

THE NEW AGE

INCORPORATING "CREDIT POWER."

A WEEKLY REVIEW OF POLITICS, LITERATURE AND ART

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NOTES OF THE WEEK.

The year 1929 promises to be the most critical in the history of modern civilisation. From the bottom to the top of society the normal antagonisms of the past have developed an abnormal degree of intensity. Man against man, man against master, master against master, master against financier, financier against financier—in all planes of economic life one can sense the gathering of the storm. The one hope of averting it lies in the fact that running parallel with the increasing risk of a general breakdown is an increasing suspicion on the part of the public that in some way or other the trouble has to do with the money-system. The public are being made aware that what divides them into factions is at bottom the competition for an inadequate supply of money. They are being taught that they must look for supplies to the original source whence all money proceeds, namely the banking system. So far so good. But the good is largely mitigated by the publicists who are engaged in popularising the idea of a reform in the banking system. So far as we know there is no school of thought other than the Social Credit Movement (there is certainly no prominent school at all) which carries the idea further than to advocate an expansion of credit by the banking system. Until such school appears, the Social Credit Movement will remain the sole repository of the effective solution of the economic problem. The utmost that can be said of the other schools, e.g., of Mr. McKenna, Sir Oswald Stoll, Messrs. Foster and Catchings, and Sir Oswald Mosley (to mention those who command the widest avenues of popular propaganda) is that they are painting scenery adaptable to the purposes of the Social Credit play. For the rest they are likely to delay rather than hasten the economic emancipation of the country and the world. The more successful they are in setting the public at the game of bank-baiting the more obstacles they will be placing in the way of a practical scheme of reform. The reason for this is

that, with minor variations, they are all pressing for an expansion of credit and concentrating exclusively on correcting technical hindrances to such expansion. Some attack the gold-standard, others want to reduce or abolish interest, and so on; but their common objective is simply that one thing—"more credit facilities." So we will begin the New Year by repeating with all possible emphasis that this limited conception of credit reform is not only futile, but reactionary. Before there is any expansion of credit there must be a radical change in the technique for accounting that credit into costs and prices. Costing-reform must supersede credit-reform as the conscious objective of the Social Credit Movement. As a matter of fact the banking system could take this country a first step towards economic recovery without of necessity expanding credit if it were to instrument Major Douglas's proposals for reducing retail prices. The quantity of credit is not the vital point: it is the proportionate allocation of credit as between capital development and consumable output which makes all the practical difference to the personal prosperity of every member of the population. And the term "national prosperity" is meaningless unless it represents the sum of individual prosperities. But we need not dwell on this consideration, because cost-reform makes credit-expansion safe by cutting out the inflationary consequences that have hitherto followed such expansion; so that a banking system which chose to adopt the former would not need to hesitate about adopting the latter.

The publicists already spoken of (whom we shall refer to comprehensively as the Credit Reform Party) are not attacking the banking system (which we will call the Mansion House Party). They are, wittingly or not, fighting a rearguard action for the bankers. A real fight against the Mansion House Party would be on the fundamental issue of *Cost-Reform*. But the Credit Reform Party have tacitly agreed with the Mansion House Party not to make *Cost-Reform* an issue, so that whichever side wins

the skirmish now proceeding, the public will have lost the main battle. As a matter of fact, we are quite prepared to believe that the Mansion House Party have authorised, and are circumspectly fostering, the attacks of the Credit Reformers. The Credit Reformers may capture and occupy the Credit-Expansion salient, but they will thereby come within the range of the Mansion Housers' heavy artillery of Price Inflation. Unless the attackers can put the guns out of action they may as well stay where they are. So long as you leave prices to regulate themselves you can have all the credit you want from the bankers, because the shops, the tax-collectors, insurance companies, and stockbrokers will get it all back again for the bankers without allowing any more goods to reach the consumers' markets than get there now. The only reason why Britain has not already got a measure of credit-expansion is probably because the Bank of England has had to consult other parties to the international banking group (chiefly American) about how to deal with the resulting modifications in international industrial competition. However that may be, the delay has nothing to do with any fear that the banking system will lose control by granting more credit. The heel of this Achilles is the costing-system, and the deadly arrow is the "Just-Price" formula.

The Mansion House Party have the power to control the controversy. Did not one of its newspapers publicly warn Mr. Lloyd George that it could overthrow any Government that tried to interfere with credit questions? How much more easily then could it not shut up the *Referee* if it feared the effects of Sir Oswald Stoll's "Arthurianisms" in that journal? We notice that on the very few occasions when Social Credit has been publicly attacked, the critics have excluded Major Douglas's name from their articles, although they were aware that it was his theorem which they were dealing with. In the *Referee* "Arthurian" has been discussing the subject of credit for a long time, and has not hesitated to name and criticise other authors of books and articles on the same subject, thereby giving them an opening to reply in the *Referee* if they so desire. But Major Douglas is apparently unknown to him, though actually it is known to him if only because he reads THE NEW AGE. He gave Messrs. Foster and Catchings a good show on December 2 with reference to their book, "Business Without a Buyer." This book deals, as our readers know, with one of the aspects of credit-economy, all of which had been long previously embodied in Major Douglas's "Economic Democracy," and later works. Why does the *Referee* shy at Douglas? It is not as though he could be considered beneath notice; for no writer of little consequence could have had his books set for the economics honours course at the Harvard and Sydney Universities. But "Arthurian" prefers to snipe at THE NEW AGE. The following passage is taken from his article in the *Referee* of December 23:—

"THE NEW AGE of December 13, speaking of me, regarding my article on 'Business Without a Buyer,' says:—
 'He refers later on to the authors' [Messrs. Foster and Catchings's] contention that funds paid out in production cannot provide enough buyers, and to their supporting illustration in which they point out that even Mr. Ford, with his huge payroll and low prices, has not for a single year paid out enough to enable consumers to buy all his cars.'

"My reply to this was as follows:—
 'The fallacy lies in the fact that the producers paid by Mr. Ford to enable consumers to buy his cars are not the essential consumers of his cars. . . . The consumers who buy Mr. Ford's cars are probably in few instances paid by him. They are paid by others.'

"THE NEW AGE replies:—

'But as an argument against the case for Consumer Credit it is worthless. For who are these "others"? They are, of course, other manufacturers.'

'Nearly a column of crass economic ignorance follows. My answer to this is that it shows how careless is the treatment of this vital economic subject. Why should the others necessarily be manufacturers? Are those who pay huge fees to eminent counsel necessarily manufacturers? Are the crowds of people in comfortable banking positions necessarily manufacturers? Are the members of the Civil Service necessarily manufacturers? Are the members of the medical profession necessarily manufacturers? And so on ad libitum.'

'Then again, Mr. Ford (like other manufacturers in their goods) as a matter of fact really pays his producers in weekly wages enough to consume his cars in so far as they can need cars. They do not need a car every week, and probably not even every year. What Mr. Ford pays in a lifetime to one of his men would consume many cars.'

'THE NEW AGE should try to understand what it wants to say. It should try to reach the 'vast deep' of its own brains, instead of only the surface. Then it would pronounce definitely in favour of productive credit, for it would know what it was talking about. The question is simple but elusive, and therefore merely requires care in considering it.' (Our italics.)

We hope that we are not infringing copyright by quoting the whole passage, but we want to return good for evil and reproduce in full what Arthurian has to say instead of summarising any of it as "crass economic ignorance." His answer to the different meaning which he now attaches to the word "others." In his original article these "others" were defined as the people who paid incomes to the consumers of Mr. Ford's cars. In this article the "others" have become the consumers themselves! The fact that we used the narrow word "manufacturers" should not have misled him as to our meaning—the word obviously meant to comprehend organisations of all kinds which paid out wages, salaries, and dividends: our context did not allow scope for any other interpretation, as would have been clear to readers of the *Referee* if some of it had been reproduced. The question was this: if one Mr. Ford cannot sell all his cars to his own employees, is the difficulty settled by supposing him to sell the rest to the employees of, say, another Mr. Ford? That is the Arthurian thesis; and the only "ignorance" to which we plead guilty is that we cannot see how he works it out. If the present system of costing automatically adjusts itself to the purchasing power distributed out of "productive credit" the fact can be proved mathematically. Major Douglas so supports his contrary thesis. Let his critics produce their figures and formulae likewise.

We pass on to notice another kind of Mansion House apologist. On December 16 the Bishop of Chester was broadcast by the B.B.C. for (we believe) the first time. We were interrupted while listening to his address, but heard sufficient for our present purpose. If any reader heard it throughout we shall be pleased to have him confirm these comments or otherwise. The Bishop's text was the "vanity of riches and the beauty of the gold standard," and the tenour of his discourse had reference to the enduring qualities of gold, both material and symbolical. From what we have been saying above, it will be understood that discussions about gold do not excite our emotions one way or the other; so that we can, in the spirit of brotherly love, offer his Lordship a little advice. The gold controversy, once the sport of a few technicians, has now become the dirty business of politics. Before the next Election the industrial interests will be ranged, for business reasons, for or against the gold standard policy of the Bank of England, and it is not improbable that the agitation will infect

a considerable section of the ordinary electorate. Now it is a cherished tradition of the Church that she hold aloof from politics, a tradition which we presume the Bishop of Chester would regret being the first to break. So it will be useful for him to know that addresses of the above character are directly munitioning the Mansion House party to the gold controversy. Not only that, but the other party is already indicting the Mansion House Party with having been responsible, through its rigorous adherence to a gold-standard policy, for most of the poverty and distress now existing in this country. In other words, the policy of Deflation is going to be attacked by a large, responsible body of opinion, as having been unnecessarily harsh, and even immoral. So his Lordship will realise the invidious distinction he will have earned by seeming to sanctify the principle of Deflation as Church doctrine. Really, as a leading public man, he ought to have long been aware of the developments that we are describing, and to have realised that however innocuous intrinsically his discourse would have been in other circumstances, his delivery of it at the present juncture corrupts it with the spirit of partisanship. There is a right time for everything: but to-day is not the right time for the Church to deify gold and canonise the cosmopolitan Directors of the Bank of England. We are hoping to hear that he has provided himself with a means of escape from the dilemma. The next best thing to backing neither party to an earthly controversy is to back both; and happily the scope afforded by religious dialectics for this feat is of generous dimensions. The Founder of Christianity gave the injunction: "Lay not up for yourselves treasures upon earth." A fair exegetical paraphrase of this in our modern economy would be: "Do not save money." If his Lordship would lend his authority to such an interpretation he would do something towards remedying the position of impartiality which he has momentarily forsaken. In any case, if this should meet his eye, we invite him to consider and weigh the acts of the traditional stewards of the mysteries of Gold as exemplified in the ensuing paragraphs.

By an unusual coincidence several days ago we received a book for review entitled "The Bankers in Bolivia."* It arrived while we were writing our Note on the Bolivian controversy with Paraguay which appeared in last week's issue, so we were unable to read it in time to include a commentary. The book is by Margaret Alexander Marsh, and its subtitle is "A Study in American Investment." The most important feature in it is its Appendix, which is a verbatim reproduction of the Contract drawn up in 1922 between the Finance Minister of Bolivia and the Equitable Trust Company of New York, under which was floated a loan of \$33,000,000 in bonds, described as "Republic of Bolivia External 25-Year Secured Refunding 8 Per Cent. Sinking Fund Gold Bonds." (We are reminded of a word-making game which we once played with some friends, and which closed suddenly when we had arrived at "Disestablishmentarianisticalizatory," and someone wanted to add the suffix "ness" to the creation.) This Contract covers forty-two pages of about four hundred words each, a total of nearly 17,000 words. Needless to say, the reading of this quantity of legalistic language was an ordeal; but we read it, and recommend every student to take the same trouble. If you are in the mood to go through it as an example of technical efficiency, you will be lost in admiration of the methods by which the bankers' lawyers have deprived the borrowing Government of

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every vestige of governing power. There is not a thing you can conceive of a Government's wanting to do which you cannot find itemised, defined, and forbidden, except by the consent of the bankers, in this document. The cumulative effect of reading it, to a supporter of this journal, will be to give him a feeling of certitude that our suspicions as to the pledges exacted from Britain in connection with the American Debt fall short of the actuality. He will say to himself: "If the Americans exacted this to protect a loan of \$33 millions, what on earth did they exact from England to protect their loan of \$1,000 millions?" We want our readers to keep this reflection in their minds while we describe one or two of the exactions.

The Equitable Trust Company of New York is named as the "Trustee." It and two associated American financial firms are referred to as "The Bankers." The Bolivian President is required to appoint a "Permanent Fiscal Commission" of three persons, two of whom must be persons recommended by the Bankers, and must at any time be replaced if the Bankers wish it. The collection of "all taxes, revenues, and income" of the Nation shall be "supervised and fiscalised" by this Commission. The Commission is to have up to one-half of one per cent. of the total money collected to pay for its officials' living and travelling expenses. The Chairman of the Commission is to be one of the two members nominated by the Bankers. He is also to be elected a member of the Board of Directors of the Bolivian National Bank. Since this bank is legally a Government bank, the Government elects this director, and is required further to "continue him in office as such." (Mr. Montagu Norman has continued in office as Governor of the Bank of England for ten years.)

Next let us consider Article IV. in the Contract, which provides for "Security." It requires Bolivia first to retire and cancel all External Bonds, including those referable to a loan by J. P. Morgan and Co., of 1908. Next, to purchase or call for redemption all her Customs Notes, "thereby terminating" in the words of the clause, "the right of the holders . . . to tender the same in payment of customs dues." Next, to pay off obligations to local banks at La Paz, secured on shares of stock of the Bolivian National Bank. The object of these provisions is to give the holders of the new Bonds the "first lien or pledge and charge upon all of the funds, revenues, and taxes, hereinafter mentioned." Let them now be mentioned.

1. All the shares in the Bolivian National Bank, necessary to give control of the Bank delivered to the Trustee, to the number of not less than 114,000 (which are represented by the Finance Minister to be sufficient to give control). If the stock of the Bank should be increased the Trustee is to have more than half of the additional stock pledged with him.
2. All revenues representing dividends payable upon the above shares.
3. The tax on mining claims or concessions.
4. The Republic's revenue from the Alcohol monopoly.
5. Ninety per cent. of the revenue from the Tobacco monopoly.
6. The tax on corporations other than mining and banking.
7. The tax on the net income of banks.
8. The tax on interest on mortgage cedulas.
9. The tax on the net profits of mining companies.
10. All import duties.
11. Surcharge on import duties.
12. All export duties.

So the American bankers are seen to control the Bolivian Central Bank as majority stockholders. By controlling this Bank they control Bolivian tariff policy in addition to tariff revenues, because any

major changes in duties up or down affect internal prices, trade, and demands for credit, and those demands only the Bank may decide to meet or refuse. A similar consequence would follow in England if, as is strongly suspected, Wall Street financiers hold the majority of its stock. Seeing that the Conservative Party feels itself driven to grant safeguarding duties, and may want to develop that policy into a Protective system, it is their concern to make sure that there is to be a clean electoral fight on the question, conducted by British people, and on its merits measured by the balancing of British interests; and not a fight in which an American-owned Bank of England will be actively supporting the Liberal Free Trade Party with the object of preventing England from defending herself against the entry of American exports.

There is yet another Bolivian security pledged. It is important enough to have a section to itself in the contract.

"As a further security, the Republic hereby constitutes first mortgages and liens upon all the properties and earnings of the railroads constructed and to be constructed from Villazon to Antocha and from Potosi to Sucre, including their franchises, concessions, equipment, and other appurtenances, and upon the net income of said railways after deducting the expenses of operation."

Moreover, if any of this property is not subject to mortgage under Bolivian law, the law is to be waived! Lastly, if by reason of default on the Loan the Bondholders foreclose on these railways and sell them up, the purchaser, his heirs, successors, assigns, etc., etc., shall have "the right to operate the said railroads for a period of ninety-nine years from the date of such purchase"; and the property shall be "free from taxes and imposts of all kinds." It has more than once been responsibly hinted to us that the British railways have been pledged to America; and the idea derives some support by the railway-merger under a public corporation some year or so ago. This corporation smells suspiciously like the Permanent Fiscal Commission which supervises and fiscalises revenues in Bolivia. It is true that British railways have shrunk to pretty lean proportions nowadays, but thanks to Mr. J. H. Thomas's vicarious generosity in renouncing wages, and to Mr. Churchill's de-rating subsidy, Wall Street liens and first charges on the property (if any) will become worth holding on to.

This Bolivian Loan may not be redeemed until 1937, and then wholly and not in part. Bolivia got \$92 for every \$100 Bond-value, and pays \$105, if redeemed in 1937, or \$100 if redeemed at full maturity in 1947. In the meantime the interest is 8 per cent. Bolivia has no possible chance of redeeming the Bonds out of her own resources. Interest and sinking fund charges will absorb as much as she can manage, even if the world prices of tin and other exportable products keep up. This drain on her revenues cannot be lessened by borrowing from England or another financial centre at a lower rate of interest, because her securities are all pledged with the Trustee in New York until 1937; and apart from that, if any Government tried it on there would probably be a "bloodless revolution." It is significant that the Bolivian Administration which went and incurred these onerous conditions when contracting the Loan of 1922 had come into power by that means only two years previously. We in England had a "bloodless revolution" when Mr. Lloyd George kicked Asquith out and took office in 1916, two years before the declaration of peace. He continued therein while the subsequent secret Contract to fund the American Debt was

being negotiated and completed. What happened will remain a secret, we suppose, unless the present Government has courage enough to hold an enquiry into the external financial commitments to which this country was subjected during his Administration. There are few signs of such courage.

An Outline of Social Credit.

By H. M. M.

IX.

To summarise:—

- (1) The primary cause of the world's troubles is the fact that the aggregate of prices is always greater than the aggregate of incomes.
- (2) The cause of the difference is the manner in which credit is issued and recalled, and its effect in raising prices if they are not scientifically regulated.
- (3) The effect of the difference is war or starvation, either or both of which will destroy civilisation unless the financial system be reformed.
- (4) The nature of the reform must be to make the nation's money balance the money value of its capital assets and goods making and for sale. This involves issuing credit to consumers independently of costs, also price-regulation and selling under cost.

The effect of the remedy would be:—

- (1) Prices to consumers would fall immediately to a fraction of their present height, and would continue to fall indefinitely; while incomes, instead of falling, would rise progressively with every advance in applied knowledge.
- (2) Whatever the community produced it would be able to pay for; consequently, trade and industry could go full steam ahead as long as any economic want remained unsatisfied. Cycles of good and bad trade would disappear, since human wants, however much they may change, do not wax and wane in conformity with such cycles.
- (3) Poverty would be abolished; and all the human energy, misdirected or bottled-up as the result of poverty, would find natural outlets, to the great benefit of the national health.
- (4) Foreign trade would lose its competitive character; so the main cause of war would cease to exist. We should not require foreign markets—that is, there would be no compulsion on us to hunt for buyers abroad in order to keep things running, since we should have all the buyers we require at home; but, having acquired a liking for numerous foreign commodities, there is no reason why we should not indulge in it; and, of course, there would have to be a reciprocal export of goods to pay for them. The real object of foreign trade is, as THE NEW AGE says, to diversify consumption.
- (5) All fresh capital being provided by the community, via the banks, and price-regulation being a communal function, the power of the so-called capitalist to exploit either his employees or the consumer, and his temptation to do so, would be destroyed. Strikes and lock-outs would become things of the past; and the distinctions between Capital and Labour would ere long become meaningless and be forgotten.
- (6) The human race would be lifted on to a higher plane altogether, and would begin to taste a lasting freedom and peace for the first time in history.

It is an indispensable part of the reform proposed that money, equal in amount to the value of all new capital—or capital values—created, should be distributed free and equally, in the form of a social

dividend, to everybody, as a right, and independently of what he may earn by any work he may do.

Of the right of every member of the community to an "unearned" income of this kind there can be no question. The productive machine is a communal creation, and the accumulated knowledge of centuries went to its making. It is *not* the creation of the men who run it to-day. (Their contribution, divested of all they have inherited from the past, is of no higher value than the Stone Age man's.) And its productive power is so tremendous, if properly used, that it would be sheer insanity not to base public policy on these two undoubted facts. That is, we should pay the men who run the machine, and pay them well; but the surplus they produce over and above the value of their pay or earnings, profit or dividends, is an unearned increment which properly belongs to the whole community; and it should be distributed to everybody equally, without conditions or stipulations of any sort.

If we have a prejudice against unearned incomes we shall have to get over it; for the plain truth is that human labour is becoming of less and less importance every day as a factor in production; and, if human beings are not provided with unearned incomes, the bulk of the world's inhabitants will soon have no claim to existence at all.

The possession of a private unearned income would make every man, woman, and child in the community independent, and able to face the future with equanimity. It would also put them in the strongest possible position to resist tyranny of all kinds. How many shameful and objectionable things are being done to-day by people who hate doing them simply because, lacking independent means, they cannot afford not to do them?

X.

The remedy can be applied in several ways; but the principles outlined underlie them all. All that is needed for introducing it is a knowledge of the money value of the nation's production and consumption, and of the individual's consumption; and easy ways of arriving at these particulars can be found. Approximate accuracy will do to begin with; refined accountancy can come later.

If the banks were disinclined to introduce it themselves, the first step would be for Parliament to enact that on and after a certain date they must keep their books in accordance with the principles established by Douglas, and that, from the same date, the Government itself would regulate retail prices on the basis of the statistics of the nation's production and consumption.

The financing of business would be done by the banks direct, as agents for the community, all manufacturers, dealers, and retailers being granted credits to pay their costs as they arose. No production to be sold under the price formula would be financed out of earnings.

Merely to illustrate the principles in action, let us picture the productive process, with goods passing through a succession of hands—A, B, C, D, E. B's borrowings would cancel A's borrowings (costs) and pay A's profit. C's would cancel B's and pay B's profit. D's would cancel C's; and so on.

If E were the retailer, his borrowings would have to be large enough to pay D's costs and profit, and E's own costs and profit. This latter provision is to ensure that when goods enter the retail market enough money to buy them has been distributed to the consuming public, of whom the retailer is one.

The consumer, on making a purchase, would pay the retailer the full price of the article bought, and would receive with it a voucher for the amount paid, as is usual now. These vouchers he would present to his bank for recording, and at suitable intervals of three, six, or twelve months he would be credited with

the amount due to him, as discount on his purchases for the period, as determined by the Price Formula for that period.

The retailer, having already had his costs and profit paid by issues of credit, would repay the banks all he received from purchasers; but he would repay only as and when he made a sale. To make him repay at arbitrary dates, fixed independently of how his sales are going, is wholly unscientific, and forces him to rob the public whenever he can, besides throwing the whole economic system out of gear.

By this method the whole process of adjustment is carried through in the banks' books; and this makes for ease and simplicity of working; but there are other methods; and, as the British people pay little attention to theories unless they work out in practice, it is possible that some rougher and readier way would be adopted at the start.

A DIGEST OF SOCIAL CREDIT.

British Trade Union and Socialist publications have recently given much attention to what is known as the Douglas "New Age" scheme of credit reform. This scheme was first put forward by Mr. C. H. Douglas, an engineer, in two books, "Economic Democracy" and "Credit Power and Democracy," and in the weekly publication of THE NEW AGE, which played a prominent part in the launching of the Guild Socialist Movement. THE NEW AGE now maintains that without some means of control of the underlying factor of credit (power to issue or withhold money), such as is provided by the Douglas proposals, the ideals of Guild Socialism are impossible of attainment.

Supporters of the Douglas "New Age" scheme argue that the purchasing power in the hands of the community is chronically insufficient to purchase the whole product of industry. This is ascribed to the fact that the cost of capital production, paid for by means of credit created by the banks, is charged into the price of consumers' goods. As a consequence of this lack of purchasing power, industrial communities are faced with the alternatives of continual and widespread unemployment of men and machines, as at present, or of international complications arising from the struggle for foreign markets.

The Douglas "New Age" scheme proposes to remedy this defect by increasing the purchasing power in the hands of the community to an amount sufficient to provide effective demand for the whole product of industry. It is, of course, recognised that this cannot be done by the mere creation of more money, such a course necessarily giving rise to the "vicious spiral," prevalent during the war of increased currency, higher prices, higher wages, higher costs, still higher prices, etc. The proposal, in its essentials, aims to create more money, but, at the same time, to regulate the price of consumers' goods, basing them on the real cost of production. It is urged that by thus selling goods at the "just price," and simultaneously issuing new money to the requisite amount as statistically determined, purchasing power could be increased to, and maintained at, the point where it would be sufficient to exercise an effective demand for the whole product of industry. Advocates of the scheme claim that its adoption would result in an unexampled improvement of the standard of living of the community through the elimination of the enormous waste prevailing in industry by reason of the lack of effective demand.

It is claimed that the scheme provides for the control of industry by the community through the control of the credit with which industry is financed. It is also pointed out that, unlike other radical measures, these proposals do not necessitate expropriation in any form, but insist upon the necessity of business enterprise remaining in private hands, steps being taken to ensure that it serves the needs of the community.

(Current and recent issues of THE NEW AGE, "Socialist Review," "Post," "Forward," "Labour Leader," "Public Welfare," "New Statesman," "Times Trade Supplement," etc.)

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The M.M. Club meets on Wednesday, January 9th, at 5 o'clock. Discussion at 6.15.

A Study Circle of the Social Credit Movement will meet on Monday, January 7, 1929, at the Christian Institute, Bothwell Street, Glasgow, at 7.30 p.m., and every Monday thereafter at the same time.

Eimar O'Duffy's Social Credit Planet.*

O'Duffy has done it at last. His "King Goshawk and the Birds" came very near it. This time he shows us clearly and unmistakably that he knows. Ah, the schoolboy catch-ditty:—

"I chased a bug
Around a tree,
I'll have his blood
he knows, I will!"

Yes, he knows, he knows. It would be of interest to know whether he found the "bug" himself, or whether it was brought to him—by a leprechaun. Because, of course, A B is a leprechaun—or should one say A + B? Never mind, the bug is there all right, as witness Chapter XXI., entitled "The Unpractical Economic Ideas of the Ratheans." Listen to this:—

"The subject was brought to my notice again by Mr. Yasint's asking me about our system on earth. The fellow was such an intolerable bore that I tried at first to fend him off, telling him that he wouldn't be able to understand the system, as it was based on money. But that only sharpened his curiosity.

"Do you find that it works?"

"Of course it works," I said.

"Indeed," said Yasint. "Tell me, then, how do you prevent wealth from accumulating in the hands of a few?"

"We don't," I said.

"Then you must have some people living in luxury, and others with insufficient means to be healthy and happy?"

"Well, naturally," I said. "That can't be helped."

"In that case," said Yasint, "your system doesn't work."

Or again, what about this?

"Is a plentiful supply of cheap goods a disadvantage?" says he.

"Of course it is," I replied. "It throws people out of employment."

"Naturally," said he. "But isn't that an advantage?"

"Far from it," said I (speaking from experience).

"What?" cries Yasint. "Is leisure a calamity, too?"

"It is, if you're poor," said I. "Only in that case you don't call it leisure. Unemployment, my dear sir, is the great problem of our times, and no Government so far has been able to solve it."

"I don't understand you," said Yasint, stupidly. "Surely unemployment and poverty cannot exist together?"

"Get along," says I. "How do you make that out?"

"They are mutually exclusive," says he. "If a portion of the community is unemployed, it can only mean that everybody's wants are satisfied. If any portion is in want, it means that there is so much work to be done as will satisfy it."

"That sounds very clever," I said, "and may be quite true in theory; but the fact is that we have thousands of people unemployed, and even more living in poverty."

"I cannot believe it," said Yasint. "If your earth were unfruitful, you would all have to work very hard, and might yet remain poor; or if your earth were exceptionally fertile you might do no work at all and yet be rich. But the other position is impossible."

"It's a fact, all the same," I said.

Here's another gem a little further on:—

"Nonsense," said Yasint. "Even from your point of view, the more people who are born the better, because they have to be clothed and fed and housed, and, therefore, in your silly phrase, create employment. And in very fact every human being is an asset, because each can produce more than he consumes."

After explaining the new economic system of the

* "The Spacious Adventures of the Man in the Street," by Eimar O'Duffy (Macmillan, 7s. 6d.).

Ratheans, even to the Exact Price (which is called "the Noitar"). Mr. Yasint listens to the young earth-fellow:—

"Well," I said, when I had heard the lecture out, 'of all the clumsy, stupid, unpractical, and intolerable systems I ever heard of, this takes the bun. What's to prevent you all sitting down quietly and helping yourselves to what you like without doing any work?'

'If we did that,' replied Yasint, 'there'd be nothing to help ourselves to.'

I am glad to say there are twenty-two pages of this chapter, and the other chapters are just as telling.

It is not often that a novel is written—and published—which hits the New Economic nail right bang on the head, is it? So doff bowlers to O'Duffy.

Let us hope he reads THE NEW AGE, for if he doesn't he's no duffer, and if he does he's a dabster. The whole book is a-bubble with silent laughter; a whip for dullards, but a universal balm for those who wot well and wist which way the wind listeth. Even a few of the chapter headings are enough to put any A + B-man in good fettle for forty days and forty nights:—

The Barbarous Sports of the Ratheans—The Inefficient Schools of the Ratheans—The Shocking Immorality of the Ratheans—The Perverted Notions of the Ratheans concerning Justice—The Abominable Religion of the Ratheans—

And, O'Duffy can write. Read it. J.

The Screen Play.

"Brass Knuckles."

No other producers can compete with the Americans in that type of technically efficient films which, although not great, are uncommonly good as entertainment. An excellent example is "Brass Knuckles" (Capitol), a rather unusual crook story, with a touch of Sandford and Merton, which is admirably cast and acted, with Monte Blue and the charming Betty Bronson in the principal roles. The scene in which detectives handle a doll in which a stolen necklace is concealed without finding the booty contains the best "suspense motive" I have yet seen, and this is repeated with striking effect when the detectives, after going out, return and examine the doll. Now, thinks the most hardened "movie fan," they will find the loot. But they don't. Astonishingly good technique, and a much more difficult screen trick to bring off than it sounds. This is a film that I advise readers to see when it is generally released.

"Eternal Youth."

Another combination of technical efficiency and good entertainment is provided by "Eternal Youth" (Empire). Save that the scenes are laid at West Point, this is in essence one of the numerous American college films, but it also has a touch of the usual. It has movement, thrill, and rhythm, and is well acted, save by Joan Crawford, who is not in the "star" class, although she is at the moment appearing in a number of what the Americans love to call "stellar roles." But so long as producers insist on love interest even when, as in this instance, they are totally unnecessary to the story, so long shall we have the edge of a good film blunted by mediocre acting and mis-casting. Fortunately, the worst that Miss Crawford has been able to do in "Eternal Youth" is to give cause for moderate irritation. This is another film that I recommend.

DAVID OCKHAM.

Scotlandshire.

Mr. George M. Thomson's* thesis may be measured by the following words from his preliminary chapter:—

"This for Englishmen: Scotland is not a land populated by porridge-eating peasants in kilts. This for Scots abroad: Your country is not a douce preserve of well-doing, well-educated, stalwart people, reading their Bible and adoring their Burns, marching steadily forward through the Kailyard, with its heather fringe, to the sound of the 'Cock of the North.' If there ever were such a Scotland, it is dead. For things have not stood still while you were scrambling for a living in Shanghai or Lombard Street. Scottish history did not end with the 'Forty-five Rebellion, as is so commonly supposed; it has merely been running underground since then."

With a trenchant pen Mr. Thomson draws attention to the prevailing conditions in modern Scotland—the existence of the worst slums in these islands; the problem of increasing unemployment, which is already 50 per cent. worse than in England, and augmented by the growing menace of the "Irish invasion" of the shipyards and the coalfields; the steadily-declining native population, not due to a decadent virility, but arising from the decay of agriculture, the rise of deer-forestry, and the consequent increase in emigration; the gradual absorption by English companies of Scottish industrial concerns; the affiliation of four of the eight Scottish banks to the English "Big Five," thereby reducing Scotland to a receiving-office for London; and so on. (The ultimate phase of this banking development, by the way, will be the suppression of the note-issuing powers of all Scottish banks, with the concentrated control of "British paper-money" in the hands of the Bank of England.)

The inexorable trend southward of British industry generally has already hit Scottish trade hard; and the utter economic barrenness of the triple-partisan system in England can only lead to further accentuation of the physical distress already so rampant north of the Cheviots.

In the face of such ominous signs of the times one is compelled to pose the question whether Scotland has a future culturally in the comity of nations? Has the inherent Scottish genius ever existed as a national entity? In what form has that genius been expressed? If one assert that the Scottish genius has never yet been given expression in any single department of thought-activity, the united chorus of tinsel-patriots in the Burns and the St. Andrew Societies will hiccup their thick denials. They will point to Scottish literature of the past century; yet that was written mainly in English about past Scottish history for English readers. When Barrie looked out of his window in Thrums it was not Scotland he saw, but Fleet Street. Like the "common Burnsite"—as Henley called them—Barrie's vision has always been backward. He writes of little ministers, of still smaller factions of the congregation, and of what every woman knows. But what a man wants to know is whether Sir James has ever spent five minutes thinking seriously of the future of Scotland.

Indeed, the ruck of "Scottish" novelists seem to have written in treacle, not in ink. They have been unable to see Scotland for the cabbages in their Kailyard. Sir Walter Scott for inspiration looked backward, like Lot's wife, and was turned into a pillar of baronnetted loyalty at the hands of George IV. Stevenson, too, spent his exiled life in playing at brigands and smugglers—quite unconcerned that the future of Scotland lay not in its past. Burns's poetic genius was fittingly recognised by the perspicacious English Government which set him the congenial task of gauging beer-barrels. He died a pauper amongst the ancestors of those who at

* "The Re-Discovery of Scotland," by George Malcolm Thomson (Routledge, 7s. 6d. net).

Burns Dinners now are loudest in their praise of the Scottish Spirit—while under the influence of those other national spirits, unbottled.

The contemporaneous appearance of this book, with the result of the recent Rectorial Election at Glasgow University, is particularly fortunate. That the polling astonished both public and Press alike, even in Scotland, is a truism. Little had been heard of the birth of the National Party of Scotland a few months ago. The Press attempted to bring this healthy youngster to an early grave by investing the word "Nationalist" with a derisive halo of inverted commas. The verdict of the Glasgow students, however, showed that the transference of only thirty-four votes from the successful Unionist candidate would have secured a victory for the Nationalist, Mr. Cunningham Graham. In their efforts to explain away this quite unforeseen "narrow shave" the Press somehow dropped the damaged halo. They had remembered that the Liberal and the Socialist Parties had had "Home Rule" in cold storage on their programmes for some thirty years. But they had failed to realise that this Left Wing was a live bird, and not the frozen mutton of the older Parties. When the successful Lord Rector happens to be the popular Mr. Baldwin it is easy to comprehend the dismay of the three orthodox Parties. For the Nationalist candidate polled within sixty-six votes of that honest man, with the Liberal and the Socialist nowhere in the running.

Our author does not himself appear adequately to realise the vigorous tendencies of the new Scots Nationalism. At this stage, of course, it is wise to be cautious. But the heather is on fire at last, and it will not be put out by the Westminster fire brigade pumping its political bilge-water from the sinking ship on the Thames. Already several candidates have been nominated to contest constituencies in Scotland at the next General Election. The object of the new Party is, broadly, the repeal of the Union of 1707, and the establishment of a Parliament again in the Scottish capital. Each candidate will ask to be sent to Westminster with a mandate to take the administration of Scottish affairs out of the hands of the London assembly. That the Party is alive to the trend of the times may be gathered from the fact that it realises that autonomy is nothing if it does not include the power of credit-control.

Here arises the question whether the destiny of the Scottish genius may be to drain the economic morass in which the first-class nations of civilisation are desperately floundering. The disastrous Union of 1707 occurred at a period when Scotland appeared to be developing into a modern European State; and the subsequent slow deterioration now threatens the extinction of a racial mind-cast which is universally admitted to have made its impress on the world, even though it has been in the rôle of a subject people.

Before the Union, William Paterson was the means of founding the Bank of England—strange irony! After the Union, another Scot, Adam Smith, was the first to enunciate the general principles underlying political economy. Still another, Dr. Henry Duncan, was the pioneer of the first Savings Bank. To-day the Banks and Insurance-offices throughout the Empire are manned by battalions of Scots, what time their native country is dwindling industrially, numerically and culturally.

The advent of Major Douglas at this precise moment in history may be a significant portent for Scotland, as it is for the whole economic world. With the re-discovery of Scotland, and the ultimate establishment of a National Parliament again in Edinburgh, it may be that the Scottish people shall be the first to express in terms of economic fact the celebrated equation enunciated by the latest of her sons of genius. That there is something rotten in

the state of Scotland to-day cannot be gainsaid. If the rot be not arrested within the current decade by Scots everywhere, then they must for ever lapse into a servile caste of bookkeepers and policemen for the predominating partner, guarding the frontiers of the far-flung English Empire while mouthing well-worn Scottish maxims, but handling well-kept Maxim guns.

The second part of this book consists of concise biographies of the lives of three by-gone Scots: (1) Andrew Fletcher of Saltoun, who, as chief spokesman in the last Scottish Parliament, fought against the Union of 1707; (2) James Macpherson, who wrote the spurious poems of Ossian; (3) John Law of Lauriston, that weird character who played many parts, one of which was for a period that of Controller-General and Superintendent of Finances for Louis XV. of France.

SCOTT CURFEW.

Views and Reviews.

The edition of Mr. Jack Lindsay's "Dionysos, Nietzsche contra Nietzsche" is limited to 500 subscription copies. My impression before reading the book was that forty-two shillings, despite the *de luxe* paper, printing, and binding, were a forty-two barred gate against the author's purpose. After reading, my conviction is that Mr. Lindsay's book is better value for its price than most seven and sixpennies would be at half-a-crown; and I am grateful for the consideration given to durability. When disembowelled man, ratiocinating in a universe of pure mathematics, comes across books of this kind while digging in the rubbish that was London, he may learn that at least a few minds in the machine age refused to join the conspiracy whose goal was a geometrical abortion. Mr. Lindsay re-affirms the man who is a creature of instincts as well as a wielder of reason, and who loves beauty and lovely women in preference to measuring things. He re-affirms the space whose characteristics are not only the coefficients of its curvature, but the figures of Titian, Michael Angelo, and Reubens, which justify the creation of space; he re-affirms the time which is not a mere corrective for space, but the canvas of Beethoven's symphonies; and the time-space which is so much more wonderful than the fourth-dimension as the Wagnerian Ring in which the gods dance.

At the opening of his work Mr. Lindsay writes of philosophy in Dionysian frenzy. A bunch of grapes on every twig, however, though nature never put them there, is a finer show than the leafless skeletons of the academicians, which, to extend the arboreal metaphor, recall only the barren fig-tree. Later in his book Mr. Lindsay's dance becomes a march over the unconquerable philosophical territory, helped along by Blake's understanding of the paradox that for *creative life* both terms of an anti-thesis may be true. It is a paradox that can be resolved not by dialectic but only by laughter, as the soldier resolved the madness and necessity of war, and Mr. Lindsay resolves the madness of philosophy. An application of this paradoxical truth, however, which Mr. Lindsay, although he recognises it, does not emphasise proportionately, is that Dionysos and Apollo are both true; and that the existence of both is necessary to creation, not in each civilisation only, but in each person. The trouble with the age in which we live is that neither is manifest on the spiritual or aesthetic plane. What we have at present in Europe and America analogous to Apollo and Dionysos is inertia and demoralisation. In other words, we have Apollo tired, which is to say, without energy, and Dionysos

* "Dionysos." By Jack Lindsay. (Fanfrolico Press. 42s.)

amok, which is to say, without form; and Dionysos refuses to discipline himself while Apollo refuses to wake up. Hence we have sex rampant, without joy or creation, and with a laughter whose aim is to keep responsibility out of mind; and we have intellect hypnotised by mere numbers and quantities, rendering the universe formless and void.

Mr. Lindsay's chapters on Nietzsche's affirmation of the eternal recurrence were an inevitable and necessary link in the criticism of Nietzsche. According to Mr. Lindsay's values the three outstanding figures of uncastrated philosophy, Plato, Nietzsche, and Wagner, each fell; Plato into the rigidity of the "Laws," Nietzsche into the determinism of the "eternal recurrence," and Wagner into the come-into-me Christianity of "Parsifal." Mr. Lindsay exonerates Wagner on the ground that "Parsifal" was Wagner's reaction to betrayal by Nietzsche. Neither of these two, he shows, was strong enough alone to re-enthroned Dionysos, and it was Nietzsche who opened the gulf which entailed their separation. Nietzsche, in short, asserted, but would not live, Dionysos. That Nietzsche originally meant by the idea of eternal recurrence a mere series of repeating states and philosophic doubts in a universe repeating itself in deal for ever is, as Mr. Lindsay demonstrates, false. Such a mechanical recurrence is possible of contemplation only to a mind already obsessed by determination or Fate. The moving passions of the Dionysian philosophy were *will and creation*. The eternal recurrence of a universal being where every summer is the same, and every winter a sleep, or of the gramophone record, whose every performance is identical, is incompatible with Nietzsche's idea that man is something to be surpassed. A universal panorama fashioned on the model of a stage-army, with the superman coming after the sergeants, and the sergeants coming round was finished, and the exhibit being eternally shown on a wheel to tell the tired god who set it going the time. The core of the idea of the recurrence was that man must voluntarily offer his spirit to the agony of eternal creation. Instead of going to Heaven or Nirvana when the present Kalpa is perfected or shown futile, man must volunteer to start again, if need be, as amoeba, not to repeat himself but to create afresh. The essence of the creator, artist or God, is that he does not repeat himself.

Nietzsche, as Mr. Lindsay says, feared to entrust this idea to his fellow-creatures. He saw what would befall it in the minds of the "rabble." What he had to offer as a joyful affirmation of life would be received by tied and tired souls as a Nirvanic fatalism, excused by a fine sounding label, like a barrel of chemical beer under three holy crosses. Nietzsche thereupon turned to the "Will-to-Power," an entirely different, and a barren idea.

"The chief cause of Nietzsche's inability to see, consciously, the substance of eternity, an inhabitable world, in the imageries of music, art, and poetry, was his damnable chastity."

We should be very poor Nietzscheans if we permitted Nietzsche's chastity, comic as it may be in a Dionysos, to pass as the cause for anything he did or thought. On this question, while I join Mr. Lindsay with all my heart in recognising Freud as the great deepener of consciousness in this age, I would recommend Mr. Lindsay to take into account the work of Adler, who is far more related to Nietzsche than is Freud. Looked at in the light of those physiological values common to both Nietzsche and Adler, Nietzsche's chastity was not the cause, but the consequence of the "Will-to-Power." The "eternal recurrence," as Adler said in a lecture in London, represented Nietzsche's effort to create for himself a social compensation against the egotism of

the "Will-to-Power." The eternal recurrence, in short, was Nietzsche's categorical imperative. Although everything that exists is moved by the desire for power—it is as if Nietzsche said—I must counteract it by living so that, though everything I do be repeated infinitely, I shall survey it with satisfaction. This also accounts for Nietzsche's consenting to the corruption of the idea of eternal recurrence both in his own mind and in the minds of the "rabble." As for his chastity, no man whose will-to-power is dominant to the degree of Nietzsche's, dare put himself so completely in the power of a woman as to sleep with her. The corruption of the idea of eternal recurrence put Nietzsche, incidentally, beyond the creator's power.

Will-to-power was born in Nietzsche's cradle. In his early years he lived too much among women. So much power had he over them as a child that he could not, for the rest of his life, believe himself less than a magician among them, a Rasputin who held off because power remains absolute if not exercised. He had no brothers to teach him his place in society. In childhood he was already dreaming grandiosely, and his fiction of aristocratic descent was a common symptom of will-to-power in persons similarly brought up. It is on a par with the schoolbook that traced Queen Victoria's descent to Odin, and the paternity of heroes to the gods. It was impossible both from upbringing and from physiological endowment for Nietzsche to live Dionysos. Such was not his office in the world. It required all his strength to conceive Dionysos. Let it be enough that he showed man, as well as man's face, in the glass, man's back-parts, which he had conspired for centuries to forget while growing vitally weaker as a consequence. As Plato's fall was an attempt to save society, so the fall of Nietzsche into the will-to-power idea has provided saving knowledge for subsequent mankind. The Augean stable of man's motives, with all their tinsel superstructure of false ideals, can be cleaned out, sweetened, and built afresh, on the knowledge of mind and instinct opened by Nietzsche. The final paradox is that this hyperconscious psychologist gives most help where he was least aware of himself. Mr. Lindsay clearly perceives that the hope of culture rests less on accepting than understanding and correcting Nietzsche, and by adding to him the other expressions of essential spirit, Plato, Beethoven, and Wagner.

"The Beethoven rhythm and the Wagnerian tone are the only completely liberated forms in music." Possibly they will wed Christianity and Paganism; and when the present universe is once more melted down they will be among the very few things to be saved, and will be sounded to start the next universe.

R. M.

"Of practically all commodities which America can produce it is producing regularly from 15 to 30 per cent. more than it has the capacity to consume and dispose of profitably in other available markets. It is safe to say that a general average of 40 per cent. of all the factories that are operating at all to-day are doing so at a loss."—J. E. Edgerton, President of the National Association of Manufacturers, in his concluding address at the annual convention at New York, reported by *Commerce and Finance*, October 31, 1928.

"Last Saturday in Rome there was an impressive exhibit imposing ceremony the sixth anniversary of the 'March on Rome' was celebrated by the burning on the 'Altar of the Mother Country' facing the tomb of the Unknown Soldier, 140,000,000 lire of public debt certificates offered to the Treasury by public-spirited citizens, who have vied with each other to reduce the national indebtedness."—*Commerce and Finance*, October 31, 1928.

Theatre.

1928.

Almost every journal which gives attention to the theatre has by this time published a review of the year. Most of these reviews do little more than catalogue the year's successes and failures, their writers obviously working from diaries made for the purpose. For this reason the lists ought to be nearly exhaustive. By saving them one ought to have a permanent record of the work of the year, and of the contact between the theatre and life. Not one of these reviews which I have seen, however, mentioned "The Unknown Warrior," probably the greatest war-play yet written, and possibly the best play produced this year. Those who went through it certainly made it known. But neither in London nor on tour could it obtain a sufficient public to remunerate its producers. The interval between the end of the war and the production of the play was surely long enough for the public to take a straight look at the war state of mind. This play was one in which art and life were fused. Though so much of life may never have been lived in as few hours as the play covered, the play revealed the truth about the reaction of the younger generation to the war. By contemplating that single night's events and the utterances of the nameless soldier, his beloved, and his father, one understood more of the post-war revolt of youth than either youth or the serried lines of shocked bishops have been able to tell in ten years. Who, however, will blame theatre-managers for continuing to provide cocktail adultery if productions of the magnitude of "The Unknown Warrior" are forgotten even by critics with diaries?

Other two matters of real moment in the English theatre have also been mentioned by nobody. They are that neither of the tragedies, "Danton's Death," by Georg Büchner (translated into English by Geoffrey Dunlop, and therefore available), and "The Silver Tassie," by Sean O'Casey, has yet been produced. The first-named play would require crowd-scenes, which, since it would certainly not draw the musical comedy multitude over a two years' run, is a serious obstacle to the most willing manager in these days of economy. Apart from the "Old Vic.," plays with crowd-scenes can hope for performance only by the most adventurous and enthusiastic amateurs, some of whom produced Halcott Glover's "Wat Tyler" early in the year, at Huddersfield. In the quarrel between O'Casey and the Abbey Theatre directors about "The Silver Tassie" both parties were in the wrong, but the Abbey directors had the additional stimulant to their pride of a bad conscience. If only the Abbey could do what is so difficult for Irishmen, and climb down, something could still be done with the play. With the personal co-operation of O'Casey it might receive, if the Abbey criticism of the script proved just, the necessary re-shaping. In any event O'Casey is so great a dramatist for two of his three produced plays that the Abbey Theatre owes him a great deal, as does the theatre of Europe. His "Juno and the Paycock" had a serious flaw in it in the shape of the school teacher, who was newspaper, not drama; but "The Plough and the Stars" was a drama of the first magnitude, the like of which is created rarely. It is a milestone in culture.

The most serious temporary smirch of all on the 1928 London theatre, again not mentioned in any review of the year, is what amounts to the break-up of the Irish Players. London did not, of course, create this company. Its members passed through neither London's universities at Oxford and Cambridge nor through London's academies for drama and elocution. But as long as the company could

keep a theatre going in London, from Hammer-smith to Golders Green, London could claim to maintain as fine a team of actors as any in the world. As long as Ireland turned out drama and the Irish Players kept together, the art of oratory, to preserve which the Abbey Theatre was formed, was not dead. This leads us to still another blot on the London theatre that no calendar reviewer has mentioned; that Shakespeare is played only at Waterloo, and that nowhere in London can one be sure of seeing a play by Shaw. About Shakespeare there need be no quarrel. The West End élite of British Empire society do not want to hear the fellow's name. They are taught at school to read his plays without interest, to perform one or two expurgated scenes without fire, and thereafter they are glad to forget that blank verse ever existed, much less had noble blood. Shaw, with all his faults as a propagandist, and all his Ulster-Yorkshire dogmatism about everything in heaven, on earth, or in the waters under the earth, is not only a great dramatist, but the representative figure, along with Shakespeare, of English drama the world over. By his Puritanical hatred of imagery even as metaphor he has done more than any other man to make vernacular English a vehicle for logical thought in addition to a vehicle for poetry.

London is the meanest metropolis in Europe and America for its treatment of Shakespeare and Shaw. Shakespeare is, of course, for Europe rather than America, since he reminds America too strongly of the tradition she envies and cannot even buy. But Shaw, who has expressed no more love for the American than for any other man, is more recognised in New York than in the city which might, with practice, speak his language. While I would prefer great new plays to the great old ones, Shakespeare and Shaw ought both to have a permanent theatre in London where young people and visitors from abroad could witness some reason for saving England, and the only reason which is not false for retaining Ulster in the United Kingdom. A week or two back Carl Capek looked on the future of the theatre, in relation to what is called the threat of the cinema, with optimism. There will always be an audience which will want to see the word uttered, which will prefer the actor before it in the flesh. There may be an audience for the actress in an English metropolis which has neither Shakespeare nor Shaw, and will not support with bread, butter, and jam, the Irish Players? The only English plays which can be played without scenery for the spoken word alone—and, of course, the ideas, actions, and emotions, expressed through the spoken word and its accompanying gesture—are the works of these two; and the only team of players who make one forget their scenery, which is not scenery in the "Producer's" sense of the term, are the Irish Players. Drama is not dead, oratory is not dead; it is the audience for them that is dead; or, to be just, it is the audience for these things which, not having made the one object of its life to win in the scramble for money, cannot afford to patronise them.

Thus we arrive at what is really wrong with the theatre. Theatre-rents are too high, and the incomes of the qualified theatre-goers are too low. At present-day prices there are not enough intelligent persons of culture able to afford regular attendance. The most intelligent people in London probably sit in the pit and gallery on the nights when the stalls are empty; when the tired persons who could afford stalls have paid even higher prices to be stampeded and galvanised into a semblance of interest in life at a revue, or have paid higher prices still to dine and drink themselves into a condition which can tolerate cabaret, or blurredly enjoy the

spasms of impotence to the rhythm of syncopated "music." These people refuse to experience anything new, while demanding all experience as their right. Hardly a theatre in London has not suffered failure or something very near failure with a play above the ordinary, some above the ordinary of their own kind, others of any kind. The Duke of York's produced "Thunder in the Air," a very good play that failed utterly, in spite of the frank and sincere praise given it by Barrie, whose generosity to other artists is an admirable trait in his nature. "To What Red Hell," a fine and finely-produced piece of melodramatic propaganda, with Sara Allgood in it, had to be diligently nursed at Wyndham's. The Court Theatre tailed with two plays by the Quinteros, which deserved success. Both St. Martin's and the Ambassadors have failed with good plays and succeeded with plays not so good. "Baby Cyclone," at the Lyric, was a farce with great qualities, that must have succeeded in a less feminist civilisation; but the women said it was silly, with the result that the men dare not go to it.

More and more, therefore, the best work is confined to the smaller and private theatres. The Everyman Theatre has a long record of excellent, though unprofitable work. The Arts Theatre Club has a magnificent, if a short record, both for new work by English dramatists, and for its Ibsen and Strindberg contributions, not to mention that it was the first home of "Young Woodley," "Diversion," and "The Unknown Warrior." American writers are agreed, as an article in the *Christmas Bookman* says, that Eugene O'Neill is the one American dramatist of the first rank. But for the determination of Peter Godfrey and the Gate Theatre Studio—along with the Stage Society—O'Neill would scarcely be known in this country. Our drama is in the same way as our hospitals; the rich will not support it, the poor cannot. But for those patrons who have done something for the theatre, and to whom the public which cares for culture at all owes immense gratitude, such as Sir Barry Jackson, the institution would have broken all managers' hearts, and perished. For all the traditional patrons of art cared, taking them as a whole, actors, authors, and theatre-managers could have followed the medical students to beg in the streets.

PAUL BANKS.

Reviews.

The Delight of Great Books. By John Erskine, Professor of English Literature in the University of Columbia. (Nash and Grayson. 8s. 6d.)

These essays, if not delightful are very pleasant because the author has enjoyed the books and enjoys talking about them. He seems to be strolling round his library letting fall the many comments which the sight of his favourites calls to mind; with such ease does he speak and so utterly unpretentious is he. For the reader, too, he makes it too subject easy. Sometimes, however, he tries to make it too easy, as when he says of "The Canterbury Tales": "Any intelligent reader can make out the rhythms of the lines by pronouncing all the syllables," which implies the existence not only of mute letters but of mute syllables! How does this help the reader who does not know whether "grene" (e.g.) has one syllable or two? The book shows at once the pleasantness and the limitations of the existence of the more serious limitations do not appear in the essays devoted to Malory, Spenser and the more modern authors, but chiefly when Shakespeare is the problem. Thus of Romeo and Juliet we are told that they are isolated, as it were, from the hate, the old age and the vulgarity which surround them, by their love, their youth and their gentleness: all true enough and not uninteresting; but such incidentals help us little if we are trying to grasp the motif, the fundamental, of the play. Was it that Shakespeare was here once more waging war on convention as the foe of freedom in love, and even in hate, as in all else. In "The Tempest," Prof. Erskine is greatly puzzled as to why Prospero breaks his wand and drowns his books of

magic "as tho' they were temptations," and he surmises that this is "a confusion in philosophy." But, surely, to one who is devoting himself to the contemplation of Eternity ("every third thought shall be my grave"), the first step would be to abandon in that Sea every means of temporal authority.

Anthony Comstock, Roundsman of the Lord. By Heywood Brown and Margaret Leech. (Wishart. 15s.)

Comstock was eighteen when "he raided a Connecticut saloon and spilled the liquor on the ground," and he went on doing that sort of thing all his life. He died in September, 1915. Comstock chased Obscenity all day and most of the night; and he found it everywhere—in quack advertisements, lotteries, gambling saloons, pornographic post-cards. His lifelong crusade against Obscenity is aptly summed up in a cartoon from "The Masses" (September, 1915) showing Comstock dragging a wretched woman by the scruff of her neck before a judge. Comstock is saying, "Your Honor, this woman gave birth to a naked child." The book is well written and well produced. It will interest many and delight those who have the Comstock spirit; and, after all, there must be many such, for Comstock was appointed by President Wilson as a delegate representing the U.S.A. at the International Purity Congress, San Francisco Exposition, July, 1915. And if, in 1873, he did kick a couple of young men in the stomach because he saw they "were engaged looking up under the ladies' clothes as they dismounted" (from a waggon), he did it, like the lady in "The Green Hat," for Purity.

The Return to Laissez Faire, the Case for Individualism.

By Ernest J. P. Benn. (Benn, Ltd.)

(Poor reviewer
In funk . . .)
Much regret
This book
Pure bunk.

Ernest B.
All at sea
Doesn't know
His A + B.

However,
Read it—
(May be wrong)—
Please forgive
Little song.

G. J.

The High Pyrenees. By Becket Williams. (Wishart. 7s. 6d.)

Here we have an author who tells us he is determined to steer that difficult middle course between good and bad guide-books, the bald statement of facts on the one hand, and the comparatively useless, even when highly literary, record of personal reactions on the other. The result is surprisingly pleasant. Mr. Becket Williams is, we fancy, not quite sincere in disavowing pretensions to literary excellence. We say this because, when we see how artfully he disclaims the scepticism he obviously feels for the punch of sarcasm when he likes; and the best-written sarcasm must always be good literature. We disagree with him on one point, in which he errs with many others. For how often do you find any travel author paying proper tribute to the excellent literary style of Herr Baedeker? But Mr. Williams has produced a book as readable as any Lucas, with pleasant photographs to illustrate it, and on every page the mark of a personality in whose company we should like to explore these entertaining heights.

L. S.

Proust. By Clive Bell. (Hogarth Press. 5s.)
Somehow or other, we find this book dull. Probably because we have been over-Prousted by all the highbrows who have never read him. A pity, seeing what George Moore might have made of the subject. And the quotations might have been much better chosen.

L. S.

LETTERS TO THE EDITOR.

BIRTH CONTROL.

Sir,—Mr. Diamond's contention "that the high birth-rate of Holland simply means that the Dutch want children and have them," is not evidential: it is not even a tenable hypothesis. The bulk of the people in the world, to-day at any rate, do not want children, and it may be taken as axiomatic that, openly or otherwise, they adopt every method they know to avoid parenthood. There is no reason

to suppose that the Dutch are different in this respect from other races. It may be taken as proven that in every civilised country, whatever may be the State attitude towards birth control, contraceptive measures are widely adopted and that the divergencies in the birth-rate in these countries are the results of factors other than and additional to contraception.

One of the main objects of my book, "The Truth About Birth Control," is to disclose these factors, which seem to have been entirely overlooked, not only by sexologists but also by propagandists both for and against birth control. True, it is difficult, if not impossible, to prove, solely with evidence relative to the human race, my thesis that environmental and nutritional factors have far more effect on the declining birth-rate than has contraception itself. It is difficult because the details available in relation to human beings are largely controversial. But in relation to animals and birds there is available abundant evidence that artificial environmental conditions and nutrition are playing the very deuce with fertility. The experiments and observations of Professor Leonard Hill have clearly shown that sterility in both male and female animals is easily inducible by tampering with their natural diet. And as a result of considerable practical experience of breeding dogs and fowls, I have no hesitation in saying that an artificial mode of life invariably causes temporary, partial or complete sterility. Every experienced poultry breeder knows that by giving to a pen of birds kept in confinement their liberty, the fertility rate will be increased by 50 per cent.; that, in addition, where in a confined space it is unsafe to run more than eight females with a male, on free range double the number of females may be allowed. Every dog breeder knows that a considerable proportion of the Pekingeses that lead a life of luxury analogous to that led by their mistress, are sterile.

When one considers the constantly and rapidly-increasing artificiality of modern modes of living, the enormous increase in the use of artificial, prepared, semi-cooked foods of doubtful nutritional value, surely it is no far-fetched assumption that what indisputably does occur in the case of domestic animals and birds may conceivably occur in the case of human beings. In addition, the delayed age of modern marriage in itself has a big effect on the decrease in the number of births.

These would seem to be far more potent factors than the supposed lack of irresponsible and licentious soldiers; or the absence of the productive effects of "the long hand of the Roman Catholic Church," which probably hovers over Italy and Spain as effectually as it does over Quebec.

No unbiassed observer will deny that the wide employment of contraceptive methods is having some effect on the birth-rate; my point is, that its effect is enormously exaggerated both by contraceptionists and their opponents. Both make the error of supposing that the absence of children is necessarily a testimonial to the effectiveness of one or more birth control methods. GEORGE RYLEY-SCOTT.

"AN OUTLINE OF SOCIAL CREDIT."

Sir,—Perhaps these points may be of use to Mr. Keppel. (1) Actually (as contrasted with schematically) the question of Time cuts out, for one man is buying raw materials at the same time as another is paying wages for producing the goods from his, and another is paying dividends from the sale of goods which he made at a previous time. They all "dovetail" into each other.

(2) The factor, which in the schematic statement is attributed to Time, payments to the past, and so on, actually takes a different form, though essentially the same, viz., whether during any given period the "condition of trade" is brisker, the same, or less brisk, than in the previous period. If brisker, there are more wages being distributed them in the market than were spent on making in the market than goods coming over from the previous period. This stimulates production and produces a boom. If trade is less brisk the opposite happens. We are now in this condition, and apt to forget that the other is also possible. M.B.Oxon.

PRICE AND COST.

Sir,—I placed Major Douglas's formula, quoted by you on p. 94 of your issue of December 20, before a mathematician, and he says that the interpretation of the formula is as follows:—

"The Just Price is to the cost as the actual production is to the potential production. Thus, either the just price is less than the cost, or the actual production is greater than the potential."

ARNOLD J. W. KEPPEL.
[The mathematician is right. The Just Price is less than Cost.—Ed.]

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The Social Credit Movement.

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

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

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