considerable obstacle to the persistent theosophical and gnostic attempt to interpret the Christian conscience as implying the necessity or eternity of evil. For Christianity the problem of evil is how to get rid of it. It is to be conquered before it can be explained. That is the mystery of the Atonement.

Drama.

Bird-in-Hand: Royalty.

If "Bird-in-Hand" were Mr. John Drinkwater's first play it would be a sign of good times coming. But he has an established reputation, and experience enough to have made a person with a natural bent for play-writing into a master. "Bird-in-Hand" contains so many good things—including some welcome country idiom—that the author's failure to bestow on his play that extra thought and revision needed to remove the bad things is unforgivable. In the first act, to give one of many possible examples, when Mrs. Greenleaf falls into reminiscence of her pre-marriage circus-life, it is amazing that a writer with poetry to his name should pass anything so hollow. But there are writers who shy at the thought of a blue pencil. Mrs. Greenleaf may, of course, have said in real life precisely what Mr. Drinkwater's character said; but she has licence on the stage only to say what would make the audience smell sawdust and horses, and feel the glamour of the circus. All that Amy Veness could do with such lines was to convey the idea that her circus emotions were dead, and that she mentioned them merely to be nice to Mr. Blanquet.

Not long ago the actor who knew thoroughly the etiquette of country-house parties was fully equipped. Since Mr. Ashley Duke's success with "The Man With a Load of Mischief," the country pub has claimed priority as the means of dragging a crowd of outsiders into a family's affairs. The country-pub, be it acknowledged, is a welcome change, since its morals are better if its etiquette be worse. What is incongruous, however, about the "Bird-in-Hand" as the setting for this conflict of generations is that Mr. Drinkwater can make the landlord as extreme a supporter of the old morality as is required only by making him many years a churchwarden. Somewhere in Gloucestershire there may be a landlord who rules a public-house under his churchwarden conscience, but my experience is too narrow to include one. That Thomas Greenleaf's daughter, leaving the house when he had forbidden her, and pretending to set out for Cirencester with the squire's son, should spend the evening with him in the summer-house, is a final judgment against mixing the jobs of publican and publican; and Thomas Greenleaf was so sensible about most things that it is impossible to think of his daughter at the bar, where, instead of the daughter getting her head full of ballet-dancing-academy notions and the new morality, she would have experienced so thorough an initiation into the pre-occupations of men-at-leisure that parental discipline could have been abolished.

The young couple contended that not only times, but people, are changed. Alone and in the dark, the air smelling of wet earth and the young birds being whispered to sleep, the modern landlord's daughter and the squire's son, so they alleged, have thoughts against which the old-fashioned temptations are powerless. Landlord Greenleaf did not believe it. Customs might change, but not nature. How, an innkeeper's daughter whose family had been the squire's servants could come to no good even if the squire's son was willing to marry her. Next to nature, class endures most. He chose a bad night, however, to bring the affair to a head, since an overflow of guests was ready unanimously to take the daughter's part. Ambrose Godolphin, Esq., K.C., was conveniently there to argue her case. Mr. Blanquet whose daughter had a family arrangement of no questions on either side, in rural Gloucestershire selling sardines, was available to teach old Greenleaf the humility that fathers owe their daughters. Cyril Beverley was also present, but apart from voting

against the old man, he proved only that the modern son is a separate case. Old Greenleaf beat the lot at argument. He was the only man who knew his case, and the only one who had personality. But he did not get his way, since the squire himself arrived in the morning to cheat him into subscribing to democracy by Fabian tactics. Greenleaf had to agree to Gerald becoming engaged to Joan, who doubtless rues the match each time a question of privilege provokes her husband to remind her from what lowly station he uplifted her.

Comedy is a defence for bad manners by proving them more noble or sensible than good ones. This comedy simply vindicates a silly girl who banks on the asexuality of a brainless boy, and who comes through scot-free because the author, instead of setting old Greenleaf against facts and commonsense, sets him against an Utopian hypothesis. The play is not the character comedy that we have a right to demand from Mr. Drinkwater. Gerald, for instance, is a mere stage figure who has lines of utter bathos to speak for the reason that Mr. Drinkwater will not forgo stage-tricks for sentimental effects. When Gerald looked into the girl's bedroom and made the remark about never expecting to see anything so wonderful, the triteness of the line nearly choked the actor. Then—and earlier when the lightning effects forced itself into the play. Ambrose Godolphin was a conventional lawyer, Sir Robert Arnwood was any squire. Only Greenleaf was drawn in full, and he, in the hands of a less capable actor than Herbert Lomas, would have contradicted the setting. Herbert Lomas made Greenleaf alive and lovable. In his long speech in the second act stating Greenleaf's philosophy of life, Mr. Lomas convinced all juries except the one provided by the effect moment that this actor held the stage play from a was entrancing. Indeed, he turned the play from a comedy into the tragedy of Thomas Greenleaf. Ivor Barnard, as Blanquet, did splendid work in the first act, not at character-realisation, since the part does not render that possible, but at the creation of a first-class type. After that, regrettably the author found him nothing but entrances and exits for farcical business as a comic clothes-horse. Once more, it is sad that Mr. Drinkwater should continue, in view of the good work his plays contain, to produce plays whose effect as a whole is second-rate, when revision would obviously improve them.

The Stranger in the House: Wyndham's.

Mr. Peter Traill's novel, "The White Hen," on which "The Stranger in the House," by Mr. Michael Morton and the author of the novel is founded, is probably good. In a novel, however, the reader swings along as his own pace, overtaking characters or waiting for them, contemplating in the author's company life and the day. In the play he demands effect immediately. The inhabitants must make themselves known at once or never. Two of the three acts of this play are still in the manner of the novel, pictorial and vocal, of course, but not dramatic. In the first the three overlapping generations living at The Towers, Pelham, Durham, are not set at tension, but merely side by side. The audience learns how matters stand. It is true that John Withers, the founder of Withers, Timber Merchants, quarrels with his son over the latter's desire to spend the old man's money rather than to perpetuate the new name, and that Maisie Darrell gives a clever display of the up-to-date girl at the breakfast table. But she is just any modern girl, and the act brings no real clash of character inasmuch as the growth of the personalities is not rapid enough. As situation is manifested in the first act, suspense, which ought to move throughout in an increasingly forcible phytism of tension and release, is accumulated in the second act for discharge in the third, which

thus contains practically the whole of the drama. This is a far more condonable fault, to be sure, than the more common one of getting all the drama over in the first act, since it enables the audience, when the curtain falls, to go home with the taste of dessert on its palate. If there cannot be good wine all the time, it is as well that it should be reserved for the end of the feast, as was the custom at weddings other than the Cana, at which no miracle-worker was present. The portrayal of a woman who is reduced to a nonentity because her husband runs his family as though it were a branch of his timber-yard, is also far easier in a novel, where thought is free, than in a play, where it has to be confined between the lines. That the drama awoke in the third act was thus to some extent due to the fact that so did Rosamund Withers. Up to now this part has been performed by Sybil Thorndike, for whom the necessary restraint seemed to be beneficial discipline after so long a liberty to overdo emotionalism. Rosalind Fuller, whose magnificent performance in "The Unknown Warrior" was magnificently taken the part on Miss Thorndike's departure for South Africa. Frank Royde's Robert Withers, the timber proprietor, is a sincere and powerful exhibition of the North Country successful business man, with accent, gait, manners, and self-confidence right.

PAUL BANKS.

Reviews.

Greece. By William Miller, F.R.H.S., Hon. LL.D. (Ernest Benn, Ltd. 15s.)

Mr. Miller's book will be of great interest to those already interested in modern Greece; but the lay reader may be pardoned if he finds it dull. Greece suffers from the grandeur of her past, and now that her freedom has been won her politics seem petty. General consolidation, varied by an occasional revolution or coup d'état, does not make a thrilling book, nor would a survey of England in the war. For the serious student Mr. Miller provides a mass of sound information, but he ought to have sent it in a more digestible manner. His historical notes, for example, suffer from over-richness. Greece has survived the successive blows of several conquests and the stranglehold of much misrule. She is at last struggling towards economic and political stability. The present situation, as Mr. Miller sees it, is far from hopeless. Popular feeling is rising against the influence of the army now that General Pangalos has proved himself no more than an aspiring Mussolini. The position of Greece as regards her neighbours is insecure. An inflated and aggressive Italy—the Greeks can hardly forget Corfu—casts a shadow into the West, while the possible combination of Yugoslavia and Bulgaria in the North might sweep the Greeks into the sea. The federation of the Balkans being apparently far away as ever, and France and Italy standing roughly where Austria and Russia stood before the European War, Greek interests do not appear to lie more with one neighbour than another, but rather with peace, both in the Balkans and in the Mediterranean. Mr. Miller paints a somewhat glowing picture of the future of Greece, and deals gently with Greek national failings. "The Greek atomismós, i.e., 'individuality,' which makes him peculiarly intolerant of State interference and somewhat restive when collaborating with others." Atomismós is a good word, but some would give it a harder name.

Poetry and Government. By Robert Seymour Conway, M.A., Litt.D. (Longmans Green. 1s.)

Dr. Seymour's lecture on the independence of Vergil's thought and the influence he exerted for good on the government of Augustus is convincing. It is a complete refutation of the idea that the court poet, at least in Vergil's case, "says what he is told to, and gets well paid for it." But Dr. Seymour had a theme which ought to have provided a more exhilarating lecture. Unfortunately, he starts with almost incredible weakness, and finishes with that most unclassical thing, a peroration. His beginning shows how thoughtlessly a man of learning may accept the conventional untruths of his own age while cheering the truthmakers of past ages. "In the noble address . . . Prime Minister . . . we enjoyed a picture of the fruits of classical training in the life of 'the plain man,'" says Dr. Seymour. Had he been able to refrain from a peroration at

the end he would not have made such an unpoetical blunder at the beginning. Mr. Baldwin's plain man has never been anything but a stratagem, and it is a crime against culture to lecture on Vergil on the heels of taking the description as true. We implore Dr. Seymour to imagine Vergil, the great-hearted son of a peasant, writing in England to-day; and to figure out what Vergil would write of the condition of England, of Mr. Baldwin's attitude to agriculture, mining, and the labouring classes; and, finally, to guess what Mr. Baldwin would think or know of Vergil.

Deluge. By S. Fowler Wright. (Fowler Wright, Ltd. 7s. 6d.)

A novelist who deliberately sets himself the hard labour of writing a romance which develops out of a second Flood and the submersion of most of the United Kingdom, challenges comparison with Wells, to begin with, which is no light matter. He also exposes himself to a shower of slings and arrows from outraged critics in all directions. Those who criticise him are not restrained by the thought that they could never do the trick themselves, never hope to achieve such success in an enterprise which calls for exceptional boldness and devotion. If, then, the enterprise succeeds, if the book is as good as this one is, we have no right to withhold our ungrudging praise just because we can find faults here and there. And this novel of what is, after all, the possibility of the next half-hour, is exceptionally good. It is written with splendid vigour, its fidelity to detail and likelihood is remarkable, showing both knowledge and restraint in the use of knowledge. The prelude which prepares us for the scene is always dignified in its exasperation with the ways of civilised life, and the story itself runs smoothly and credibly to its romantic conclusion. What is more, the sex theme is handled with direct common-sense and a certain robust good taste in which the prurient will perhaps find their own thrills, but which everyone else will regard as the obvious and decent inevitability. Mr. Fowler Wright gives us here a first-rate tale of adventure and human emotion in a setting which we must call fantastic, but which might at any moment become the unpleasant truth. And all those who like to read a simple, thoughtful, clean, and interesting tale will do well not to miss this one.

Economic Problems in Europe To-day. Edited by W. Henderson Pringle, M.A., LL.B. (A. and C. Black, 5s.)

This is the grandiose title given to six lectures delivered last autumn in Birmingham. The Honorable George Peel discoursed on France, Professor Salvemini on Italy, Professor Seton-Watson on Czecho-Slovakia, Mr. Michael Farman on Russia, Dr. W. H. Edwards on Germany, and M. Cammaerts on Belgium. The remainder of Europe is missing, though bits of it are mentioned. The lecture on Czecho-Slovakia is the most interesting, and becomes the longest by reason of the historical review incorporated in it. This country is the most promising, as Hungary is the most hopeless, of the Succession States, and is in every way worthy of study as representing democratic machinery and temper applied to difficult problems. The Italian lecture is, of course, anti-Fascist. The lecturer makes out an excellent case for the thesis that Italy was overcoming post-war difficulties quite well until Mussolini and Co. substituted violent mysticism for common-sense "cultivating one's own garden." He points out the entire dependence of the country on the peace and prosperity of the rest of the world, which otherwise has no use for its staple exports of emigrants and luxuries. The lecture on France informs us that France has reduced the term of military service from the pre-war three years to one year, and also that in 1925 the ratio of taxation to income was about equal to that in this country. Of Germany Dr. Edwards says several things which emphasise the contrast it furnishes to the policy of sentiment so popular with English governments and large sections of the English industry. Incidentally he says that in two years' time the biggest chemical combine is proposing to produce petrol out of coal and lignite at 5d. the gallon. Such economic theory as the lecturers venture on is strictly orthodox, but their statements of fact are sufficiently important to make it regrettable that the book is not more comprehensive.

The Glory of Discontent. By Francis Tudsberry. (Witherby, 7s. 6d.)

When Count Keyserling invited Bernard Shaw to contribute to his symposium on marriage he received the reply: "No man dare write the truth about marriage while his wife lives. Unless, that is, he hates her, like Strindberg, and I don't." Mr. Tudsberry quotes this in his preface, and on the ground that women, including wives, admire courage, leads the reader to suppose that he is going to let the cat out. As he has said even earlier that "conventionalism implies contentment . . . and contentment with things as

they are seems to sound the death-knell of progress," his unsuspecting reader leans back in his arm-chair in readiness for a Menckonian fireworks show. The squibs, however, are all damp, and the skyrocketers wet. Mr. Tudsberry boasts of being an optimist. If his case is sufficient ground for a generalisation the only woollier thinker than an optimist is a discontented optimist. From cover to cover of the "Glory of Discontent" it is impossible to find a suggestion for reform that would alter anything. In the chapter on economics he is in advance of his time in one proposition: he has realised that wealth is not destroyed when a pound note is burned. All that he can deduce from that is that the rich are very kind to the nation by lending their savings to it at an average of four per cent., and the people very weak in understanding not to appreciate their benefactors. Mr. Tudsberry's ideas, political, economic, social, and theological, are all blighted by that sentimental optimism which its possessor holds as excusing him from making his mind up about anything.

Escape Me—Never. By John Presland. (Philip Allan and Co., Ltd., 7s. 6d. net.)

The brilliant young woman who wrote this book has a literary conscience. She seems to have gone back to the Mid-Victorians for the grace and dignity of her story. And although we are now giving her own secret away, we can well believe that the little war book she wrote some time ago deceived every soldier who read it, including Haig himself. They were all sure that such a book could only have been written by a soldier. It certainly never occurred to any of them that it was written by a woman. Similarly we note here a calm masculinity which convinces us that John Presland finds no difficulty in thinking like a man. What a contrast to the work of some of our girlish young gentlemen of this year of grace!

LETTERS TO THE EDITOR.

"SOCIAL CREDIT POLICY."

Sir,—There is another aspect of the coming crisis not envisaged by the correspondence on the subject, but which seems important. I understand it is Major Douglas's belief that the present is inopportune for action against the powers that be, and that action will be possible only when the crisis develops. The implication of that is that the initiative will then lie with us. In the early days of social credit paganda it was insisted by, I think, Mr. Orage that the condition of the world as we know it had been brought about by consummate intelligence working towards a pre-determined objective, and that everything had been taken into account; and if I am not mistaken Major Douglas has supported this conception by his remarks on Jewry. If such is the case (and it appears a reasonable hypothesis to work by) the powers we are opposed to are well aware of any quarter from which trouble may be expected, and, as all their ordinance will be in their hands, they will be able to act at any time accordingly. If Masses are then busy at their ing souls it appears to me we shall be kept busy at them if there are any of us left for the duty. It seems to me we are thus in the position of those forced into a corner, without the power to choose time, circumstance, weapons, position, or any other favourable factor; a condition to which Major Douglas's attitude to fighting does not appear to apply. Contingent on the foregoing, it would appear as if Major Douglas were attempting the supererogatory in defining the agents of a policy over their heads, for if such men are blind-thereby missed the illuminating factor.

JAMES MALCOLM.

Sir,—It appears from the correspondence you have recently published that adherents of the Social Credit Movement fall into two classes. In the first, we must place those who look for Reform to a change of policy on the part of the authorities under the pressure of events and the influence of enlightened opinion. These I may call the believers in Indirect Action. In the second are those who, like Mr. Symons, believe in Direct Action from a profound distrust of human nature, and are convinced that Reform can only come by means of what it advocates do for themselves. I must confess that, as an optimist, I prefer to follow Major Douglas's lead, and belong to the first party. Nevertheless, the crisis is of such magnitude that it behoves all of us to envisage the other possibility. Suppose, then, that more direct action is considered advisable, what form is it to take? We may put aside at once any idea of armed revolution, such as the Communists advocate, or anything resembling a strike. Even if our numbers were much greater than they are, these methods would be ineffective, because the authorities command much greater resources. Passive

resistance to the policy of the financial government, which is frequently advocated in your columns, belongs rather to the sphere of indirect action and so need not be discussed.

Surely it is clear that financial power must be met with financial power. I suggest, therefore, that the only effective direct action that can be taken will be the formation of an economic State on the lines laid down in Major Douglas's books, treating the bankers' State as a foreign power with which to have exchange dealings. Given sufficient "real credit" to start with, there is no reason why citizens of this new economic State should not buy and sell at the "Just Price" in their own currency, counting exports and imports (i.e., purchases and sales by non-citizens) as consumption and production respectively. On the financial side there would, of course, be a Bank to make the necessary credit-transfers. Non-citizens ("foreigners") would purchase credits on this Bank with banknotes, bills, etc., at a pre-determined rate of exchange, while citizens would accept the Bank's cheques in full payment, buying orthodox currency from it when "imports" were required. The Bank would also issue producers' credits, though these, of course, would be valid only with citizens.

Of course, such a State would have to begin on a small scale, but provided it could satisfy the needs of its citizens, and have a surplus of production over consumption, there is no reason why it should not grow. Such a surplus would mean the possibility of regulating the exchange so as to adjust "export" prices in "foreign" currency below the internal market level and thus attract purchasers, who could speedily be converted into citizens. Moreover, if the ordinary banks tried to destroy the arrangement by selling credits on the Social Credit Bank forward, such a policy would mean open recognition on their part of the new Bank. I must leave further developments to the imagination of your readers.

Such a scheme seems to me quite feasible, though the exact method of its realisation needs further discussion. A beginning might be made by holding a Census of Production to see what physical resources (land, labour, machinery, etc.) the potential citizens of the new State had at their command; and on this basis it should be possible to draw up a practical scheme.

C. J. HUNT.

Sir,—Tom Paine, in his "Decline and Fall" confidently predicted the débâcle of the English financial system. This débâcle did not take place. He was protesting against inflation; we, to-day, are protesting against deflation, and THE NEW AGE, in its turn, is prophesying débâcle. Will it take place?

In this connection a sentence in the letter from H. B. S. L. in your issue of April 19 is worth considering. H. B. S. L. "feared that the financiers would appropriate just enough of Douglas's thought to play the people like fish and keep them hooked for ever."

I think the fear was justified. Just as in 1797 and the succeeding years the financiers refrained from that degree of inflation which, by causing catastrophe, would injure them, so in all probability they will now issue and recall credit-money with such respective velocities of issue and recall as will just keep things going—and no more.

As you have printed Tom Paine's pamphlet, which was published shortly before the Bank Restriction Act of 1797 was passed, could you perhaps see your way to publish the gist of the argument in Sir John Sinclair's pamphlet of 1810 protesting against the mischievous deflation policy advocated by the Bullion Committee in that year under the influence of the conceited theorist, William Huskisson?

HAROLD W. H. HELBY.

[If anybody can show a method by which the financiers can make their system work without adopting Social Credit in its entirety, well and good. But it contributes nothing relevant to the question of Social Credit policy or prophecy to hint that they might discover such a method.—ED.]

EMERSON AND SWEDENBORG.

Sir,—Your instructive and interesting "Notes of the Week" for March 29 have moved me to re-read Emerson's "English Traits" and "Representative Men"—Swedenborg—the Mystic.

You quote Emerson's reference to Swedenborg as having "Shut up the English souls in a heaven by themselves." It would be difficult to say who is mostly to blame for this idea, Emerson or Swedenborg's translators, but Swedenborg consistently taught that all relationships are from affinity of soul.

Emerson has, I think, confused Swedenborg's account of the "English in the Spiritual World" with heaven. That Spiritual World referred to a state into which men come immediately after death—the intermediate state between

heaven and hell. Sometimes called and translated, "The World of Spirits."

The English are not shut up, even there, however, but (the distinction is important), "There is among them a similitude of disposition (animus) which leads them to an intimate connection with friends of their own country, but seldom with others." . . . "They regard foreigners as a person looking through a telescope from the top of his palace regards those who dwell and wander about at a distance."

He says of us in heaven that, "The better sort are in the centre of all Christians, in consequence of possessing an interior intellectual light," a light that is derived "from the liberty of speaking and writing, and thence of thinking" which we enjoy.

Your supposition of Britain being the first country likely to adopt "Social Credit" gains only support from Swedenborg's psychological insight of our genius. For, having stated (so strangely different to most theologians) that "Man's life is purified by means of spiritual, moral, and civil truths," he says our genius is for governing; "The political concerns of their country engage their attention and possess their hearts . . . their rationality is rendered quick and lively by their attention to political concerns. . . ."

Swedenborg also has a particularly high regard for the people of Scotland and its borders, whom the translators include under the caption "The English." J. M. EWING.

NOBLESSE OBLIGE.

Sir,—There was a time when a stately column of "Current Cant" found a place in THE NEW AGE; space is now more precious, and perhaps you have grown more tolerant of being stung by gnats in your anxiety to avoid being trampled to death by financial elephants. You should, however, institute a system of giving medals—small tin discs about threepence a gross—and I think one should be given to Viscount Rothermere. In an article in the Daily Mail entitled "Mussolini To-day," the noble lord tells the gaping world the following secret:—

"He takes no part whatever in social life. He sleeps eight hours a night. For ten years he has not taken a drop of alcohol, and he does not smoke. He regards alcohol and tobacco, indeed, as entirely unsuitable for people who have hard mental work to do. This opinion of his confirms my own experience and practice, for out of regard for the heavy responsibilities resting upon me I have been for some time past a teetotaler and non-smoker."

Readers will note the excessive modesty of the last sentence—yes, Viscount Rothermere wants only a little of Mussolini's limelight—and the photograph of the kind. Now what Italy's dictator not doing anything of the kind. The noble are Bass Worthington, and the Imperial Tobacco Company going to do about it, especially as next to the noble lord's article is a leaderette extolling the Daily Mail, the Evening News, and the Weekly Dispatch as the best medium for advertisers? One would like to know what "heavy responsibilities" prevent Viscount Rothermere from supporting his supporters; would anything serious happen to the British Empire if all three papers dropped out of existence to-morrow? At the same time, I trust that this puffing of Mussolini will continue, for it will eventually make of Communists through sheer disgust by Anglo-Royalists of Latin innovations, the best of which is the cream barrow. What narrow-gutted simpletons must Viscount Rothermere take the English readers of the Daily Mail to be if they are impressed with his abstinence and his advertisements recommending its opposite. And let the noble lord when free from his heavy responsibilities take up Richard Green's "Short History of the English People":

"For the fatherland of the English race we must look far away from England itself. In the fifth century after the birth of Christ, the one country which we know to have borne the name of Angeln, or the Engleland, lay in the heart of the peninsula which parts the Baltic from the northern seas. The peninsula which parts the Baltic from the northern seas, the peninsula which makes the mistake of most people who are unconsciously hankering for change; he overlooks the history of a people more interested in beer than Madonnas, and who will in their own way and their own time spew out Americanisms, resist absorption by Latin mystery-mongers, and, finally, as you mention in your "Notes," hear of Social Credit last and take it up first. Congratulations on your rededcovery of the Englishman; it is needed at a time when the Atlantic Ocean is being used as a lethal chamber for men who cannot be spared.

W. STRATHCLYDE.

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