THE
NEW AGE
INCORPORATING "CREDIT POWER"
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NOTES OF THE WEEK.

The bankers' Utopia can be pictured as a disarmed world free from national and tariff barriers, living and working peacefully under a single political and credit system. Given that situation, we should have in actuality what has often been postulated in theory for the purpose of elucidating the credit-problem—*a visibly closed credit area.* This would simplify the task of Social Credit propagandists, because the demonstration of the theorem they teach depends upon the postulate that all national credit-systems are closed systems. By saying "closed" we mean to refer to the fact, affirmed by Mr. McKenna, that the quantity of credit in a country depends on the action of its own banks in issuing and recalling credit, and not on the action of the banks of other countries. It is most difficult to attempt to reason with the average business man on this basis, because his daily experiences appear to invalidate the postulate. For one thing, he is certain that when he sells goods abroad and gets paid for them he brings the foreigner's money into his own country. For another thing, he sees in his newspaper every day a list of exchange-rates; he sees money as a commodity and knows that it is bought and sold; hence he concludes that national moneys can be transferred about the world like cargoes of wheat, and that all he has to do is to work more efficiently than the fellow abroad to earn for himself (and his country) a "cargo" of foreign credit. There is another belief that he holds, namely that in some way or other the mere process of getting busy and producing something automatically brings increased credit into existence. Such a belief is equivalent to a belief in the *unclosed* credit-system.

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Now, in the bankers' Utopia much of this confusion would disappear. The world under a single credit and political authority would know and use only one currency. There would not be any exchange-rates. There would not be any national Budgets to balance; hence no national export policies. The producers all over the world would still compete with each other, but not as national combinations; they would compete in exactly the same way as English firms compete in England. The position of, say, England, America, France, and Germany would correspond, in the world's economy, with that now presented by, say, Kent, Surrey, Middlesex, and Lancashire in English economy. All trade would now be domestic trade. Supposing the world credit-authority adopted the sterling notation for its world-currency, then £1 anywhere would directly pay for something priced at £1 anywhere else, and the £1 would be paid by cheques or world-notes, as simply as London can remit money to Manchester.

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If the average business man lived in a world organised like this he might still remain under the impression that productive work created credit, but in the other respects mentioned he would have to take up a new attitude. The world having become one country, he could no longer believe in the possibility of rectifying the world's monetary difficulties (if any) by world-exports, but would have to seek their remedy (if any) in the world itself. He would realise that whether financial credit appeared as a result of his work, or of bankers' loans, or both, it at least did not come from the moon. In that sense he would see himself living in a closed credit-area.

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But could there then arise any world credit-problem of the same order as is observable in the great industrial countries to-day? One must presume the bankers' opinion to be "No," for the world would be the one they asked for in their recent Manifesto. And every supporter of the League of Nations would without doubt expect to see bounding prosperity follow on the great achievement of making all countries and peoples one country and people, and getting them peacefully producing, buying and selling, in obedience to the laws of the Banker-Statesman. Could any sound credit-system fail to dispense prosperity under such auspices?

Here we come upon a consideration which distinguishes the credit situation from all others. We affirm, and are able to demonstrate, that the present credit-system is so badly constructed that it only works at all by being obstructed. Obedience to its requirements would expose it as a destroyer of prosperity. It is like a motor vehicle with a loose steering mechanism. Let it proceed at fifteen miles an hour and it may run a tolerably steady course and injure a comparatively small number of pedestrians. But take away all restraints on its speed limit and there would be a sudden and steep rise in the slaughter-curve, ending with the destruction of the car itself and its occupants. This analogy is not complete, for the reason that practically no one is aware of the character of the credit mechanism, and therefore does not consciously obstruct it. But the obstructions are there. They arise out of a psychological property which we call the instinct of self-preservation. From the bottom to the top of society these restraints on the freedom of the credit-monopolists are at work. The child worries his mother for more pocket-money, the mother cannot spare it out of her housekeeping allowance, her husband cannot spare her more out of his wages, his employer cannot spare him more out of his profits. There arises ill-feeling on every plane. The child sulks at his mother, she complains to her husband, he gets at loggerheads with his employer, and his employer, having no idea that there is anybody higher up to "hold the baby," is compelled to leave it on the doorstep of another employer or else of the trade union that organises his employees. All these disturbances are the psychological material of sex, class, and national antagonisms—of strikes and wars. To the physiologist they would appear related to the basic race-preserving functions of the animal and human brain, the chief of which are the impulse to eat ("alimentiveness"), the impulse to kill for food ("destructiveness"), the impulse to overcome opposition in search of food ("combativeness"), and the impulse to hoard food ("acquisitiveness"). But however they are viewed the fact remains that they constitute an aggregation of force which no system of Government, financial or otherwise, can control. There is no power which can eliminate the instinct of self-preservation; so it is impossible to abolish the means by which that instinct will seek satisfaction. The means may be restricted, but not beyond a certain point. Mr. Tawney once wrote a book indicting what he called an "Acquisitive Society." But, in the sense of this context, a non-acquisitive society would be an extinct society. It may be a wise economic policy to try to abate certain individual acquisitiveness, but only if the net result is to increase the general power of acquiring things.

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Now, the instinct of self-preservation among human beings in these times expresses itself as a desire for money, because self-preservation is consumption, and the possession of money is the sole means of consumption. So acquisitiveness is directed on money, and appears as the "saving" method of ensuring self-preservation. It is true that in many cases the saving of money persists long after the necessity to save it is gone; but basically the instinct to save is the instinct to consume—to make sure of continuing to consume. This is in direct conflict with the orthodox financial concept of the use of savings. The very formula "Produce more; consume less," proves it. There is a certain superficial plausibility about the doctrine, but it amounts in essence to saying "Fatten your pig with your own dinner." But nothing is said about when you may kill the pig; and a survey of the history of modern money-economy suggests that the bankers propose to keep the animal and its appetite growing on for ever. Even this illustration does not express to the full the conflict between the law of the banker and the law of life. For the pig that is being fattened is not made of meat. We cannot even *look at* our pork. The pig is made of bricks, mortar, machinery—anything and everything *but* the means of life-preservation. It is like a clockwork pig with a skin over it. Another disquieting property of the animal is that it does not continuously grow. From time to time it has to be taken to pieces and reconstructed. If anybody mentions pork he is told to be patient, because this new pig is going to be made on a most up-to-date design, and will grow and grow, and somehow turn himself into pork one day. The development of the productive system as it is financed to-day takes this course. The factory pigs thrive on the abstinence of consumers until slaughter-day; and then they suddenly get foot-and-mouth disease, and the banker buries them. That is the history of Vickers, of Armstrongs, of the cotton industry, the coal industry, not to speak of the wheat, sugar cane, and other agricultural concerns abroad. It can all be proved to come about through the imposition of banking policy under which people have been exhorted to direct their acquisitiveness on money for its own sake instead of on money for consumption's sake. Implicit in that exhortation has been the suggestion that the productive system is unable to support a larger volume of consumption without danger to its own life.

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We are almost every week quoting facts which contradict the supposition. Here is another. A report in a Californian newspaper states the following:—

"Fresno, June 20. Informing raisin growers that their industry faces two alternatives, highly competitive conditions and lower returns or industry control, a group of bankers issued a statement yesterday in which they announced: 'Periodic analysis of the industry's condition during these past years has clearly shown that the expanded acreage was creating a surplus large enough to seriously damage the markets if allowed to get out of control. It was for the purpose of considering possible means of solving the problem of raisin overproduction that we opened the series of industry conferences early in February.'"

Every business man of experience will see that this is a carefully worded threat to raisin-growers that bank loans will not be so readily granted unless the acreage is reduced. Obviously bankers are not going to advance money on the security of a "damaged market." They will only lend on a "stabilised market." Here is offered a monetary premium on restricted production. It is typical of the bankers' policy all over the world, and shows that policy to tend towards race-destruction. So, to refer back to the Bankers' Utopia, where restraints on the policy are imagined to be slackened, the process will hasten on its logical course. But that is only to state that the more completely the bankers' policy triumphs the faster their system will break down. Not primarily because people will discover where it is faulty, but because, as human animals, they will not suffer its consequences. Nor ought they to. And, without arguing in detail about the debate that has been proceeding in this journal, we think that sponsors of psycho-analytic theories should be careful to guard themselves against the danger of indiscriminately diagnosing the signs of this passive revolt from below as signs of directly curable neuroses. If we may suggest potential patients for the psycho-therapists, we should choose that small class of people whose persistence in pressing forward the present financial policy overcomes their knowledge of its suicidal nature. These are the neurotics—if they can be got at!

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Messrs. Blair and Co., Inc., an American financial house, has a large display-advertisement in a Californian newspaper based on the text "The Rôle of

the Dollar in European Stabilisation." The top half of the space is occupied by an outline map of Europe, in which numerals are assigned to nineteen countries to designate the order in which they returned to the gold-standard. It is worth while reproducing the table of reference.

"This map shows the progress of the return to the gold standard of European countries for which dates can be given:—

(1) Lithuania, September, 1922.
(2) Latvia, November, 1922.
(3) Sweden, April, 1924.
(4) Hungary, June, 1924.
(5) Germany, October, 1924.
(6) Austria, January, 1925.
(7) Great Britain, April, 1925.
(8) The Netherlands, April, 1925.
(9) Finland, January, 1926.
(10) Belgium, October, 1926.
(11) Denmark, January, 1927.
(12) Czechoslovakia, April, 1927.
(13) Poland, October, 1927.
(14) Italy, December, 1927.
(15) Estonia, January, 1928.
(16) Norway, April, 1928.
(17) Greece, May, 1928.
(18) France, June, 1928.
(19) Spain, intention unofficially announced August 6, 1928."

The text of the advertisement contains the information that

"These formal acts of government would not, in themselves, have accomplished stabilisation. American bankers have provided the leadership in many of these programmes. American capital has been, to a great degree, responsible for Europe's present sound money position and prosperity. In this work America has written a bright and lasting chapter in the economic history of the world. Blair and Company have been privileged to assume the leadership in an important part of these accomplishments. Associated in foreign government financing which has totalled $1,112,804,500 since 1920, this house has made available great sums of American capital destined for economic stabilisation."

The object of the advertisement is to inform the public that Blair and Co. are willing to sell foreign investment securities. Of course they are, as typical bankers. The American banker decides off his own bat to "lend" money to, let us say, Poland (which "borrowed" $47,000,000 as a Stabilisation Loan last year). What he lends is actually an authorisation to Poland to buy goods to that amount from America. He then creates and pays the dollars to American producers. Really, he buys the goods on behalf of Poland. He gets some Polish Bonds printed showing the amount paid: and these, for the moment, are his security. But your banker does not care for Bonds. What he wants is to get back his dollars. His duty, he will tell you, is to keep his assets fluid. So he sells the Bonds or as many as he can. And he can sell most of them because in the meantime he has put new credit into the market to the value of the Bonds. Suppose he sells them all. He has then done two things. He has sold a bankers' investment—an act which, as Mr. McKenna has pointed out, destroys deposits, and thus reduces the amount of credit in circulation. And if he has sold the Bonds to American producers he has sold them a claim on Poland which Poland can only pay by exporting her own production to America. That is to say, he has sold them the right to lose orders. If the investor is a small employee, he has bought the right to lose his job. We spent some space last week in relating international animosities to the internal "job-problem" of each country; and that analysis, if consulted, will be found to afford an elaboration of the above points, showing, as it incidentally does, that Governments have to have armies and navies to protect themselves against the economic consequences of their bankers' foreign-loan policies. That is another manifestation of the instinct of self-preservation at work impeding the administration of banking policy.

* * *

The impediment arises in another quarter as well. Take the American case again. If the buyers of the bankers' Bonds were content to take them home and lock them away, the consequence would be as already stated—which is bad enough for the buyers. But they do not. Some cannot afford to keep them: others are out for a profit from selling them. Hence the function of the Stock Exchange. Now, the brokers must have access to dollars for business purposes. We have seen that when the banker unloads Bonds he withdraws the equivalent dollars from circulation. The net result is exactly the same as if he does not pay out dollars at all, but prints and hands the American producers the Bonds as payment for their exports to Poland. So the total nominal price of these Bonds represents an addition to the pre-existing volume of "saleables" in the country, but without any additional credit in the market to carry them. So the bankers must provide this credit; otherwise the Stock Exchange would have to divert existing credit away from productive business purposes. Hence brokers' loans. We need hardly remind our readers that the speculation problem is the major problem confronting the Federal Reserve Board. Mr. H. Parker Willis, writing in the *Banker* last April, gave figures showing that between January, 1926, and April, 1928, the outstanding borrowings by the brokers from member Reserve Banks rose from 3,141 million to 3,979 million dollars, i.e., by 838 million dollars. The rise would be greater but for the fact that, as he puts it, "the banks have become very deeply involved in bond investments," that is to say, have not been able to unload them all. The Federal Reserve Board is being attacked even in orthodox financial quarters for its policy, but there is no indication that its critics know what is the matter. It is easy to complain there should have been fewer bond issues, but seeing that these issues brought needed employment and profit to American business, the Board has an easy answer.

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If it is permissible to assume that American finance took the line of meeting the least resistance when choosing in what order to stabilise the countries of Europe, the table published by Blair and Co. is interesting. It took three years to capture England, five Italy, and six France, while Spain is apparently still thinking it over. The Latin countries have given the most trouble. The whole period of stabilisation has been marked by increasing tension both between European countries and between Europe and America. There has appeared a corresponding tension between schools of authoritative financial theory both in England and America. But American finance is in the worse condition because, having reduced Europe to the minimum point of deflationary stabilisation in the interests of its own power, it now finds that its very success has got it into a domestic dilemma. If, by its own rules, it feels it must deflate America, and yet dare not, it must break its rules. And from a military point of view, how is a credit system which, by its own declaration, is overstrained, going to justify financing an American "big navy"? There is no doubt that the entente between Sir Austen Chamberlain and M. Briand is a symptom of reviving courage. Whether the Pact be "dead" (as the *Evening Standard* makes Low say in a cartoon which an American newspaper correspondent in London cabled out to the States within an hour or two of seeing it) or is still alive, the true significance of the episode remains, namely that these statesmen had the pluck to try it on.

The *American News* (Hamburg), which claims to be the only American newspaper printed in Central Europe, publishes in its issue of October 6, a prominent article by R. Hauptmann on " The Responsibility for the World War." Mr. Hauptmann quotes from Sassonov's despatches in order to support the allegation that it was Sir Edward Grey's policy which brought on the catastrophe. This is all antecedently probable enough without reference to blue-books and memoirs. Modern war being for trade, Sir Edward Grey's job was to intrigue against Britain's most dangerous competitor. We take it for granted that he did the job as best he could. We sympathise with Mr. Hauptmann's natural desire to prove that the assumption of Germany's war guilt, which is fundamental to the Treaty of Versailles, was invalid. It was. But it is too late to revive these matters now. Whether France holds rigidly to the Treaty under a sincere feeling of insecurity or with the intent to consolidate a triumph, no amount of proof concerning what happened before 1914 will bring about a peaceful revision under the present system of international trade rivalry. And certainly the presentation of that proof in an American newspaper just at this time is likely to be construed as an attack, by analogy, on the parties to the Anglo-French naval pact. Moreover, it has not been forgotten in London and Paris that America decided to fight against Germany for more coolly-calculated reasons than did either Britain or France. Had not Mr. Page written to President Wilson when Britain entered the war that " the British Empire has fallen into our hands "? It is also worth inquiring who owns this Germany that seeks rehabilitation. Who will cash out on a Treaty revision—the mark-interests or the dollar-interests? We sympathise with the aspiration of the German people to escape the odium attaching to them (if this really troubles them), but we are so accustomed to see the much more essential desires and needs of peoples ignored in high politics that we distrust, not necessarily their apologists, but the motive of those who offer them a platform. We agree that the Treaty is a stupid Treaty. But it is such because it reflects a stupid economic system. Give the British, French, and German consumers respectively the first call on all domestic production, and the present economic battle of so-called surpluses will be transmuted into an amicable international exchange of actual superfluities. Given the known physical resources which each of those countries possesses—all of them tremendous potentially—and it is simply a matter of the will of the Government and its Central Banking authority to correct the relative proportions of consumable and capital goods and to increase their total quantity to the limit of total productive capacity. This can be done through the mechanism of credit without using the coercive methods of the bureaucrat. The native population are the natural legatees, by virtue of their citizenship, of all production that is left on industry's hands when their earnings have been absorbed by the prices calculated under the present costing system. Their needs are the fundamental basis of financial credit: so their earnings can be supplemented by further credit. Whether they receive this credit as additional money or whether they receive the whole production at a total price reduced to equality with their total earnings is merely a matter of accountancy. The essential thing is to gear up current internal consumption with current maximum output. This policy can be described as economic disarmament—a policy which must precede military disarmament. As for obnoxious Treaties, in such a situation nobody would trouble to remember either his rights or obligations under them. They would become " scraps of paper " by common indifference.

New Germany.

By Leopold Spero.

V.—FREDERICK AND WILLIAM.

Of all the multitude of injuries which obsess the cretinous imagination of William Hohenzollern in his unappreciated retreat at Doorn, the most bitter surely must be the fate of his beloved Potsdam, now abandoned to the proletariat. The trippers he would not mind, for they always came and went, bearing away all the latest news of Kaiserish inspiration. But Potsdam, for two centuries the nursery toy of the Family, is now, in spirit if not in aspect, as republican as Berlin itself. The very bitterest blow came at a general election some time back. The Royalists throughout the Reich were still pulling their weight, when Potsdam chose to go Red, shamefully, unforgivably Red. It was all the fault of that motor speedway which Hugo Stinnes financed from the pockets of an admiring public whose debentures he paid off in worthless marks in the depths of the crash. That made Potsdam a petty excursion, brought it down from the high pinnacles of private Majesty to the level of a local curiosity worth seeing, but always explained away with a deprecatory shrug of the shoulders. "This was what pre-war Germany stood for," says your Republican with the new broom. "We're keeping it on as a Museum of Imperial Psychology." Large numbers of well-to-do business men have now taken houses in Potsdam because it gives them that Kaiserish feeling after a democratic day in the office.

If you brought William from Doorn, and landed him, sword in hand, at the corner of the street where the Dutch village begins, old as he is he would run amuck, slaying and sparing not. The yellow Nauen Gate, perched like a cheap toy on the end of its Christmas-cake street, would be splashed amain with the gore of stockbrokers and Jewish bankers. The peaceful housewives who now push their prams across the parade ground of the Stadtschloss, where the first Hohenzollern drilled his Giant Guards, would be surprised at the sudden fury of a bent and bearded old gentleman with a withered arm, who would ask them, as he transfixed their squealing babes, if they had forgotten that here, on this sacred, sun-baked patch of earth, the greatness of Germany was born. What William will never recognise, even at this late hour, is that his concept of Germany's greatness is now regarded as nothing more than an historical curiosity of a mildly interesting character. To us it still seems rather cool for the nation which was going to brand its Kultur into the forehead of a shrinking world, to turn round now, after the attempt has failed, and condescendingly agree that all that sort of thing is over and done with, and should be forgotten like last night's headache. But Germany is forgetting: so is there any reason why we should wish to remember. Gradually, as the years move on, Potsdam and all it stood for is receding into the distance. It would not be rash to prophesy that ten years from now there will be no sort or kind of Royalist party left in the Reich, perhaps not even in Bavaria itself. It took four generations of concentrated effort and propaganda, backed by continuing and increasing success, to make Germany into the Empire of 1914. And if we jib when she asks us to believe that she has changed her heart in the space of a decade, we must remember that we are dealing with a docile people. When Father says 'turn,' they all turn, even though it has taken Papa Hindenburg to fill the parental role.

But Sanssouci is not the Neues Palais. Sanssouci was built by the man who had all the dirty work to do, who was really fighting the battle of freedom, who was man enough to tackle a united Europe in a far-sighted cause which could only raise immediate fresh enemies against him. Frederick the Great fought the biggest boys in the European class, two and three at a time. Certainly he knew what he was doing. He knew that they would never move together against him. And he knew, furthermore, that Old England would go on paying for any war he liked to run. The results did not look pretty at the time. And no doubt the curses which went up from ravished homes, Prussian and others, assailed a completely indifferent Creator as bitterly and reproachfully as ever did the laments and curses of the poor devils in other ages who always pay for these little affairs. But at least Frederick knew where to stop. At least he was trying to make a strong and grown up Power from a herd of drivelling peasants. His reward was death on a lonely bed in his little summer castle on the rich hillside, where the worn staircase leads from the leaping fountain in the woods up through the terraced hothouses to the biscuit-coloured Schloss with its white windows and shining copper roof.

Sanssouci! It stands in gold letters over the central doorway, " Sans " on one side, " Souci " on the other. They tell you, truly enough, that Frederick had all the Souci, his followers the Sans. None of them passed the barrier of that central door, where the young man with the poet's brain and the warrior's sword kept watch upon his people and upon himself. Only Voltaire, who turned in the end and bit the hand which caressed him.

Did William II. wander often through Sanssouci? Surely the tender melancholy of the place, its gentleness, its refinement, its instinctive expression of real values in life, would never have found that *schnurbart*-soul responsive. How should William have been content with the parade Frederick held every morning on the gravelled Terrace, or in the Parole Hall when it was wet? Twenty would have been a crowd in this ante-room of white and gold, with its ceilings painted by the Englishman Harper, that quiet, unmilitary stranger who loved the sun and fresh air, and birds and beasts, open fields and shady forests.

One could write a book, nay, a set of books, on the differences between Frederick the Great and William the Little, and still have countless texts to spare. Whether it would be worth while doing it is another matter. But as we pass along this narrow white corridor, whose walls are stiff with Watteaus and Lancrets in huge gold frames, we get the first key to the problem. Frederick loved pictures, French above all. It is part of the education of every landscape artist to come and study the Watteaus at Sanssouci. But this patron of painters never patronised them in the cant sense; and he never tried to paint himself, not even in the cause of politics. Frederick was an author: but he wrote for his own pleasure, not for self-advertisement. Here in his pretty Round Library his works rub shoulders with the great, but respectfully. Frederick was strong on liberal theories of Government. And lest you should be moved to contrast his theories with the disappointing record of his practice, they take you outside and show you the Black Mill behind the Palace, which made so much noise that the King could not sleep. So he asked the miller to come and see him about it, and the miller told him roundly that the mill was there first, and complained that the building of Sanssouci had taken his wind away. Would he sell the mill? Not he. And if Frederick tried any kingly tricks—well, there were still judges in Berlin. The action came on, the miller won the day, and the mill stayed put. And Frederick had to endure it till the miller died, when he bought it from the obstinate fellow's son, who was no tactless brawler with Kingly Highness. But although he stopped the sails, the King left the mill standing. And there it is to-day, to witness if I lie, or have a roomy gullet for tall stories.

But where were we? Talking about Frederick's books, which he wrote out in the same delightful hand we see as we read his last Will and Testament. Illegibility was not the mark of genius in those days. Let us pass along to the music room, with its panels by Paine, and pretty Madame Barberina dancing all over them. We shall see the black flute with the white stops, with which the Protestant Hero soothed the small hours. But he never inflicted his compositions upon the public ear, nor sought sycophantic audiences to applaud them. Painters, poets, philosophers, and musicians, when he asked them to dinner, might dispute furiously over their own work and that of their equals, but were not asked to accept the Royal efforts on serious terms. And when Voltaire came, Frederick was indeed put in his place. Who ever played Voltaire to William?

They show you Voltaire's room, yellow like he was, decorated marvellously with birds and beasts in carved wood. Stork, flamingo, monkey, squirrel, all are there, as they all were in the framework of the dried-up philosopher who was so wise, so colourful, so mischievous, so secretive. Here he sits in contemplation among the lovely Dresden and bronzes. And from here he came, champing his toothless mouth with rage, that day when the quarrel was already widening, to face a sneering dinner-table and suggest the epigram his royal friend might make at his expense. " Voltaire is the biggest fool in Europe—Frederick the Second."

Sanssouci brought no lasting peace, they say, to the brave lonely heart, the cleanest fighter of the eighteenth century, whose one joy would have been to find a friend with whom he need not be a king. But often in those deep-bosomed gardens, down the worn stairway to the hollow where the leaping fountain flings its arms to the sun, or through the shady paths to the beechen Valley of Love, he must have found as we find, what William never sought, an hour of simple peace.

Twelve O'Clock.

" Shakespeare strikes twelve every time."—Emerson.

EXTRACTS FROM " THE NEW AGE."

Edited by Sagittarius.

" The mind that clings to any philosopher as unique, however, is as obviously afraid of ' flux ' as if it clung to some particular philosophy."—*Views and Reviews*, R. M.

* * *

" Student.—What does humanity mean to God?
" Virgil.—A succession of unexpected phenomena."—*The Souls of Tarquinius*, Herbert Rivers.

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" As a problem in physics the feeding of the world presents no difficulty."—*Notes of the Week.*

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" The so-called ' pressure of the population on the means of subsistence ' is really a pressure of the consuming population on a license-system under which it is compelled to find subsistence. . . . It is a money-limitation and nothing else—a pressure of eating-power on purchasing-power."—*Notes of the Week.*

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" They can say, collectively, after the frothblowers' style, that the less they make together the larger will be everybody's average share. This, of course, is in direct conflict with the laws of physics, but what does that matter so long as it harmonises with the laws of finance? "—*Notes of the Week.*

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" For the modern power of money is the most abstract, maniacal exhibition of irresponsible power. It owns nothing; it is responsible to no one; it controls all."—*Social Credit in Vacuo.*—W. T. Symons.

* * *

" The existence of THE NEW AGE and the *Age of Plenty* would be made known. That is one good reason for entering into ' political ' propaganda—there is advertising value in it."—*Letters to the Editor.*—H. E. B. Ludlam.

The Evolution of Slavery.

It is in every way unfortunate that this monument to Lincoln should have been left unfinished. Senator Beveridge had laid a massive foundation of facts and documents for the support of a figure not risen as yet at the end of the second volume into the domination of historical perspective. The book ends in 1858, before Lincoln's second election to Congress, at a moment when, after the stump debate with Douglas, the outlines of a statesman showed only faintly through the lawyer-politician—the local wag, the learned stump and party manœuvre*, the tall, shabby, humourous "Abe," of Illinois and Court-house fame.

> "Thus at last Lincoln reached the point at which he could logically attack Douglas by name. Throughout he had intimated that his opponent was the chief-devil, but now he could unmask him. In doing so he made use of the device, sometimes adopted by lawyers, to minimise the arguments of opposing counsel of overpraising that counsel and depreciating himself, thus inclining the jury to favouritism—a method Lincoln is to employ throughout the debate with Douglas."

For twenty years Lincoln had been learning his trade: he could not handle his politician's tools with the ease that might have distinguished a nimbler and lesser man. Life had been against him, and his absorption in politics seemed to have led him nowhere. Now he was forty-nine. His opponent was the head of a party, with fire, dash, and confidence enough in himself and his powers to break with the Democrats, and stand alone. Yet this Lincoln of the stove-pipe hat, the short "pants," the umbrella tied with string—the scripture-quoting, whimsical Lincoln—remains to the world a symbol of everything ignored by his brilliant and confident opponent. Some traits of his greatness Senator Beveridge's skill and erudition surely define: not all, however, since nothing emerges more clearly from this long accumulation of fact and pamphlet than a conviction, reluctant but overwhelming, that as politics go Lincoln's was the more tawdry side. Agitation for the repeal of the Missouri Compromise, the politician's "trouble," fomented in Nebraska, amid abolition hypocrisies and the hysteria of Free-Soilers and Know-Nothings; the Dred-Scott decision—admirable in its judicial detachment from the shabby agitation that produced it; the mauling of Judge Taney, who pronounced it; the provocative emotionalism of Harriet Beecher-Stowe's contribution to "Books that have made history"—the whole anti-slavery agitation in short—is welded by Senator Beveridge into a realistic and objective statement stripped of every shred of its tinsel and false sentiment.

Through all this the statesman in Lincoln is barely seen; we are left with the façade of an average lawyer-politician, a human being behind it of exceptional charm, no doubt, whose profound melancholy, caution, and sudden humour, though drawn very subtly, are still in outline at the end of the second volume; but a Lincoln untouched by any weight of office or fire of approaching crisis. Nor is the most vital issue over which Lincoln's greatness was to triumph—the preservation of the Union—drawn into such a synthesis as might have enabled us to follow Lincoln with intuitive sympathy into secession and war. Other men and policies stand out more vividly in relation to the times they helped to shape; notably Douglas, the motive for whose break with Buchanan and fatal split with the Democrats the author makes vital and illuminating.

> "I hold," said Douglas, "that people of slave-holding States are civilised men as well as ourselves, that they bear consciences as well as we: it is for them to decide therefore the moral and religious rights of the slavery question for themselves: but let each State mind its own business and let its neighbours alone, and there will be no trouble on this question."

In itself this argument seems balanced and civilised, far finer and more impressive than the hysteria of "Uncle Tom's Cabin"; and still more plausible than the contention that the slave was "free" in comparison to poor whites and to the "free" slum-dwelling negroes of the North. The financial panic and slump of the 'fifties, which Senator Beveridge has barely touched, had much to do with events in '63. One is left with the impression of an industrial society fretting with jealous resentment at the land-owning feudalism of the South, but without, alas, that complete analysis promised by the author, and begun in his second volume, of an actual human issue.

Yet slavery, though an excuse for war rather than its cause, could never have survived the onslaughts of the next fifty years. Another form of it was in embryo already; Mr. Belloc's "Servile State" was on its way; the war "had to come"! To-day this seems in many ways regrettable, the slave was so well fed and the conditions under which he lived so curiously akin to those of a more joyous model village. He could be beaten with the same patriarchal rod which threatened his owner's children, and sold; but quite a plausible case might have been made, had been made in fact already, for the gradual extinction of these prerogatives, and the eventual substitution of "factory regulations." Still he knew himself a slave. Perhaps Lincoln's greatness was most evident in his instinctive and human abhorrence of the mental suffering such knowledge entailed—hence the wrong of slavery, not in any outward condition, but in the whole horror of psychological state.

If Senator Beveridge had lived to bring his book to completion, we should have had before us the most inspiring and definitive of works on the relationship of man to bondage; from it might have been drawn many inferences, leading the historian of our age to a just appraisement of conditions in present-day society. It remains, in any case, the standard work on Lincoln's preparation for greatness, on the conditions under which he succeeded, on his patient and humble use of the materials which were to build round his spirit—the sweet, humble, and just spirit of Whitman's captain—a shrine of inspiration for men.

G. D.

* "Abraham Lincoln." By Albert J. Beveridge. (Gollancz. 25s.)

LA PETITE HIRONDELLE.

C'etait sur la tourelle
D'un vieux clocher bruni,
La petite hirondelle
Etait au bord du nid.

"Courage!" dit sa mère,
"Ouvre ton aile au vent,
Ouvre-la tout entière,
Et t'élance en avant."

Mais l'hirondelle hésite
Et dit: "C'est bien profond,
Mon aile est trop petite."
Sa mère lui répond:

"Quand je me suis jetée
Du haut de notre toit,
La bon Dieu m'a portée,
Petite comme toi."

L'hirondelle légère
Ouvre son aile au vent,
L'ouvre bien tout entière,
Et s'élance en avant.

El vole, oh surprise!
Elle ne craint plus rien,
Tout autour de l'église
Comme elle vole donc bien!

Et sa mère avec elle
De tout son coeur chantait
Sa chanson d'hirondelle
Au Dieu qui la portrait.

RAMBERT.

[From *French Songs and Verses*. Allen and Co.]

Views and Reviews.

AUGUSTE COMTE.

By Alan Porter.

When a man is driven unconsciously by the desire to be Self-sufficing Male, there is a nemesis at hand for him. To be male is to be rational. With this goal, he sets himself to make the universe diagrammatic and to free himself by comprehending it. He regards mind as a mirror in which existence is reflected or duplicated. He hopes, by co-ordinating and generalising the images in his mind, to learn the structure of life and avoid the full shock of living. He looks to science for control of our chaos. He conceives the dream that reason will some day overtake the whole world-series of events and be able to predict the total future. Or he builds a Utopia in which the world is run by machinery and the individual is free to sit and comment. Or he thinks it possible to remember his past incarnations and stand outside the process of karma.

It is fatal work to extract the sap of the universe like this. The reason-haunted man tries to be deaf to the Sirens. He deprecates his impulses and denies the whole bright, will-o'-the-wisp, compulsive shining of the world. To be safe in his masculinity he must see everything as dead-tired and dry. And, since he is not dealing fairly with his emotions in stowing them away behind his back, he is laying up disruption, and sooner or later his fiction of maleness will be disastrously handled. The man who tries to prevent himself, by taking thought, from being drawn into the seductions of life, from being dependent on others, and from surrendering consciousness, will find the world suddenly alive and hostile with a most demonic energy.

From the beginning, as might be expected, Auguste Comte was in the grip of this problem. His desire was to comprehend; which is to subdue. All the demonism of the world must be kept at a distance. Nothing must beckon him out of himself. The problem, too, met him in its commonest form. The woman in the soul, and the woman in the flesh, must both be depreciated. There must be no challenge to his concentration upon knowledge and thought. It is instructive to see what adaptations he made to preserve his detachment. In Jane M. Style's biography* the material is put before us with a pleasant naivete. Her book is good reading: straightforward and rather shallow, but giving the essentials for judgment.

Individual love he avoided; at first he tried to put in its place a theoretical benevolence, spread evenly and non-committally over all mankind. Instead of contact with his fellows, he chose humanitarianism; preserving the appearances without the substance. He thought highly of woman, and relieved the strain of study by casual intercourse with prostitutes. He neglected his parents, made few friendships, and lived in isolation: at the same time he was filled with social fervour and demanded complete reform in human relationships.

Benevolence, under the stress of male superiority, turns to pity. In one of his affairs Comte encountered Caroline Massin, a quick, intelligent woman, whose name appeared on the Register of Vice. They lived together, and he taught her algebra. She appealed to him to remove her name from the Register by marrying her; and with high expectations of gratitude Comte granted her request. She had given him an opportunity of appearing noble to himself: it seemed, moreover, that he had solved, at a trifling cost, the problem of the demonic world. He was settled and safe, with a fund of affection ever present to draw upon.

Just here came the most pressing attack upon male detachment. Caroline was far from grateful. She knew herself that she had played on Comte's weakness, and she was not in the least terrified by his nobility. She saw it as a mere inefficient long-suffering: she could turn it still further to her advantage and pay him back, too, for his magnanimity at her expense. After a year—a year of misery and struggle—she proposed to him that they should receive an old lover of hers into their menage. Comte, still pining for absolutely secure maternal love, broke down completely; raged and stormed and took refuge in insanity. He was put in an asylum. When he recovered, he found things none the better. He threw himself in the Seine.

He had come to the personal nadir of his masculinity. He reckoned up his balance with fate. He was small and ugly. No woman could love him. He was a failure. It was a strange way to free oneself from woman—to fling oneself into the waters of death. Male consciousness is somehow insecurely seated when a man can surrender himself to death, yet never to woman.

A member of the Royal Guard fished him out and brought him back to life. Comte came through this crisis with an increase of self-knowledge; and most profoundly on his guard. These experiences always are double-edged: on the one hand, tragic and belittling, demolishing the easy hopes of youth; on the other, recalling to reality, reality of a damaged and limited aura, but reality that offers more concrete rewards. When we have been so stricken, we dread the fire—and know it better.

At last Comte fell in love, greatly adoring, with a married woman, Clotilde de Vaux. She is one of the saints of Posivitism; she comforted and consoled Comte with a genuine fostering of his ideals. Her marriage was unhappy; we need to remark, however, that she *was* married. No doubt Comte's exalted masculinity suffered too much for him to try, now in his disillusionment, to win the virgin goddess, the entire unapproachable brilliance.

Clotilde refused to leave her husband and join with Comte. She was anyhow not sure whether her affection was womanly, daughterly, or sisterly. She decided, once, to come to live with him; and he prepared to receive her. Three days later she revoked her decision. Perhaps it was a relief to both of them. Comte wrote to her afterwards with still greater tenderness and devotion. But Clotilde was ill and near the point of death; she found her way at last to avow that Comte had entirely won her heart. She breathed the secret to Sophie, Comte's housekeeper; and a fortnight later was dead.

Here at last was Comte's opportunity to propitiate and control the Sirens. He reanimated in his mind the image of Clotilde. He visited her grave; and every day held communion with her. His ideal ecstasy grew: he established it firmly. The problem of woman could no longer invade his privacy or derange him. He had deified his image of Clotilde, and kept her there, always before him, goddess, adviser, cherisher. In one of his lectures he said:—

> I hope a public demonstration in favour of Jeanne d'Arc will soon replace the shameful glorification of Bonaparte.

With love now centred and safe, the male intellect can descend more freely among human beings, yet still preserve the detachment. There is now a warmer quality in Comte's life. He takes his fellows more under his regard: he can concern himself intimately with his disciples. He has become a wise man, a spiritual father. Let us remember, however, that the ever-living Clotilde is none the less a way of removal from the difficulties of living. Maybe this image is *his* solution and fits in best with the use of his own gifts. He seizes the opportunity with a large and triumphant persistence. He has succeeded in putting *equal love* among the angels, and as a result he can live with ease of soul. He has not

* "Auguste Comte: Thinker and Lover." By Jane M. Style. (Kegan Paul. 5s.)

found the way to marry science and poetry: since poetry is left for eternity.

His life is one of many mistakes, but he took it, within his own limits, to a good issue. From a mere safety-valve relation to woman, a depreciation of love, Comte had achieved the isolation of disturbing passion and divinised it. His achievement in scientific co-ordination was large; touched, as we feel, by sentimentality, never piercing, but extensive in surface. Few men can walk full into the mysteries of male and female and come through with no disintegration.

It calls for a smile, or perhaps for a wry look—at any rate it is typical—that a woman biographer should so obviously sympathise with Comte as against Caroline. Comte is a hero; it is evident to a woman that a woman should have borne everything from him. Mrs. Style reproaches Comte; but with how much allowance! She reproaches him, forgives him. Caroline she scarcely reproached; but she does not forgive the fellow-woman who was as human as Comte.

Drama.

Easter: Arts Theatre.

After bringing the commercial theatre back to health by acting as its nursery, and presenting it with a procession of plays at once good and successful, the Arts Theatre Club returns to the joys of its own heart. Strindberg's "Easter" is hardly likely to be moved to a commercial theatre. We lack faith. Although the theme of the play is transparently clear, the impression exists that it is fantastical and illogical. Even the unusually well-written producer's note on the programme contributes to this notion. If "Easter" is fantastical and illogical, so is "The Sermon on the Mount." In "Easter," in the character of Eleanora, Strindberg embodies his own aspirations to a contrite heart and a soul at peace. The play is an allegory, symbolising in its three acts the mystery of sin and atonement. But the work is not a miracle play so far as going beyond experience is concerned. It shows only what everybody knows, though nobody dares to bet his life on it.

The three acts take place on Maundy Thursday, Good Friday, and Easter Eve, all in the same setting. On Maundy Thursday the Heyst household is in moral disorder. The father is in prison for embezzlement. The youngest daughter is in a lunatic asylum. Elis, the son, despises his mother, hates his father, distrusts his sweetheart, dislikes the town he lives in, and goes in terror of the creditor to whom he is under bond for his father's thefts. "Why is it taught that Christ paid for us when we have to pay?" he asks, and acts with the superiority of the martyr, because the world is against him. This self-isolating pride affects the whole household except the mad child Eleanora—who has escaped from the asylum. This submissive figure is the incarnation of love and mercy, aware of her own weakness, who speaks the mystery of mankind's oneness. We reap not only our own good and evil, but one another's. At her homecoming, however, she thoughtlessly brings with her daffodils, innocently enough obtained, which might nevertheless get her branded thief as well as lunatic. On its "Good Friday" this family is stretched on the cross. All the things they fear hang over them. Lindkvist, the creditor with power to sell them up, intimates his intention to visit them, and all the family except Eleanora succumb to their terrors. She, forgiving all, and therefore understanding all, clings not to the treasures of earth. The act closes on her asking Benjamin, the young boy she had consoled for his failure in his exams, to draw back the curtains. As the moonlight streams in, she says: "And now we know that the sun is still with us although the moon gives the light."

On Easter Eve the sword falls. The lovers, Elis and Kristina, in misunderstanding and pride, behave as strangers. A letter is received from the Asylum demanding the return of Eleanora. The newspapers—even Strindberg noticed that Good Friday is long and that people are about early on Saturday for the papers—publish an account of Eleanora's theft. Lindkvist arrives with ominous, official-looking documents. Yet there is something new in the air. The mother turns upon her son with a piece of plain-spoken good sense. Of Eleanora she says:—

> Sane or not, she is wise. She knows better how to bear life than I—than we. Was I sane when I believed my husband innocent? I knew he was convicted on material evidence, and that he confessed. Are you sane, Elis, when you are blind to Kristina's love for you?

Finally Lindkvist, instead of the revengeful Shylock expected, turns out an angel of mercy, who hesitated about forgiving their debts only because they were in no mood to understand him. For the sake of a service rendered him by the father long before the embezzlement Lindkvist is ready to forfeit his bond if only he can shake or frighten the resentful martyr into coming down to the level of a human-being. "The good," he insists, "no less than the evil, comes back."

It is the common misfortune of great spiritual lessons to ring like the tin of old news. The only music worse than jazz, somebody said, is hymn-tunes. Yet there are live moments in every person's life when, instead of merely listening to the narratives of the incredible facts of faith by a hired and hearsay witness, he experiences one. Such moments blaze. Thus it is in Strindberg's play. These truths are original discoveries reached through suffering. So they chink like fresh-minted coin as they drop from the utterer's lips. Strindberg pulls these common-place people and their everyday affairs into such artistic shape that the solution of good and evil by child-like faith grows out of them—a natural, not an artificial tree. The incident of Peter and the cock-crow, referred to in the play, seems less apposite than the one of his failure of courage when he walked on the water. That is the problem of the lonely soul; he always feels somewhere in him that if only he could throw himself into life it would keep him afloat as it apparently does the busybodies. The lonely soul possesses understanding, but he lacks faith; the busybody has complete faith, but he lacks understanding.

Although the dramatic effect of this allegory of sin and atonement naturally differs from that of those conflicts with doubt, or struggles for power between the sexes, in which Strindberg showed the individual tragically defeated, yet the artistic consciousness of "Easter" must be insisted on. There is no exhortation, no sermon, no discussion. Reason is not divided from experience to comment on it. The understanding, the sentiments, and the senses, are engaged together. Now and again there is a stroke of Strindbergian irony, as when Eleanora quotes from a Psalm, and young Benjamin, struck by the profundity of the quotation, thinks it might be Kant or Schopenhauer. There are also sweet things, such as Eleanora's description of clocks, which ends on the naughty one removed from the drawing room because it began to strike when anyone started to play the piano, and could not behave itself even in the kitchen "where it always boils the eggs hard." And there are terrible things like the description of the lunatic asylum from the point of view of the ego. Other lines come fast upon one another, that show their author with his ear to the ground listening to the pulse of earth itself. "Easter" is not a great drama, but it is an uncommonly moving experience. Gwen Ffrangcon-Davies brought out Eleanora's other-worldly, clairvoyant, childlikeness well. But for a proneness to monotony of tone after the first act, her performance was an enchantment. Marie Wright, as Mrs. Heyst, came next nearest to the high degree of intimacy required. As Lindkvist, George Bealby played with power enough to break the audience down in special applause at his exit. Yet he gave me the impression of a man with a solution rather than a man with a problem. When he really appeared to think aloud, speaking as much to himself as to Elis, he was magnificent, but his performance as a whole left a feeling that the "relieving hero" was over-stressed. Colin Keith-Johnson as Elis, also spoke forcibly, but he again was speaking instead of thinking. Strindberg is probably the most intimate of all dramatists. The test of acting his work is that the lines must appear to be hewn out of chaos at the time of utterance. The production included selections from Haydn's "Seven Last Words on the Cross," which formed part of the introductory music chosen by the author. The translation, it is announced on the programme, is by Dr. E. Classen, under the auspices of the Anglo-Swedish Literary (Bernard Shaw) Foundation. This might give the erroneous idea that it is the first translation. It is more flexible in most of the variations than the first, but it is not superior everywhere, and in places it is not as good. There seems something to be said for improving old translations as against making new ones.

PAUL BANKS.

The Screen Play.

"The Last Moment."

Men of science differ as to whether a drowning person actually sees the whole of his life in retrospect. Whether well-founded or not, the idea has obvious possibilities on the screen, where the "flash-back," or retrospective scene, is a recognised convention. *The Last Moment* (Capitol) is a successful attempt to re-create the past of a drowning man, who re-lives all his salient experiences from infancy to the moment when he flings himself into the water. This film, directed by Dr. Paul Fejos, is a revelation of the possibilities of modern kinema technique, and is an outstanding achievement on the score of photography, continuity, and the complete absence of sub-titles. The last calls, of course, for an unusually high standard of acting, which is provided by Otto Matiesen. He is the dominant feature of the film, and although I have previously stated my conviction that the producer matters most in a screen-play, *The Last Moment* happens to be a rare exception to the rule. Here is acting of genius. Matiesen, who has an unusually exacting part, since he is on the screen the whole time, carries the play on his shoulders, and unlike many other film stars, he gives the impression that he would be equally effective, if not more so, on the stage. His *tour de force* is the more remarkable in that the character he portrays is such a weakling, and so lacking in individuality that he fails to arouse very much in the way of either sympathy or interest.

He is largely the unresisting victim of circumstances by which a more virile being would not let himself be driven so blindly, rather than the stuff of which tragedy is made, and there is no sense of inevitability either in his misfortunes or in the suicide to which they impel him. But the story is of extremely minor consequence when it is set against such acting and such production. Here is a film which I recommend everyone to see. I hope that Matiesen's superb acting will not induce producers to "feature" him in unsuitable parts. The thing has happened so often that the fear may not be groundless.

"Fear."

It is not altogether easy for the critic to do justice to Hans Steinhoff's production of *Fear* (Astoria). Steinhoff is a director with ideas and an individual style, but he has here taken an incredibly thin story, with some of the worst conventions of melodrama and the penny novelette, and the result is so unconvincing that it is impossible to feel either interest in or sympathy with his characters. Moreover, the play moves at times with such abrupt leaps as to suggest that the version shown in England has been cut, and not very intelligently cut, or that the "caption" writer failed to join the flats.

"Hell's Kitchen."

The title of this film (Capitol) suggests either a crime play or a crook play. Actually, it is the former, and a really good crime play at that. Its scene is the New York underworld, its atmosphere, an environment in which men and women are either professional breakers of the law, or hang on the fringe of crime and are liable at any moment to be pushed over the border by circumstances. I am not familiar with the *basfonds* of New York, but *Hell's Kitchen* impressed me as true to life. Victor Varconi is, as usual, a finished performer, and it was a change to see Joseph Schildkraut as a clean-shaven young man. He appeared slightly to over-emphasise his extreme "toughness," but that may have been the right local colour for all I know. Phyllis Haver, as the woman of the triangle, gave a much better performance than in *Chicago*; she has learnt, or her director has taught her, the value of a little reserve. William de Mille is to be congratulated on this naturalistic production, which is unusually full of elemental thrills.

DAVID OCKHAM

The Kibbo Kift and "The Third Line."

By John Hargrave

(HEAD MAN, KIBBO KIFT).

I have received a letter from Mr. Jacks, from which I have permission to quote:—

> "No doubt you have followed the 'Third Line' controversy with some interest. . . Although not, as yet, a member of your organisation, it will be evident to you that the ideas I have attempted to put forward are, in the main, 'cribbed' from your book, *The Confession of the Kibbo Kift*. The fact is, I have been hoping that you would yourself seize the opportunity to put forward the Kibbo Kift point-of-view, in spite of what you wrote to me some months ago—'I prefer not to take part in any public controversy'— . . . I hope I have in no way queer'd the pitch, and that you may feel the time has come to make some public statement on the question at issue."

If I understand the Editorial attitude towards Mr. Jacks aright, it is, "Does this idea of an Economic Revolt exist outside your mind—what, exactly, are you doing about it—can you submit any results—in what way is it likely to develop—just at what point is Mass Pressure to be applied, and how will it overcome the Invisible Dictatorship of Finance?"

I do not quite know why I should be called in to "hold the baby." I am not willing to take part in the general "dust-up" which seems to be taking place between Mr. Jacks, and others, *v.* the Editorial pen. But I am very willing to try to state the Kibbo Kift outlook and methods, if by doing so it helps to get things clearer.

For my part, I hold that argument is nothing more than "physical jerks" for the cerebrum. The truth is not revealed by argument, but by experiment, observation, and deduction.

The Kindred of the Kibbo Kift is fundamentally in agreement with the "Third Liners," but our method is, I think, different. Anyone can put forward policies and call them "practical" simply because a policy might work—if it did! In reality no policy is practical *until it is actually put into practice*. I think the Editorial mother-wit has grasped this, and that is why Mr. Jacks sends out an S.O.S., if I may put it that way.

The Kibbo Kift is convinced that the Social Credit analysis and proposals are mathematically correct, and therefore we do not discuss them, any more than a Roman Catholic will discuss, or argue about, the Godhead.

We do not believe that financiers will so adjust things themselves as to bring about a Social Credit regime. We

agree that it cannot be done via the present Parliamentary mechanism, and that, therefore, voting is useless. We see no other way than that indicated by the "third liners"—a highly organised revolt. For purely tactical reasons we are very strongly against the use of armed force. We are in favour of what might be called Pacific Coercion. Again, we do not argue as to whether this is "right" or "wrong"; we are convinced that there is no other way of altering the present financial system.

Our method is to attempt to bring together and weld a "minority convention" having direction, common custom, and obligation (a kind of O.T.C.), and, at the same time, to try to forge linkages with the industrialist-producer and with Surplus Labour.

We hold that the present economic system must break down, and that this breakdown will take the form of either (a) a new World War, or (b) internal civil strife in these islands. During these crises all sorts of mimic-Mussolinis and upstart Lenins may try to jump into position, and we must have sense enough to hold off and let them "come a cropper." We know that they are bound to fail when it comes to the economic problem. In the meantime we must go on welding a small human instrument and trying to give form to the mass of Surplus Labour. After the failure of the "men of destiny"—the tin-pot Saviours—circumstances at present beyond our control may give us a chance. We must strive to be ready to take it.

We have the audacity to look upon ourselves as the possible nucleus of Mr. Jacks's "one thousand just men." At this point we are a practical policy—we exist in the flesh. But it will take a long time to find one thousand. We represent a possible beginning.

Apart from this, we have begun to organise our first Surplus Labour Groups and to train them to hike and camp in good formation. These men are picked and "sworn in" separately by our own Kinsmen. Each member of a Surplus Labour Group makes the following declaration by word of mouth:—

1. "I undertake to back The Kindred of the Kibbo Kift in making One Great National Demand for the proper supply of Money to buy the Goods produced by the Community."

2. "I undertake to back The Kindred of the Kibbo Kift towards this Economic Change by means of Unarmed Mass Pressure, and to this end I place myself here and now willingly under the strict discipline and direct leadership of The Kindred.

So be it."

Our experiments in this direction have only just begun, but, even so, we are able to say that the Unemployed very quickly grasp the fundamentals of Social Credit because they are suffering acutely from financial poverty. They are willing to listen. They ask vital questions and do not "argue the toss" for the sake of argument—they know they want Food, Clothing, and Shelter. And, most important of all from our point of view, they are willing, and in some cases eager, to form themselves into organised Surplus Labour Groups.

Again, we can only claim to have made a very tiny beginning. But it is an actual beginning—in the flesh, and not merely print on paper.

Our linkages with the industrialist-producer must needs be much more nebulous. We cannot organise any group-formation here as yet. Nevertheless, there are a few—very few—actual manufacturers who are in half-sympathy with the Kibbo Kift, and one or two who are in full sympathy. I may say that these types are usually Tory in politics, and conservative in mental make-up. I think Mr. Jacks is right in suggesting that these types will give tangible support when they see organised form taking place amongst the men and women who have been thrown out of their factories and workshops.

So much for the practical efforts of the Kibbo Kift up to the present. We do not over-estimate their value. All we can be said to have proved is this:—

1. That it is possible to begin to gather up and organise a corps of Just Men.

2. That the standing army of Unemployed are willing (a) to accept the Social Credit idea and (b) organise and train themselves as an Unarmed Army.

The question that arises now is: given the Just Men and the Unarmed Mass Pressure fully organised, where and how would they act?

It is at this point that the whole scheme seems to enter the realm of fantasy, for what is proposed will immediately be set aside by most people as quite impossible; and, indeed, it is impossible unless the play and interplay of events throw up just the right psychological situation. But we may say that any "revolution" is quite impossible until it has been accomplished, and the very fact that many people will brush aside this idea creates a useful camouflage. When people say, "You cannot do it," you are free to have a shot at it without their interference.

We think that a time may come when this organised Mass Pressure, to the tune of at least a quarter of a million men *and women*, will be able to move in body-bulk either on foot or by motor transport towards the seat of financial and political control. Geographically this must always be the capital of the particular country. In this case they would have to move "on" London—but not into London. And this body of people would have to have supplies enough to last out at least six weeks.

The leaders would not go to negotiate with anyone. They would not recognise the power of either a Prime Minister or a banker or anyone else to negotiate. They would go to open an office—the National Credit Account Office—in the name of The British People and to have the Social Credit Decree proclaimed, printed, and posted throughout the land.

In the meantime, what would Authority be doing? Would it not quite easily overcome and disperse this Economic Runnymede? Would it not use armed force and wipe it out long before it had time to get into position?

Well, I should like a chance to discuss all these points. In general I think the answer is—Authority might, and again it might not. It depends upon the position of Authority at the time and whether it felt secure enough to deal with the situation; for it would not—could not—be a simple conflict between this Mass Pressure and Authority. The power of Authority would have been shaken by the whole series of events leading up to this climax. Authority in a complex series of crises is much weaker than most people realise. It might be something very like the German mentality in the "Retreat from Mons"—if the German G.H.Q. had only known, or guessed, the real weakness.

So much of all this depends upon the right psychological moment. But then, so does everything.

LETTERS TO THE EDITOR.

"THE THIRD LINE."

Sir,—It is some time since I read Major Douglas's book "Social Credit." As one inextricably involved in the present financial system, I was painfully aware of the baffling problems produced by its power to invest true values. In Major Douglas's book I found the solution to them all; in itself it is epoch-making; the greatest economic truth of the age. It woke me up with a start, and I have ever since been looking round to see what the world is doing to get it put into practice. Not a single thing but talk! THE NEW AGE continues enthusiastically to preach to the converted; the converted continue to congratulate themselves on their good sense and the splendour of their discovery, and the world continues to groan and suffer under the injustices of its present financial control. The solution, Social Credit, simple, definite, and easily applied, languishes and wilts for lack of a few men of action.

But the correspondence on the Third Line has materialised what I had hitherto considered a fabulous creature, namely, a believer in Social Credit who actually wants to do something! Not only one, but two! Things are progressing.

What is wanted is a practical policy. THE NEW AGE says it tries to inspire them, and then squashes them at birth. But the true policy *will refuse* to be squashed. It must exist; so simple a thing as a substitution of a correct for an incorrect principle, can and will be done. The gage is thrown down. . Who will pick it up? The first practical policy will have, at any rate, my support.

KARL CAINER.

[It would be a fabulous "practical" policy which THE NEW AGE could smash up and the bankers could not.—ED.]

Sir,—THE NEW AGE is a most admirable paper, and extraordinarily witty, but its policy of inspiring practical Social Credit policies and adopting and recommending none other than the continuance of its own propaganda makes one think of a physician who issues a prescription with no instructions as to what dose is to be taken and at what time. We are told, "this is what is wrong; that is how it ought to be," and either we are left to find a method and bring Social Credit into being ourselves, or those in power at present are going to work the oracle voluntarily out of deference to THE NEW AGE. Even you, sir, think the latter hardly likely.

Major Douglas's proposals are widely known now, thanks to THE NEW AGE; is it not time to forge a tool out of the metal thus prepared? Your recent correspondence shows

evidence of a desire to be organised, and Major Douglas has said, "a body of men who know what to do *and how to do it* (my emphasis) may make all the difference." Why does not THE NEW AGE, which represents *leading* Social Credit thought and technical ability, or some responsible person, form an organisation for the imposition of Social Credit? The possibility of its having to be imposed is no uncommon view, as your columns show again. Do you consider dynamic action by the "movement" possible? If so, is outside initiative, so to speak, awaited? Of course, there may be some secret organisation, the "M.M." club may be a start, but that would be wiped out if there was a gas attack on London while it was meeting. Yes. What would happen if there was a gas tttack on this country to-morrow? Are there any plans? What would the remnant do? What would happen in the event of another strike—of social collapse? Is the "movement" ready to create, to seize, opportunities? If the Social Credit idea is nothing more than an intellectual exercise these questions are of no importance, but if it is a corrective we feel we should do our damnedest to impose on the human race, then these questions ought to be faced, the situations, which are admitted probable, prepared for.

You foresee calamity—Major Douglas thinks, "civilisation seems only salvable by shock, or by a Saviour"—and yet Mr. Jacks's suggestions ("The Third Line," 11.10.28), I grant you publish them, are answered with a self-justification and then belittled. I think, sir, that is not fair, when it must be as obvious to you, as to many of your readers, that the imposition of Social Credit is not going to be decelerated by the organising of our "movement" into an "human instrument."

T. C. W.

Sir,—From your comments on letters in recent issues it would appear (1) that there are several practical policies, which, if adopted, would bring Social Credit into operation in this country, and (2) that THE NEW AGE inspires some or all of these policies. And what is more, you say that (2) should be self evident. Why?

Week after week columns are devoted to the Social Credit analysis, but rarely is a column devoted to the discussion of any plan of action to "persuade" the authorities to put the results of the analysis into operation. Your argument appears to be: We tell you again and again (a) where the present system is wrong and (b) what the correct analysis is, but it is quite unnecessary for us to suggest to you how (b) can be put in the place of (a). You must think that out for yourself and act accordingly. We "inspire" you. That is all we are here for.

The publication of the article on "The Third Line" is an encouraging sign, and I feel sure I am expressing the feeling of a number of your readers when I say that I hope Mr. Jacks will take up the further challenge contained in your footnote to his article, and develop his ideas more fully in subsequent issues of your journal.

H. THOMAS.

"PSYCHOLOGY IN VACUO."

Sir,—Without being convinced of the Adlerian claims, one can hardly accept Major Douglas's criticisms. It is quite true that "non-psychological" forces are very often the cause of psychic disorder, but it is equally true that psychic disorder is often the cause of physiological disorder, and, of course, each reacts on the other. The proof for body affecting mind and mind body is the same: viz., that osteopathic treatment, vaccines, exercise, thyroid extract, light-baths, modified diet, and longer established medication often produce psychic improvement, and that psychological treatment by suggestion, hypnotism, psycho-analysis, etc., often produces physical benefit or cure.

Psycho-therapy has long been practised in this country, and that psycho-analysis is now no strict prerogative of the followers of Freud, Jung, and Adler, the name of W. H. R. Rivers is enough to show. Whatever the ultimate fate of Freud's doctrines, not only did he stir up both psychology and psycho-therapy, but certain of his methods appear to have become the part of the stock-in-trade of most psycho-therapists. Now, while osteopathy is a most valuable discipline, it cannot, any more than psycho-therapy, be exalted into a panacea, and just as there are psychological "quacks" in the worst sense of that word, there appear also to be osteopathic quacks, one of whose characteristics is to claim all human maladies as their province. I know certain children who have derived no perceptible benefit from osteopaths, even though they suffered from moderate spinal distortion; one of them only improved with a most complicated medication with thyroid, calcium, manganese, liver extract, and some more chemicals, plus some psychological attention. I also know children and some adults whose physique, physiology, and co-ordination are magnificent, who suffer from certain psychic difficulties, arising from their relations with other people, past or present.

As for F. Mathias Alexander, it is perhaps interesting, but not important, that he has been classed, with Abrams of "Abrams' box," and others, as a "quack" who has imposed on men eminent in their own profession (e.g., Dewey), but insufficiently informed outside it. Of course, I do not endorse any such classification, but his two books conveyed to me, when I read them some time ago, little more than reiterations of a few general statements. When I tested the only particular I could—his posture criterion of correct co-ordination—it came to grief, for the "correct" standing posture was adopted or not indiscriminately by well and badly co-ordinated children who were invited to assume it.

Lastly, Major Douglas's touchstone of the achievements of the average man is not satisfactory even as a preliminary test for psychological or ethical theory. For though the average man may play tennis, run a tobacconist's shop, or operate a wood-planing machine, he has also built up the great circulation of the *Daily Mail* and an enormous business in laxatives. If, however, those who were Adlerians were generally inferior to the average in their behaviour over the manifold branches of life taken as a whole, then the doctrine would doubtless stand condemned.

H. COUSENS.

[We would prefer readers' comments to be more directly related to the practical problem which began this debate. That problem is this: "What is the most effective method (or combination of methods) that supporters of Social Credit can use to get it adopted as a national policy?" To be effective a method must not only be proved capable of exerting force toward a given end, but must be one which can be used by the people who desire that end. They must have (1) the will, (2) the skill, (3) the opportunity to employ it. Up to now the supporters of Social Credit have relied on the method of logical argument. Having "received" the truth they have willed to teach it; they have possessed in varying degrees, all the skill to do so, and they have had opportunities to do so. Reinforcing their arguments there has been their general practical and cultural knowledge, covering a wide diversity of subjects from mechanics to mysticism. Each has coloured his presentation of economic truth with his beliefs in other truths, and together they have disseminated it through a great multiplicity of interpretations. The point now is whether the objective of this method can be reached more quickly by an alternative method or a supplementary method. If economic logic be taken, in this connection, as the equivalent of osteopathy, what is the equivalent of psycho-therapy? What is the proposed treatment for a curved economic spine?—ED.]

Sir,—Mr. Mairet and Mr. Symons together give a more than adequate answer to Mr. John Grimm, if his contention was that psycho-analysts are, wittingly or unwittingly, playing the bankers' game. None the less, two further considerations may be worth stating. One, that if a study of psycho-analytic theory were to turn people away from Social Credit, the deduction would indisputably be bad for the latter. The second is the recent affirmation by Dr. Freud that psycho-analysis is, even now, primarily a therapeutic technique (and not, by implication, either a sociological gospel or a philosophy).

In view of Major Douglas's article, a further utterance of Dr. Freud is of interest, namely, that before he begins his treatment he is careful to make sure that his patient has no organic disease. Serious study of the New Psychology is not going to lose a single convert to the New Economics. The harm lies in the fact that for every individual who studies psycho-analysis, many thousands read rubbish about it in the Press. But that is another story.

Once granted that psycho-analysis is concerned with sick individuals, and Major Douglas is concerned with a sick society, the former proves to be a useful analogy of the latter. The psycho-analytical technician is concerned with getting his patient to acknowledge, then renounce, desires which he at first angrily repudiates. Major Douglas rightly insists that only external forces can make society accept a treatment that it does not want because "its stimulus is morbid." The interest of it all is its repercussion upon practical politics. Is it not as absurd to preach the National Dividend to the unemployed as for Dr. Freud to begin an analysis by saying to his patient: "You are harbouring a desire to poleaxe your father"?

DOUGLAS CHANDLER.

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