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NOTES OF THE WEEK.

Mr. McKenna's annual speech to the shareholders of the Midland Bank last week departed from tradition, and approximated in form to those of other bank chairmen. This is not surprising to close students of his past speeches, who have realised long since that a logical development of his series of credit-analyses would take him farther than the banking interests as a whole are ready to follow him. He has exhibited to the onlooking public a fine pack of hounds year after year, and one or other of them has always picked up the scent of the flying fox of vanishing prosperity; but on every occasion the master's horse has shied at the hedge where the pack has broken through. Does he pull his mount up, fearing the hidden barbed wire of the costing system, or do mischievous watchers signal the field in a false direction? No one can tell; but year after year there have been these elaborate preparations to comb out the countryside; and never has the hunt returned with the brush. So, as we say, it is not surprising that this year, instead of taking us all hunting, Mr. McKenna leads us round the bankers' stables to look at the horses; while sniffing and scratching in the locked kennels of industry are imprisoned all the human forces of sagacity, initiative, and experience necessary to track down the assailant of the country's henroosts and larders.

* * *

Within the limits of his financial and political surveys, Mr. McKenna has always been usefully informative, and his speech this year is no exception to the rule. He refers to the rigid custom of the banks to record their Deposits in a single, undifferentiated amount in their balance-sheets, regardless of the fact that under that designation are two kinds of deposits—credits standing in current accounts and credits standing in deposit accounts. The first he calls *demand-deposits*, because the depositors can draw on them, without notice, by writing cheques. The second he calls *time-deposits*, because the depositors cannot draw on them without giving notice ranging from a few weeks to a few months. The practical significance of the distinction, he points out, is that demand-deposits represent credits in more or less active circulation in the markets, while time-deposits represent credits which are, so to speak, suspended over the markets. This suggests to us the image of falling rain in the first case and a floating cloud in the second. Such an image will serve to clarify some of his further observations. He points out that as the active circulation of credits connotes trade activity, one may reasonably expect that the ratio between aggregate demand-deposits and time-deposits will afford an index of such activity. Accordingly he has had figures taken out for this purpose, and declares that movements in the ratio-figure have been found to run parallel with movements in trade indices, e.g., the figures of employment. When showers are about spades are about. He suggests that if other banks as well as the Midland were to check his results by the same method they would confirm them.

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The figures quoted by Mr. McKenna are worth recording. He takes total deposits (i.e., both kinds together) and calls them 100. He takes demand deposits (i.e., the totals of current accounts) and expresses these as percentages of total deposits.

"Beginning with the boom year 1919 we find that the proportion was exceptionally high, 71.4 per cent. During 1920 the boom was rapidly passing away, and the percentage fell to 66.2. By the spring of 1921 a definite trade depression had set in, and in that year the current accounts dropped to 60.3 per cent. From that time onwards there has been a slow but constant decline, the successive percentages being 60.0 in 1922, 59.8 in 1923, 58.5 in 1924, 57.3 in 1925, 56.3 in 1926, 55.7 in 1927, and 55.3 in 1928."

There has thus been a continuous progression in the transfer of credit from current accounts to deposit accounts. Mr. McKenna has analysed the period 1927-1928 (two years) month by month, and says that the parallelism between changes in the ratio and

changes in business conditions reveals itself just the same on this short wave-length. He adds the comment—

"The seeming discordance between monetary and trade conditions may therefore be attributed in part at least to the fact that although there has been an increase in the total volume of money, there has not been a corresponding increase in the amount actively engaged in trade."

Mr. McKenna goes on to inquire whether this phenomenon is caused or not by banking policy. He comes to an affirmative conclusion. The character of a deposit is governed by the character of the loan or other credit-creating operation which gives birth to that deposit. For instance: if a bank makes a loan directly to a manufacturer for productive purposes, the resulting deposit obviously represents money in active use, and ranks as a demand-deposit; if a bank creates credit by buying securities, the resulting deposit probably comes under the head of "money awaiting investment," and in such case ranks as a time-deposit; if a bank makes a short-term loan to the money-market, or purchases bills, there will be an initial increase of demand deposits, but ultimately some of these deposits will come to be held by foreign banks, partly on current, and partly on deposit account. How the division will take place cannot be foreseen, but "neither part will add to the volume of money actively at work in British trade." In connection with these facts Mr. McKenna invites the public to note how small a proportion of bank money is employed in financing day-to-day business on the Stock Exchange. In November last, all the London clearing banks together had only £148 millions lent at call or short notice, out of a total of £1,637 millions of total earning assets. Of this £148 millions probably not more than one-half was borrowed by the Stock Exchange (that, at any rate, being the proportion of Midland Bank short-loans so borrowed). The corresponding "brokers' loans" in New York in the same month stood at $2,850 millions, i.e., about four times the whole of the London short-term money, and probably eight times the amount of London's "brokers' loans."

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The general lesson to be drawn from Mr. McKenna's analysis is that an expansion of deposits need not necessarily connote an expansion of trade activity—that the fertility of credit is not an essential function of its quantity. Much less, then, would an expansion of deposits connote an expansion of consumption. It would seem as though the private consumer is two removes from the source of purchasing power; because, firstly, some portion of credit can be used over the heads of producing organisations; and, secondly, some other portion can be used by producing organisations over the heads of individual consumers. On this showing the necessary prerequisite to economic reconstruction is a change in the directive policy of the credit-controllers, and not a mere increase in the volume of credit they may bring into existence. It is not a question of "how much credit," but one of "where shall the credit be circulated, and under what conditions." Of course, other things equal, the more credit the better, so long as it can be fruitfully used, but no demand for more credit is worth pressing unless accompanied by a demand for a revision of costing which will result in accelerated consumption. The realised prosperity of a country is the rate at which its population draws goods out of industry. In theory this definition is open to the objection that it would call a people prosperous who were "living on their capital." But it would still be true practically, for the dissipation of the capital would be manifesting itself in the form of individual affluence so long as it held out. The objector might say: "Yes, but they are going to suffer for their affluence." Quite so: but for the last several generations the same type of moralist has continuously delivered himself of the assurance to the poverty-stricken: "Yes, but you are going to benefit by your penury." So, if we wished to make a debating point against him, we might say that since his prophecy has gone wrong in the one direction it might go wrong in the other. But we need to condescend to this trick. The mere fact that a people possessed any accumulated capital to dissipate would prove their ability to benefit from the accumulation while still maintaining it. Capital, in its physical form, is a multiplier of human energy. It saves labour, as the saying goes. It can not only multiply the output of consumable energy-products per head of the population, but it can accelerate the speed of its own renewal. It can grow and give at the same time. And, as students of this journal are aware, it is its giving which fosters its growth. The limiting factor in production is the ability of the ordinary citizen to consume the product. Mr. McKenna has said something potentially useful in affirming that the banks should investigate the question of the allocation of their loan-credit as between producers and investors. But the utility of the declaration will not be realised until something much more is done than to turn time-deposits into demand-deposits. Let us have plenty of showers by all means to develop production. But let us remember that producer-credits whispering in the cornfields are useless without consumer-credits muttering in the millstreams. In God's economy it is the rain that He wastes on the barren hills afar off which is the cause that wheat gives birth to bread in the near valleys.

* * *

The joke of the week is the Press commentary on the Bank of England's new attitude to the cotton industry. One would think that the Bank had performed an act of voluntary abnegation in its promotion of a Lancashire Cotton Trade Corporation. The *Daily News's* attitude is typical of that of the rest of the papers.

"Not only the people of Lancashire but the nation at large owes a debt of gratitude to the Bank of England for the statesmanlike part it has played in showing Lancashire how to go about the business and in inducing the other Banks to relax their pressure and to make sacrifices without which the scheme could never have been launched."

All that the Bank of England has shown Lancashire (if Lancashire would only realise it) is how Lancashire could have saved itself if it had enjoyed the privilege of a bank charter with the powers of creating and using its own credit. When we say "saved itself" we interpret the phrase in the same sense as Lancashire is presented in the Press as being saved. The truth is that the salvation in question is indistinguishable from damnation. What was the problem? Simply one of insolvency. The industry was heavily liable to the banks for loans, to trade creditors for purchases, and to the public in respect of investments. A large number of investors were cotton operatives who had been hypnotised by glowing prospectuses into pledging their homes and future wages in the process of committing themselves to acquire shares supposed to be worth, and nominally valued at, ten shillings and upwards, for an initial payment of "one shilling down," and the "rest if wanted, but it never would be wanted." They were persuaded to believe that for their one-shilling they could earn a high rate of dividend multiplied into ten shillings. The whole world was assumed to be itching to snatch at this precious English cotton at any price Lancashire might condescend to accept. If ever there was a time when the banks, as a self-constituted watchdog of sound industrial financing, had an opportunity of justifying their claim, this was it. It does not matter who was immediately responsible for the cotton boom; the fact remains that the banks assisted it when they could have intervened to protect the public.

Millowners collected cartloads of share-applications from these little people, and the banks lent credit on the security of the nine-shilling callable balances, knowing that since the shareholders were employed in the industry the so-called security was simply an inflation of the industry's other securities (whatever they may have been). The banks might just as well have lent money to a father on the security of his son's pocket-allowance. They acted on the principle that risks disappear if you spread them widely enough.

* * *

Well, the boom burst, and down toppled the whole edifice of make-believe. Fortunately the banks were partially buried in the debris; and it is to the fact that they couldn't get out in time that they are now "saving" the industry. Their statesmanship consists in saying to everybody concerned: "Look you, we can't extricate ourselves from this rubbish; so we will be generous and keep still till you dig us out." They do not say it so frankly, of course, but they agree to let their loans and overdrafts remain unsettled (which they have to do in any case), and to accept Income Debentures to the amount. This acceptance is a departure from tradition, because the banks have always hitherto restricted their investments to Debentures, which meant that the industries concerned had to pay them the interest before striking a profit, and also had to protect the principal by withholding profits from shareholders and accumulating "reserves." Under the Income-Debenture plan the banks receive their interest only conditionally upon there being profits to pay it from. Even so, the renunciation may be only a formality, because now that the cotton industries are to become a Corporation, the accountants (who will certainly be bankers' nominees, if not their regular auditors) will have full control over the system whereby profits are computed. Anybody who runs a business knows that he can often show the difference between a good profit or an actual loss, according to the figure at which he chooses to value his stock, or the rate at which he chooses to calculate depreciation of plant, and the cost of renewals, or the amount he sets aside as a reserve for bad debts, and so on.

* * *

Moreover, from a hint in the *Daily News*, we should gather that the banks' policy will be to make cotton profits look as small as possible. They are not primarily concerned to collect interest; but they are deeply concerned to maintain the principle that a loan is a loan, and may not be forgiven, but must exist as a claim in one form or another. Their holding of these Income-Debentures gives them the power of controlling policy, which includes the power of fixing prices. The magnitude of that power is indicated by the statement that the Corporation is likely shortly to acquire "seven or eight million spindles" and "a considerable number of looms." The hint in the *Daily News* to which we refer is in the following paragraph:—

"This is a magnificent beginning. It remains for the cotton leaders as a whole to seize a priceless opportunity. There is no longer any excuse in the facts of the situation for the old stagnant fatalistic plea that cotton was down on its luck and that the luck might turn. The 'luck' will only turn when the Lancashire industrialists take a big view of their problems and subordinate personal interests to the good of the industry in all its manifold activities. Here, in one great section of the cotton trade, is an enterprise which should provide all Lancashire with an object lesson in the virtues of self-help and co-operation."

The first part of this paragraph reverses the moral of the event it is celebrating. For the new policy of the banks is, by the *Daily News's* own testimony, a change of luck for the industry and justifies in retrospect the fatalistic plea attributed to the millowners. The second part of the paragraph, with its references to the subordination of "personal interests," to "self-help" and to "co-operation," with all its beautiful vagueness as to detail—and in fact *because* of its vagueness—is a forecast of a rough time for shareholders and wage-earners. There must be sacrifices for the "good of the industry." If this moral exhortation has any other conceivable meaning than that the people associated with the industry must take off their coats and freeze to keep the Income-Debentures warm, we should like to have it explained.

* * *

But we have not finished yet. These Income-Debentures, so the *Daily News* says, may be "publicly quoted"—"the Stock Exchange is favourable." We can believe it. And we can also believe that the banks may unload the lot on Wall Street. To them, dollars are as good as sterling for the liquidation of assets. And if eventually, a dollar-financed American Cotton-Growers' Corporation should acquire the Debentures and put Mr. Parker Gilbert in charge of Lancashire, well it might wound our *amour propre*, but look at the example of scientific efficiency! The *Daily News* further remarks:—

"The new combine aims at being a self-contained unit. There is significance in the fact that its chairman is not a cotton-spinner, but a prominent shipper, one used to keeping his eye on export markets, *so that production may be adjusted to likely demand from overseas*" (Our italics.)

and not to the demonstrable and painful needs of the home population. If this is the way in which the Bank of England is "showing Lancashire how to go about the business," the *Daily News's* enthusiasm becomes utterly mysterious. Is not waiting to see what the demand may be the apotheosis of that "stagnant fatalism" with which it indicts the Lancashire industrialists? This revision of policy merits a paraphrase of the French saying: "The better it changes the worse it is the same thing."

* * *

Leaving the Corporation to make shirts for the foreigners while the Government is begging shirts for the miners, we will glance at the activities of the militarists, whose duty it is to be ready for the time when the world's cotton spindles will be working for field ambulances under the sign of the Red Cross. Senator Borah has for some time ceased his opposition to the United States cruiser-programme. Mr. Hoover has announced that he is going to have an understanding with Britain about the freedom of the seas and the rights of neutrals on the water. The cruiser-programme, according to some accounts, is not necessarily to be carried out, but is to be an argument why Britain should come to terms. Sir Austen Chamberlain, at Birmingham, on Saturday, said that Britain had admitted the principle of naval parity, and that the continuance of public controversy on the matter tended to create a difficulty which really did not exist. But the controversy continues, and in such wise that the American correspondent of the *News of the World* warns the readers of that popular newspaper not to regard the idea of an Anglo-American war as "unthinkable." Echoes of our voice take their time: we said all this seven or eight years ago. There are two schools of opinion in the United States: one deprecates talking before building, on the ground that arguments directed to the "re-codification of sea-law" might not be over by the time of the next Naval Limitation Conference, and that the United States would not then be in a position to meet the other Powers with "equal authority." The other school tends toward the policy of waiting and seeing, in the half-hope that discreet and friendly reminders of America's building-power will influence the British Government as much as the actual exercise of that power. Needless to say, the controversy will go on, both between the militarists of either country and between them and the pacifists in both countries. An agreement on "naval parity" means just as much or little as an agreement on the blessedness

of the word Mesopotamia. In the last year or so the *Round Table* has devoted hundreds of pages to elucidating the meaning of parity; and the upshot of it all is that the formula covers such a multitude of factors that legalists might as well try to evaluate parity of culture or of spirit. Look at some of them: numbers of vessels, types, weight, numbers and weights of guns, speed, geographical distribution, location of fuelling stations and of original fuel resources, land-armaments commanding vital sea-channels—and, of course, behind and beneath all these factors there is the general power of economic production. Strict parity would entail, for instance, America's sharing the occupation of the Rock of Gibraltar with us; or, on the other hand, and to come to fundamentals, it would entail America's scaling down her industrial equipment level with ours. Incidentally, these facts show how futile it is for the United States to rely alone on outstripping Britain in cruiser-building, when there are all these other factors to be considered.

* * *

Another important point is that the naval strength of a Power does not depend on its own navy, but, in addition, on the amount of naval construction it is carrying out for other Powers. This brings the subject into the region of international alliances; for it is generally a trustworthy rule to assume that those nations who entrust their naval contracts to British yards do not contemplate being aligned against Britain in any war, and most especially so when the risks of war are proximate. It is because of this that there are American strategists who advocate America's building, not simply up to what they call equality with Britain, but to equality with the strongest possible naval combination that could be brought against America. Some particulars of the alleged secret memorandum of General Groener, the German Defence Minister, bear on this point. In advocating the construction of new German cruisers he said:—

> "The revelations of the last few weeks (i.e., the Anglo-French Naval Pact) reveal, as by a searchlight, the future grouping of the Powers round England and France, on the one hand, and America on the other. The fighting out of these antagonisms is only a question of time; and Germany, a people of sixty millions in the heart of Europe, runs the gravest danger of being drawn into the struggle."

This extract is reproduced from the *Referee* of last Sunday; and its Diplomatic Correspondent who reports it remarks:—

> "General Groener does not couple the name of Germany with that of America; but reading between the lines of his statement, in the light of what is already known of the close politico-financial harmony between the U.S.A. and Germany, it is evident that the German Defence Minister had in mind a grouping of the U.S.A. and Germany on the one hand and a grouping of Britain and France on the other."

This reading of the situation coincides with what we have said from time to time when reviewing America's financial penetration of Germany at the time of the mark-inflation.

* * *

We are shortly publishing H. M. M.'s series of articles entitled "An Outline of Social Credit" as a booklet. Major Douglas has contributed a short Preface in which he says that for soundness combined with simplicity H. M. M.'s exposition of Social Credit is a step in advance of anything of the kind previously published. In that judgment we unhesitatingly concur, and we imagine that our readers' opinion will coincide with ours. We hope that everyone, to the limit of his purse and opportunity, will make the utmost use of this new booklet. In addition to its instructional merit, we are convinced that as a piece of literature it cannot fail to enhance the prestige of the Social Credit Movement. The booklet contains fifty-two pages, and the published price will be sixpence.

Aspects of Leisure.

III.—LEISURE AND CULTURE.

By Hilderic Cousens.

If we survey the growth of civilisations, their maturity, and their decay, we can discern among the complex causes and conditions which attend them two recurring factors which are far from insignificant. One of them is an increase in a community's wealth, the other a diminution in the effort required to ensure a passable livelihood. The former brings Prosperity, the latter allows a degree of Leisure. In the past Prosperity and Leisure have been appropriated all too narrowly to small groups of the population. In the present, also, this happens likewise. But whereas in the ancient days of almost complete dependence on human toil no other event may have been possible, we hold that in the present both Prosperity and Leisure may be generalised. No one would claim that Prosperity and Leisure are the sole or unfailing sources of culture, nor deny that occasionally they have accompanied worthlessness and degradation. Still their provision seems the soundest recipe open to those whose aim is to enhance cultural values.

To exemplify the operation of these factors would give material for many pages. Let it suffice to refer to three or four instances. The birth and efflorescence of ancient Egypt may reasonably be ascribed to the discovery of the way to exploit the floods of the Nile. The abundant crops secured by irrigation, lightening man's struggle with his environment for the necessities of existence, enabled some part of the people to apply themselves to other than agricultural work. They were employed under the direction of those who for religious and political reasons enjoyed large incomes derived from the exploitation of the river. The Ionian and Athenian civilisations developed in conditions of a slavery which released a minority from unremitting toil, and of a trade activity which markedly increased personal and especially public wealth. The philosophers, the artists, and the writers of Ancient Greece flourished amid people who had the money and time to appreciate them. So it was at the Renaissance. The cultural ferments of that time multiplied under the patronage of the leisured wealthy. Such cultural growth as the Medieval Church evoked was rooted in a like soil. For the life of some orders of monks and friars afforded security from the dangers of secular life, an established livelihood, and an opportunity for spending time on other things than the winning of daily bread or the performance of a prescribed routine. And, again, both in the past and in the present, what is the peculiar function of universities? It is not the passing of students through such-and-such lectures and examinations. It is the provision of the material means (which requires expenditure of wealth), and of the material conditions (which require both wealth and time), whereby contributions of knowledge and technique may be made to civilisation. Though at times universities have sunk into sloth, so that an external stimulus has been found efficacious, yet the system on the whole has justified itself. Those universities whose faith has been too closely cabined by anxiety for results are not those most conspicuous for their service to humanity.

We may extend this justification to mankind at large. Isaac Newton, a person unduly leisured in the eyes of those whose gospel is to "work harder," at unspecified tasks of unspecified value, offset some generations of snoozing dons. The only complaint which can be justly entertained would be that in the conditions of that day some other potential Newtons went unleisured and unendowed. That complaint we would have made groundless. The most certain way of accomplishing this would be to extend the same opportunities to all who wished to take advantage of them, under forms suited to the

economic technique and democratic ideals of the twentieth century. To be more explicit, this involves on the one hand an income for everyone, independent of specific tasks worked at, and the reduction of the necessary time occupied in supplying the goods and services fundamental to modern life. We must admit that a large number of notable and germinal performances have resulted from the stimulus of poverty and duress. Compulsion has acted both on individuals and on groups to their own, and other people's, benefit. The nature of human existence cannot, indeed, abolish stress and strain. But we are now enabled, by inheritance from previous generations, to circumvent this natural hostility, by the less intense effort of a steadily decreasing fraction of the community. So much so that if we were to obliterate all the toil which is now expended on things not nearly fundamental to human existence, the ratio of officially employed to officially unemployed would be inverted. We can, indeed, rely for the maintenance of the community on all those other motives and impulses which we see in operation day by day. The desire for fame, the wish to be approved by one's fellow citizens, the urge to find an outlet for mental and physical exuberance, the impulse to help others who need help, the wish to rectify errors and improve process, the abhorrence of waste, these and other forces would suffice to carry on civilisation from its present stage, backed as they would be by those other desires for wealth, comfort, and power, which would still continue under social conditions in which their evil aspects would be mitigated, if not abolished.

The co-operation of three sorts of people is indispensable for the expansion and penetration of the best elements of our culture. There are those, comparatively few but open to be recruited, who constitute the "growing end" of culture in all its branches. Their misfortunes are still a frequent theme; they are misunderstood or ignored or hated or persecuted; they are crippled by poverty or their time is taken up with the gaining of a livelihood which their proper gifts fail to ensure them. From time to time we even hear that the chief hope is a recourse to a revived system of private patronage. Clearly the obstacle most obviously to be overcome and the most easily to be overcome is that of *income*, which determines both poverty and leisure. Then there are those who, while not in the rank of genius, are competent workmen in the crafts of culture, maintaining its standard and enhancing it by piecemeal endeavour. Leisure and endowment are indicated for them, too. Below whom we must place all those people whose function is not to create, but to absorb, appreciate, and reflect in a multitude of ways the fruits of creation. They provide the medium in which music, art, literature, and even philosophy and science, are in general most likely to flourish, for rarely do these things flourish in isolation. For every genius who develops amid indifference, a dozen grow up from the soil of a friendly generation. But now as before, this appreciative congregation needs a fair measure both of wealth and time by which to find and fulfil its function.

Lastly, we may observe that in England, and in Western Europe as a whole, there is now no animus against cultural values and cultural performance. We are fairly free of active barbarism and active nihilism. On the contrary, while positive ignorance and indifference are all too common, the active inclinations in the mass of the population are towards attaining that degree of culture which has been attained by the minority, and this despite the vulgarisation for which propagandist plutocracy labours. For the majority to enter their cultural inheritance they must have money and they must have time.

The Screen Play.

"The Last Command."

Here is one of those exceptional films (Tussaud) that justify all the superlatives of the publicity agents of Hollywood and Wardour Street. It has two special claims to distinction; Emil Jannings surpasses his performance in "Vaudeville," and America has never sent us a better film. In his other rôles, Jannings is always Jannings, in "The Last Command" he is not Emil Jannings the actor, but has sunk himself in the rôle, and is the Russian General whom he impersonates. This is a superb, dignified, and authentic performance, ably seconded by that of Evelyn Brent, who, I understand, is an Englishwoman, and it is refreshing to find the general depicted as a gentleman, and not in the conventional style of bully, cad, or libertine. Josef von Sternberg's direction, save for a few minor anachronisms, matches the genius of Jannings, and the film studio scenes are the real thing. To realise how good they are, one should see Anthony Asquith's absurdly over-praised "Shooting Stars," which has also just been generally released. Incidentally, the Hollywood scenes indicate that in the matter of wardrobe organisation and the machinery for the engagement of supers, American producing companies are not to be credited with overmuch of the vaunted national efficiency in business.

"The Last Command" is a really great film, and its successful union of cosmopolitan talent would be impossible in any other artistic medium. Why anyone should want to go to a "talkie," when he can see screen-plays of this nature, is frankly beyond me, save on the assumption that there are certain abysms of popular taste which I have hitherto been unable to fathom.

"The Ring."

Unless this film has deliberately been held up by interested parties on order to "smother the baby," as the argot of the trade so elegantly puts it, it is difficult to understand why nearly eighteen months should have elapsed between the first public showing of "The Ring" (Tussaud, Stoll, and other theatres) and its general release. Critics deservedly praised it on its debut, and it is still one of the four best British films made to date, despite the subsequent appearance of "Dawn," and "The Constant Nymph." Alfred Hitchcock has created something definitely, essentially, and unmistakably English, as English as Hogarth's "March to Finchley," and he shows himself to be possessed of one of the hallmarks of a good director, the flair for casting minor parts, whose players are both living as individuals and correct as types. I have in the past been so imperfectly enamoured of the screen work of Lilian Hall-Davis that it is both a pleasure and an act of justice to commend her in this admirable film.

"The Cossacks."

Described, with a lack of complete accuracy, as an adaptation from "Tolstoy's famous drama," this film (Empire) is an admirable entertainment. It is a thrilling, robustious, and altogether "he-man" show, with a definite exotic atmosphere and a semi-barbaric rhythm. Ernest Torrence is the outstanding actor in a good cast, but, as is so common, the principal woman player Renée Adorée—is completely inferior to the men. Strange that although no institution has exploited woman, her limbs, her lingerie, her sexuality, and her alleged mystery in comparable fashion with the film, the screen has as yet produced no feminine personality of the first rank, whether as actress, scenarist, producer, director, or in any capacity.

DAVID OCKHAM.

Views and Reviews.

HOMO SAPIENS.

By James Viner.

It is two or three years since Professor Charles Richet, the distinguished French physiologist, wrote his *L'Homme Stupide*, of which the English translation, called *Idiot Man*, has acquired considerable popularity, and has been freely quoted on public platforms as evidence of the difficulty of Social Reform. Professor Richet's definition of stupidity is the quality of a mind which perceives what is right, is able to do it, and chooses to do something else. Animals, he says, have no such perception, and so are incapable of stupidity. Only man thus sins against the Holy Ghost, and though it is within his power to create a world of order and beauty, he leads a life of futility and discord, using his genius and invention to increase suffering. The writer improvises with Gallic virulence and virtuosity, detailing the stupidities of individuals and of civilisations, Eastern and Western, ancient and modern, until his irony comes dangerously near to frivolity. There is material enough and to spare, from the sensual uncreativeness of the African to the criminality of the European races which excel most of all at destruction. A misanthropic satisfaction is to be gained by such a survey of world history, in which man's most characteristic achievements are the worship of mediocrity, the persecution of genius, fear of death, and reverence for corpses, together with so scant a respect for life and the living that the average state of social harmony in a herd of elephants is comparatively blessed.

Such an outburst may pass for once as entertaining levity, and even as instructive in its way. But when the learned Professor follows up *Idiot Man* with *The Impotence of Man*,* one begins to feel curiosity about his premises, and a desire to assess his motives. The second book is a little too much in the manner of the first. Logically, indeed, it exculpates man from the previous charge of stupidity, for man, we now learn, is not even able to do the good he sees but is at the mercy of cosmic laws. With all his pride of consciousness man is unable to modify the chemical and physical forces that mould his destiny. He can never know his origin or his final goal, nor even decide why he puts up with existence. Even those of greatest power and achievement pass at last into the oblivion of forgotten history. Not only do we live in a world of irresolvable discord, we are imprisoned in our own individualities, which even the profoundest friendship does not enable us to transcend. And even within the citadel of his own personality a man has no power to impose harmony, but is at the more or less unwilling service of his body's forces, unable to master his delusions or to modify his mind or character.

We might, in charity to Professor Richet, interpret all this pessimism (much of which is somewhat obvious) as a challenge to his age. We might suppose it all an effort to quicken courage and intelligence by the stinging aspersions of cowardice and mental sloth. Indeed, no writer could so define stupidity or describe impotence if he did not assume wisdom and power as the prerogatives of conscious being. In his first book, indeed, the author makes it clear that he considers neither God nor the natural order responsible for human sorrows, but human beings themselves. The second book closes with pages which, while more genial in temper, betray a questionable spirit of consolation. Do not regret our impotence to control the cosmic processes, he says; fame and domination are foolish goals. Cultivate your family and your rose trees, and, above all, seek not your happiness in a far country. Good advice, of course, in its time and place; but it takes too much colour from its context. We are to shut ourselves in the garden, and draw round the fireside—not to gather strength for the struggle, but to get out of it. The world is full enough of such philosophy: and we have begun to be suspicious as to what such philosophers get out of it.

It is good to feel oneself above the struggle, aloof from the petty strivings of men; but unfortunately it is a feeling which does not, of itself, make one's own strivings any larger or nobler. In fact, by increasing the feeling of his unique worth while narrowing at the same time the scope of its expression, a man is likely to increase his conflicts with the world he tries to belittle, and to lessen the significance of his struggle. In the sphere of politics and economics such an attitude strengthens the feeling of impotence, which tends to apathy. That is the chief obstacle to the conscious direction of human affairs in this age of democracy, and this attitude of intellectuals, of which Professor Richet is a striking example, is largely responsible for it. The chief use made of his first book was made by those who wanted to damp the ardour of reform.

"Cultiver son jardin," says the Frenchman; "Let's get to business," says the Englishman, and the truth is simply that the grapes are sour to both of them. The one hides his discouragement in delicate raillery, the other in a pretence of realism. These personal failures are unloaded upon the suffering world in such colossal failures as the inability of the nations to disarm, when disarmament has become as much a necessity as a duty. First of all the problem is postponed on grounds of technical difficulty. It takes time to close dockyards, to displace the flow of labour and material. Then we are assured that the difficulties are political—we are only held up by the search for a formula that will please all concerned. Finally, the experts admit that all these are inessential matters, but it is a question of national wills, and the people are not ready to reduce the defences. It is *human nature* that is to blame. Better blame human nature than Nature. The best thing about the General Strike was the evidence of a dawning realisation of human wills. Since that time we have been more ready to see our situation in terms of leadership and public will. For that reason, however, we have begun to see little use in the critic of human nature: he is human himself, and if he doesn't like it, let him change it. If he changes it but little, he will be a living and effective force of change in others. But in that case he will not discourage them by constructing proofs of their impotence: he will help to liberate them by the example of his own freedom.

* "The Impotence of Man (L'Homme Impuissant). By Charles Richet. (Werner Laurie, Ltd. 7s. 6d.)

IN HADES.

A-hungered by waters of wail,
A-thirst by rivers of fire,
We wander, but bow not, nor quail
In spite of the Thunderer's ire.
In a world of noonless gray light,
Nor dawn nor sunset ensuing,
We wander denied of the daylight,
And dead to divinity's doing.

But whenever a great soul's born
Out there on your coasts of light,
We are thrilled with a ghost of your morn,
Your ardour, once ours for the fight.
For man's grand fail at rebelling
Against the uncounted odds
Is more to us than the knelling
Of meaningless thunder of gods.

GEOFFREY JOHNSON.

Drama.

Journey's End: Savoy.

When "Journey's End" was performed by the Stage Society, it was recognised as that rarity, a good war-play. There were doubtful hopes of public presentation. Minds for serious work, magnificently produced and acted, wanted to do the public a good turn, without being very confident that the public would see it in that light. There was thus an opening for an impulsive theatre-manager to put a stop to the shaking of heads. Mr. Maurice Browne, instead of cursing both critics and public for the way they shrank from his unforgettable production, along with Miss van Volkenburg, of the "Unknown Warrior," seized the present opportunity to put the critics out of suspense, and make the public another gift. It seems part of his theatrical vocation to put into English people the courage necessary to remember the war as it was.

Among several causes of anxiety about the commercial prospects of "Journey's End," the most obvious was that it contained no woman. It was written for a men's club. It would hardly have been possible, however, for Captain Stanhope's sweetheart to appear in her coach at the entrance to the dug-out, like Roxane in "de Bergerac," since there is no nonsense about modern war. Knights-at-arms are no longer metamorphosed into knights-in-waiting by the sight of a lady on the way to see her lover. War was the first industry to be rationalised, so much so that folks in England, when they heard how the fraternisation of enemies on Christmas Day had threatened to end it, could not believe the story. The spirit of goodwill showed only the depth of devilry in German propaganda. In "Journey's End" the only person who has to ask the meaning of the pieces of red rag tied by the Germans on each side of the hole blown in their wire for a raid, is the colonel. Although the play has no woman in it, however, it may be that we English, who refused to see the whole war in the symbolic figures of a girl, a father, and a private soldier, will be willing to see some of it, since the scene is an officers' at-home. To be seen out with an officer has gone a long way towards making war tolerable, to both men and women. It is natural perhaps; his clothes fit.

Each production by Mr. James Whale shown up to now has drawn exclamations of joy from me at his intelligence and taste. The setting of the dug-out is intimate and real. The lighting is excellent. The acting is superb. Colin Clive, who takes over Stanhope from Laurence Olivier, is very fine indeed; he develops the contrast between Stanhope's façade and feelings with deep understanding. All the actors show the benefits of rehearsal except Mr. George Zucco, who simply maintains the perfection of his original performance. It is good to see him in this very intimate character. His profound interpretations in the work of Jean-Jacques Bernard and elsewhere have previously shown him to have a unique flair for "thinking-aloud." There are signs that the actors are taking hold of the play as it has taken hold of them. Let them by all means make it more naïve, more comic, and grimmer, by, within reason, appropriate "gag" and business. We English are only learners at acting. For one thing, our technique of emphasis is so quickly used up that we are reduced to the mere multiplication of swear-words, whereas Irishmen just lean back and call up ghosts from their folk-literature and history. Swearing does not offend me. But when "bloody" has been used once *in a play* our actors must discover variety of means for overstepping the limit in emphasis, if they have to learn from Ireland.

The reference to "thinking-aloud" in George Zucco's performance is the technical clue to much of the great interest of "Journey's End." A play the whole of whose action takes place in the candle-light or half-daylight of a dug-out is even more intimate than the domestic warfare of Strindberg, himself a pioneer in thinking-aloud. On the publication of O'Neill's "Strange Interlude," reviewers greeted it with jeers at its revival of soliloquy. Talking alone, however, which was soliloquy, is a vastly different thing, though the difference be subtle, from thinking-aloud, which is what O'Neill was using. The most striking scene in Elmer Rice's "Adding Machine" was an essay in this development of technique for a drama that prefers to undress men's souls rather than women's bodies. The dissatisfaction of The Abbey Theatre directors with O'Casey's "The Silver Tassie" was largely concentrated on his adoption of a thinking-aloud technique, which the home of oratory could not admit at first introduction. More under the influence, probably, of fidelity to what he had to express than from deliberate technical search, Mr. R. C. Sheriff, the author of "Journey's End," has found the way of doing it. The audience hears the officers' thoughts, not always spoken. Each thought uttered either removes the walls of the dug-out or puts them back. Lieuts. Osborne and Trotter on "Alice in Wonderland" give, between the lines, their complete biographies, with a wide setting of England, home, and children. "Journey's End" is to be experienced.

Byron: Lyric.

History is a trap for dramatists, since the persons likely to be interested by an historical figure may have already a fuller conception than can be worked out in a play. Poets, the dramatisation of whom seems so attractive to women writers, are the most dangerous of all. Their private lives tempt the author so strongly that the essential is left out. "Byron," by Miss Alicia Ramsey, might have been written to justify the edict against Byron's re-burial in the Abbey. Instead of all Byron's qualities, implicit in every scene, Miss Ramsey exhibits them one at a time. First the chivalrous humanitarian encourages a young poet for the sweetness of her face. Next, in a scene far too long, and too much like a film of a Fifth Avenue interior, all the guests are welcomed to Lady Heathcote's ball with the words, "No, Byron has not arrived yet." When he does arrive all the young females tear about after him as though trying to amalgamate the rending of Orpheus with the American Bloomsbury set. Byron the lion is followed by Byron the rake. Finally, an epilogue, much the best scene of the play, thanks partly to excellent theatrical effects, brings forth something of Byron the man.

If Miss Ramsey is enthusiastic for a play on Byron, let her try again, not only on the Byron who had yet to write much of "Childe Harold," "Manfred," "Cain," "The Vision of Judgment," and "Don Juan," but on the poet whom the Continent welcomed as fit company for Shakespeare. Byron wrote of the reviewers of "Don Juan," that "they write not of my poetry, but of my morality, a word never used but by a rogue with a purpose." This Byron, who vowed to write no more, but who, outraged by the sentimentalism of the Southey laureate, and the "Lake school," savagely flung more and more facetious and realistic verse in their faces, this forerunner of Nietzsche, who did crucify himself to carry off the gesture of living beyond himself, does not rise out of Miss Ramsey's play. Instead of the man who shook smug hypocrisy and respectability on every level, the man who showed that poetry-criticism was not properly a parson's monopoly, though all other men who could read and write were soldiering or immersed in politics, she portrays only the Georgie Gordon who kissed the girls and made them cry, the drunkard, the sheikh, the swollen-head who publicly tossed off his most common-place rhymes to send the earlier Georgian

palpitating misses into shrieks of empty-headed hysteria. There are heaps of things in either "The Vision of Judgment," or "Don Juan," on which Mr. Esmé Percy's full-blooded power of oratory could have exercised its Jack Tanner zip. I should much have preferred to hear him deliver them than the lines provided by Miss Ramsey.

Miss Dorothy Cheston's performance as Miss Milbanke (and, of course, Lady Byron) was a very sympathetic study. Indeed, when the Byrons were together the play was of human, if not poetic, interest. Beatrix Lehmann, whose excellent work at the Gate Theatre remains memorable, and who plays a post-modern Lady Caroline Lamb, has fine stage qualities. Her features have a proud and arresting mysteriousness. But the lines were not good enough for her. It was disappointing that this very large company of actors and actresses with reputations to make were not collected in a better play. There was in many of them a healthy talent and a pleasing absence of affectations. To mention only two out of many, Joseph Wright's butler and Catherine Scales's young poet were very sincerely performed.

PAUL BANKS.

THE RENEGADE.

I have come back from the roof of the world,
Where the winds of the Earth
All gaily unfurled
The Banners of the Lord!
I have come back—bored!

I have come back from communing with great heights
Of stone,
Of monstrous stone:
Grotesque idols raised
Of a God Unknown!
I have come back—alone!

I have come back from mountain-cloud and snow
To sand,
Soft shimmering sand,
To watch the caravans gather, go!

But here are men and beasts and I—
I'll try
To understand
There is no wonder of this golden Earth
As fine
As *grit*,
This grit!

And then,
O men,
I, too, shall dine!
Ay,
Mad poet Tud shall dine!

And sup,
And cup,
And frisk and twit
And—die,
The gayest devil in all the land,
A Hero of the Bankers' Band!

MORGAN TUD.

"Comparing the latest published averages of the Midland Bank, those for November, with the figures for December, 1927, we find that this bank's bill holdings increased by over £5,000,000, and Mr. McKenna told us at the last meeting that trade bills invariably constituted by far the greater part of their portfolio. Advances rose by nearly £9,000,000, and acceptances and endorsements by £29,000,000. These facts all indicate greater activity in Britain, for the Midland Bank has, so far, set its face steadfastly against direct operations outside what is left of the United Kingdom, having even disposed of its branches in the Irish Free State."—*Financial Times*, January 5, 1929.

The M.M. Club meets on Wednesday, February 6th, at 5 o'clock. Discussion at 6.15.

Music.

"Carmen." Teatro Reale dell'Opera. Rome, January 19.

First a study in contrasts. London is about to pull down its only theatre that is conceivable for operatic performances—a theatre, although utterly antiquated yet at least a theatre associated with opera (with nearly a couple of hundred years' tradition behind it) of the highest standard in bygone days, a theatre made illustrious by the presence of all the greatest singers through the centuries. And London possesses 7,000,000 inhabitants.

Rome, the capital of a land with not one thousandth part of England's wealth or resources, either potential or actual, has recently spent tens upon tens of thousands upon reconstructing, modernising, and improving its old opera house, the Costanzi, which, reopened in 1928, has been equipped in the most sumptuous manner with every imaginable device of stagecraft and lighting mechanisms for the most complete production of opera possible; so much so that its stage is now the most up-to-date in Europe. All this, however, we are told, is merely a makeshift till the city can afford to build itself an opera house worthy of itself and its incomparable history—a site for which, it is said, is already secured. Rome has 800,000 inhabitants, or one-ninth of London's population.

And it must be said at once that in the major ingredients such as production, chorus manipulation, orchestral playing, lighting, beauty and imagination, suggestiveness of *mise-en-scène* and *décor*, Rome reaches a standard that in London is not seen outside a Cochran revue, that is to say a standard beyond the conceptions of the mere Covent Garden habitue. To dilate upon the fineness, beauty, cleanness, clearness, and flexibility of the orchestral playing, the marvellous unanimity of a first violin's shake, sounding like one gigantic instrument, the absolute uniformity of bowing, is almost to insult such a body as the magnificent orchestra of Rome's opera house, for in every musically civilised community such things are taken for granted. Only those whose ears are for ever lacerated by the orchestral counterpart of the pianistic efforts of the "musical" young woman next door operating upon Opus 9, No. 2, can realise what it means to hear an orchestra sound like an orchestra. There was some brilliant and most finely-nuanced chorus work that was a revelation of the beauty of Bizet's delicious writing, which one had hitherto missed—the lighting was consummate in its imaginativeness and subtlety, especially so in the dawn effect of the third act. The stage picture of the Inn in the second act was as utterly satisfying as can be imagined, with its fine sharp, solid, built-up set of white walls and dark terra-cotta roofs against an indigo night sky. And now to pass from these superb ingredients to the first supreme ingredient of the principal singers. . . . What a drop! . . . From not one single one during three acts did one hear any suggestion that they had any idea as to what is meant by pure singing. Three had extraordinarily fine voices, the *Carmen*, Florica Cristoforeanu, a superb one, which she consistently, persistently, and wickedly misused the whole time. The *Escamillo*, Benvenuto Franci, we know at Covent Garden; again a splendid voice abominably misused. The vices I remarked on in these columns a few years ago *àpropos* his singing in "Barbiere," have had the inevitable result so that he is now unable to produce anything below a *forte*, and vocal tone in the lower register or any *mezza voce* anywhere is non-existent. The same remarks apply to the *Micaela*, Isabel Marengo, again a very fine natural voice. What is worse than all, this sort of thing seems to be admired and vigorously applauded by the present-day Roman public. I am credibly informed that a certain tenor

whose execrable methods I denounced when he sang last season at Covent Garden, is an immense favourite here, as well as with the La Scala audience. Such a decline in standards is all the more tragic in that it has come about in what has been the cradle of the art of singing in Europe.

KAIKHOSRU SORABJI.

Mrs. Woolf and Mrs. Brown.

By Michael Joyce.

Time has shown that Dr. Johnson was wrong in denying immortality to Tristram Shandy on the grounds that it was peculiar; but, of course, the Doctor was very nearly right, for if Sterne had not been one of the greatest writers that ever lived, his absurd masterpiece would have been remembered, if at all, as a curiosity of literature. Virginia Woolf's "Orlando"* is hardly less peculiar than Tristram Shandy; it is either very good or very bad; the theme, as described in a review, may seem tiresome; Mr. Bennett, hearing the book discussed at all the smart dinner tables, read it and missed the point; in short, Mrs. Woolf has planted a monkey puzzle in her garden, and asked the critics to climb it.

Orlando began as an Elizabethan boy, whose first important memory was of offering a bowl of rosewater to Gloriana. At an early age he was busy writing "Aethelbert: A Tragedy in Five Acts," and from that time until his poem—or rather her poem, for by then he had changed his sex—"The Oak Tree," won the Burdett Coutts Memorial Prize, he was always dabbling in literature. While in disgrace at the Court of James I., owing to his behaviour in a disastrous affair with a Muscovite Princess, he was bold enough to ask Nicholas Greene to stay with him in the country. But the visit was disappointing; the writer was snobbish and suspicious, complaining bitterly of fellow-authors and of the critics. "Of the nature of poetry itself, Orlando only gathered that it was harder to sell than prose, and though the lines were shorter, took longer in the writing." So Nick Greene returned to London, leaving behind him recipes for salad and punch, a hole burnt in the bedroom carpet, and a disappointed young nobleman, whom he immediately satirised in a pamphlet which ran into several editions.

At Constantinople, where he had been living as Ambassador, Orlando changed into a woman, and, leaving the city, lived in Turkey with the gipsies until she was called home by memories of England. She took ship at Constantinople, and reached London in the reign of Anne. Here she lived, meeting Pope, Addison, and Swift, and, later, peering through the window blind at Johnson, Boswell, and Mrs. Williams, until one night, as the clock was striking twelve, ". . . a huge blackness sprawled over the whole of London. With the twelfth stroke of midnight, the darkness was complete. A turbulent welter of cloud covered the city. All was darkness; all was doubt; all was confusion. The Eighteenth century was over; the Nineteenth century had begun."

It is probably the effect of this cloud on Mrs. Woolf's vision which makes her nineteenth century so much less convincing than her seventeenth and eighteenth. She has caught the brilliant colours of the Elizabethan age perfectly, and the mellow autumn light of the Age of Reason is prettily succeeded by the prevailing damp which drives the Victorians to wear beards and strap their trousers under their insteps; but as soon as she has exhausted this delightful image we can see that either she is not enough in sympathy with the Victorians to write about them in her best manner, or that she dislikes them so much that she is determined to show the heaviness of the age by making her style as nearly dull as she can.

But as the century draws towards its close she takes heart. Orlando meets her old friend Nick Greene, who is now a Professor, a Knight, a Litt.D., the author of a score of volumes; in fact, the most influential critic of the Victorian age; and Sir Nicholas, reading "The Oak Tree" after an interval of three hundred years or so, insists on having it published and appropriately puffed. The century ends with the birth of her first child by her husband, Marmaduke Bonthrop Shelmerdine, and Orlando passes the reign of Edward with a hop-skip-and-a-jump to land with a bang in the present.

We may, if we like, explain "Orlando" as the story of a family, a study in hereditary continuity, or an historical appendix to Miss Sackville-West's prize poem, "The Land"; but it is simpler to take it for what the author has called it, a biography. We may then ask whether Mrs. Woolf has justified such a peculiar biography by her treatment; has she, to be colloquial, got away with it? She has. The tricks she has played with time have enabled her to write in an organic whole a beautiful description of what life tasted like in different ages, and by changing hero into heroine she has given herself an opening for comic treatment of the subject most modern novelists take so seriously—sex.

Soon after her metamorphosis Orlando, sitting at ease on the deck of a ship, "tossed her foot impatiently, and showed an inch or two of calf. A sailor on the mast, who happened to look down at the moment, started so violently that he missed his footing and only saved himself by the skin of his teeth." And so Orlando realised for the first time "what, in other circumstances, she would have been taught as a child, that is to say, the sacred responsibilities of womanhood." There has been nothing better than this since Mr. Shandy, informed of his brother Toby's approaching marriage to the widow Wadman, summed up matrimony in the words: "Then he will never be able to lie diagonally in his bed again as long as he lives." Happy the writer who can laugh at sex! Mrs. Woolf is a better man than James Joyce or D. H. Lawrence.

Mrs. Woolf has wit, humour, a sense of beauty, and historical insight, but none of these would have made such a memorable book without the strength and flexibility of her prose. Her style is always characteristic, yet it can be used to catch the flavour of another age, for purposes of direct narrative, and for pinning down the "stream of consciousness," with equal ease. "Orlando" is one of those rare books which force even a reviewer to read slowly for fear he should miss a single word.

Mrs. Woolf once gave a lecture, since printed under the title of "Mr. Bennett and Mrs. Brown," in which she describes an old lady she noticed on a journey from Richmond to Waterloo, and whom she takes as a symbol of what the modern novelists are chasing. Mr. Wells, Mr. Bennett, and Mr. Galsworthy, she says, are too busy with external irrelevancies to see Mrs. Brown, the person, as she really is. But to the moderns "the things she says and the things she does and her eyes and her nose and her speech and her silence have an overwhelming fascination, for she is, of course, the spirit we live by, life itself." Mrs. Woolf's last book, "To the Lighthouse," gave one the impression that she was always on the point of securing Mrs. Brown, but that somehow the fine net with which she tried to hold her was too delicate for the task. "Orlando" is more robust; and though, in the Victorian era, we are in terror lest Mrs. Brown will escape, we are certain, on closing the book, that Mrs. Woolf has caught the old lady and tied her down for good.

* "Orlando": a Biography. By Virginia Woolf. (Hogarth Press. 9s.)

The Philosophy of Social Credit.

[Compiled from the writings of Major Douglas.]

II.

This centralisation of the power of capital, and the credit which is based on it, is going on before our eyes. . . . It has its counterpart in every sphere of activity; the coalescing of small businesses into larger, of shops into huge stores, of villages into towns, of nations into leagues, and in every case is commended to the reason of the plea of economic necessity and efficiency. But behind this lies always the will-to-power. . . . To the individual it will make very little difference what name is given to centralisation. . . .

* * *

Because capitalism *per se* is largely the instrument through which the will-to-power operates in the economic sphere, some examination of its methods is necessary. . . . (It) is based fundamentally on the financial perversion of the law of supply and demand, which involves a claim that there exists an intrinsic relation between need or requirement and legitimate price or exchange value, . . . a statement . . . negatived by common consent in respect of public utility companies . . . light, water, and transportation undertakings.

* * *

Proceeding from an economic system based on this assumed relation . . . it is obvious that the possession of money, or financial credit convertible into money, establishes an absolute lien on the services of others in direct proportion to the fraction of the whole stock controlled, and further that the whole stock of financial wealth, inclusive of credit should . . . be sufficient to balance the aggregate book price of the world's material assets and prospective production. . . .

* * *

But for reasons which will be evident in considering the costing of production, the book value of the world's stocks is always greater than the apparent financial ability to liquidate them, because these book values already include mobilised credits; . . . further bank credits become necessary, and result in the piling up of a system of figures which the accountant calls capital, but which are in fact merely a function of prices. The effect of this is, of course, to decrease progressively the purchasing power of money, or, in other words, to concentrate the lien money gives on the services of others. . .

* * *

With this concentration of financial power and consequent control . . . another development, apparently contradictory in its results, but of the greatest imporance in the consideration of the subject as a whole. . . . Scientific management systems in factories . . . have resulted in a rate of production per unit of labour, hundreds or even thousands per cent. higher than existed before their introduction . . . (but) it was correctly recognised by the worker that his real wage tended . . . to fall . . . since the purchasing power of money in terms of food, clothes, and housing fell faster than his wages rose. (This has promoted) a spirit of revolt against a life time spent in the performance of one mechanical operation . . . complete divorcement between the worker and the finished product . . . the nucleus of a centrifugal movement of formidable force. . . . The connection between militarism and capitalism as vehicles for the expression of the will-to-power has frequently been pointed out. . . . The whole conception of a militarist world is instinctively recognised as an anachronism . . . and the determination to defeat at any cost schemes involving compulsion, strengthened in the minds of a population normally acquiescent. . . .

* * *

Dilemma, a world-wide movement towards centralised control . . . a deepening distrust . . . bred by personal experience and observation of its effect on the individual. The powerful minority assures the world that there is no alternative between a pyramid of power based on toil of ever-increasing monotony, and some form of famine or disaster; majority . . . strives . . . to grapple with the fallacy which it feels must exist somewhere.

* * *

Now let it be said . . . no solution of a bad system in changes of personnel. . . . Pyramidal organisation is a structure designed to concentrate power (and necessitates) subordination of all other considerations to its attainment and detention. For this reason the very qualities which make for personal success in central control . . . must result in a complete acceptance of the situation (and are) quite deadly to any originality of thought and action. (And this) quite irrespective of the ideals of the founders (of centralised organisations).

Reviews.

The Anglican Communion: Past, Present, and Future. Report of Cheltenham Church Congress, 1928. Ed. H. A. Wilson, London. (John Murray. 7s. 6d. net.)

The Church of England is still an object of some interest to the man in the street, as witness the popular excitement over the revision of the Prayer Book. What it (with its sister Churches in various parts of the world) really stands for, and how its activities are related to the actual needs of life to-day, one may learn from this volume. The most distinctive characteristic of Anglicanism is its reasonableness. Hence it is almost unequalled, among the Churches, in its devotion to free inquiry. Its theology is avowedly on the move; it does not claim infallibility for a static system. Among the branches of inquiry with which various Congress speakers dealt was, of course, psychology. Mr. Gornsted generously welcomed the work of Jung and Adler, and had a good word even for Freud. In another field, the new Bishop of Manchester declared, "Insanitary dwellings and bad drains, or . . . class war based on hate, or political selfishness, are things not to be feared, but to be fought." But many readers may be most interested in the oecumenical relations of Anglicanism. They may be surprised to learn here from an Eastern Orthodox Archbishop and from a Scandinavian Lutheran Bishop, how seriously Canterbury is taken by all the non-Roman Churches throughout the world, and how cardinal is recognised to be her strategic position in regard to Reunion. N. E. E. S.

The Romance of the Cyclists' Touring Club. By James T. Lightwood. (Published at the Club Headquarters. 5s.)

Cycling owes much to the "C.T.C.," which, so this book informs us, is still regarded on the Continent as the *doyen* of all Touring Clubs. Since its beginning in 1878, the club has had a stormy history: its financial difficulties even evoked a speech from Mr. G. B. Shaw, and it also had disputes on such matters as Sunday riding and "rational dress" (which a lady novelist of the period accused of abolishing "that sweet spirit of allurement"). The first recorded tour was from Liverpool to London, and the first Continental tour, one of 1,600 miles from Harwich to Milan. The "Romance" of the club is preceded by that of the bicycle, an account being given of its development from the Velocipede, and from Baron Von Drais's "Dandy Horse" to the swift efficient machines of the present day. Important points in its progress were the invention of ball bearings, of the low-built "safety" frame, and of pneumatic tyres. I. O. E.

The General's Ring. By Selma Lagerlöf. (Werner Laurie. 3s. 6d.)

The news that Selma Lagerlöf's seventieth birthday has just been celebrated throughout Sweden, with more than royal honours, conveys very little to the English reader, although she is a Nobel Prize winner and a member of the Swedish Academy, and although her "Gösta Berling," is famous all over Europe. The English reader is missing something good. As a lame child, unable to play with the other children, Selma Lagerlöf used to creep into the kitchens to hear the old people's gossip; and this mental background of folklore and superstition is the inspiration of her best work. "The General's Ring" is a simple story, half fairy-tale, of the curse that followed the stealing of King Charles's gift from the dead body of General Lowensköld. It is told simply, as it might be by the fire-side, and the very directness of the narrative creates a peculiarly solid illusion. The first stealing of the ring is described with a touch of comedy that reminds one, oddly enough, of Jane Austen. Bard Bardsson is worried because the General's vault is left open. He fears that some night thief will despoil the body. He would like to warn the authorities, but lacks the courage. He is impelled to see for himself whether the ring is still there. It is; he and his wife steal it; and then, as they walk homewards very pleased with themselves, they see the flames of their cottage burning in the distance. The solemn way in which the incident is told and the inevitability of its ending bear comparison with the great scene in "Sense and Sensibility" in which Mr. and Mrs. Dashwood begin by wondering how many thousand pounds they ought to give their poor relations, and end by deciding that an occasional basket of game will be quite the right thing. But here the comic gives way to tragedy. A time comes when three men are suspected of stealing the ring; it is decided that one of them must have done it, and, since none of them will confess, only the Almighty can judge between them. The dice are thrown on a drumhead in the market-place, but each man turns up a double six. Either all three are innocent or all are guilty. The King decides to be on the safe side and hang the lot.

This scene, told in the plainest narrative, stands out to the eye and moves the heart: impossible to say how it is done. The translation is good, and this little volume would serve as a charming introduction to "The Story of Gösta Berling," Selma Lagerlöf's greatest work. M. J.

"Levitation." An examination of the Evidence and Explanations. By Olivier Leroy. (Burns Oates and Washbourne. 10s. 6d.)

The raising of the human body from the ground and its suspension in mid-air without visible or tangible support is one of those queer things which are rarely reported and more rarely happen. The author of this painstaking work happily shows none of the gratuitous folly which marks certain other works by Roman Catholics on occult and abnormal phenomena. Non-Catholics may lay aside any aversion caused by the *Nihil obstat* and *Imprimatur* which precede it. He deals mostly with levitation as alleged to be experienced by Catholic saints, and declares that this is both unusual and not to be taken as a mark either of inordinate ecstasy or inordinate saintliness. After listing the best-known alleged instances, he applies some very sound criteria, and arrives at less than a dozen which are to be considered as resting on unimpeachable evidence, and then suggests that some others not so well documented may be charitably admitted to have occurred. We may remark that this island, though it has entertained a levitated medium or so, has to its credit only two levitated saints, the latest seven centuries ago and both most miserably attested. It must be the climate. M. Leroy also discusses the mediums, of whom D. D. Home is the most famous, while the contemporary Willy Schneider floats ceiling-wards in a Munich laboratory. He fails to quote any mystic who is reported to be levitated at present, so that the parapsychologist is restricted to investigating those mediumistic phenomena, which the Church ascribes to the Devil's efforts to parody those mystical experiences which our author makes out to be so superior in quantity and quality. Since, even with mediums, these occurrences are so rare, so unexpected, and so little open to experimental observation, the correct scientific procedure is to note them when found, refrain from hypotheses, and try to devise recording instruments which are fool-proof and automatic, against the day when saint or sinner floats in church or is wafted round the dining-room. H. C.

Sir Tristram. By D. M. Mitchell. (Fowler Wright. 3s. od.)

Mr. Mitchell's very short "tragedy in four acts" contains over twenty speaking parts besides "barons, knights, courtiers, sewing-men, lepers, etc.," and is divided into fourteen scenes. If, accordingly, the author expects the play to be produced at all, it must be by amateurs, every member of the society being found occupation. Otherwise the play must be taken as a literary exercise. It contains plenty of incident, but the incidents are too close together. The scenes are too brief to produce any but a jolting effect. Moreover, though Mr. Mitchell may wish to treat a mediæval subject, there is no excuse for archaisms of speech. Shakespeare wrote of Rome and other places, and of all periods he had read about. But he wrote in his own medium of blank verse, trying to write prose as he went on. He did not have to pack his lines with fill-ups to get them the right length. His images demanded blank verse. He thought blank verse. Mr. Mitchell writes:—

> "Perchance 'twas but the lapping of the waves
> Against the slowly-heaving vessel's side."

In that quotation "slowly-heaving" says nothing; it rather destroys the sound image by introducing a sight image, thus indicating that it was introduced to fill up the line.

> "A fault which I committed, and so wrought
> The ruin of *ye* both."

Why not *you*?

> "Twined in adulterous embraces soft."

The word soft has no use whatever, and would be in the wrong place if it had.

> "And all too slow to even suspect the truth."

Mr. Mitchell should adopt his natural medium of prose, when he will be able to concentrate on the subject without getting legged up in the medium. P. B.

Bush-Whacking. By Sir Hugh Clifford. (Heinemann. 10s. 6d.)

Whether as soldier or administrator, or as both, how far does the artist justify himself? If Wolfe had concentrated on the writing of elegiac poems instead on the execution of epic deeds, would he have been satisfied? Ian Hamilton is another soldier of merit in whom the poet pulled against the butcher. Perhaps the story of Gallipoli might have been different had he been otherwise. Although there are those who say that Clifford, when on the Gold Coast, was a weak administrator, who suffered himself to be unduly swayed by his subordinates, he made a good thing of his work in the Malaya. Certainly, that queer peninsula is redolent of romance far more than is West Africa. Young Clifford fell for it as a mere boy. No one could explain better than he does how the passion of fresh adventure, inoculating blood which might otherwise fall to other infections, keeps a man alive in the midst of every hardship, disappointment, and distress, and makes him feel, with a sharpness seldom felt by the man at the office desk, or in the armchair, that life is worth while. Clifford writes like an artist; and the marvel is that his memory retains in such delicate and lively detail all the themes of those early days, the sights and sounds and smells of forest, river, and mountain. Like most men who have proved themselves in the Malaya, Clifford loves the fierce, proud, humorous little people of the country, who are fascinating people, just because it is only understanding and tact which makes them at all manageable. The man who does not understand them will never get them to do a hand's turn for him, save perhaps the twist of a kris between his shoulder blades some dark night. Gold does not tempt them, for they are just as ready to work for nothing as for high pay. But for the Tuan who speaks their language and appeals to their fancy, they will be brave and work themselves to skin and bone. This record of little wars which were not even mentioned in the papers, but played their inestimable part in the establishment of our hold on the Peninsula, has a quality of magnetic charm which makes it necessary to read every word, lest by skipping one misses the most arresting and veritable passage in the whole book. LEOPOLD SPERO.

ANSWERS TO CORRESPONDENTS.

H. M. M.—We are writing you about your letter. The correspondence is not worth pursuing.

Arnold J. W. Keppel.—If you will take time to reflect on all the factors concerned in modern accounting you will perhaps come to realise that a large proportion of prices created during the distribution of new credits remains as an industrial cost after these credits have all been collected and destroyed. These costs represent the more or less permanent assets of industry (factories, plant, etc). Very roughly, what happens is this. New credit, say £100, is borrowed. Suppose it is paid out as incomes to individuals. It will produce, say, £80 worth of machinery, and £20 worth of consumable goods. The borrowers (producers) will sell the consumable goods, collect the rest of the £100 as investments, and repay the bank. In this sense incomes have "bought" the total production. But they will have bought it before the machinery comes into use. Yet, when the machinery comes into use the £80 value is added to the cost figures of subsequent production (in instalments), and is accounted as a charge on subsequent incomes. These incomes do not expand commensurately with the additional charge; on the contrary, they tend to contract because the effect of using machinery is to displace labour and reduce incomes. What all this comes to is that industry uses consumers' incomes to acquire machinery and then tries to charge consumers for the services of the machinery. Consumers virtually give industry its equipment, and industry then tries to sell this equipment to the consumers. But there is never any money available to buy it. The dilemma is not avoided by the abolition of profits as you suggest, if your "profits" are intended to mean personal incomes. You can make every adult member of the population a salaried servant, or an investor, on equal terms with everyone else, but this will not alter the fact that the accountancy of modern industry requires a large body of costs to be paid twice by a community which gets the money only once. If you cannot fathom Douglas, make a start with Martin's "Flaw in the Price System" (P. S. King), which analyses in great detail the effect of investments in creating a disparity between costs and incomes.—Ed.

"It is officially announced that, following upon a decision of the Finance Committee of the League of Nations, the Austrian Government will apply the sum of £1,400,000, which represents the last remnant of the foreign loan contracted by Austria in 1923, to the reduction of her debt to the Austrian National Bank. This debt, which originally amounted to £7,000,000, and has been reduced successively, will now stand at £3,370,000 only. . . . Regrets are expressed in the Conservative Press that the Finance Committee of the League of Nations did not allow the Austrian Government to apply the remnant of the loan to productive investments, thereby freeing some of her reserves to a reduction of taxation."—*Times*, January 5, 1929.

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