

THE NEW AGE

INCORPORATING "CREDIT POWER."

A WEEKLY REVIEW OF POLITICS, LITERATURE AND ART

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NOTES OF THE WEEK.

In an article in one of the London evening papers last Wednesday, dealing with Mr. Ramsay MacDonald's secret conversations with General Dawes on the subject of naval armaments, there was a reference to "police cruisers." We have been waiting some years for this sort of suggestion to be brought forward as a definite political issue. Our readers must be only too well aware of the fact: they must be almost tired of our repeated references to our old article "The Key to World Politics," with the diagram foreshowing the development of the technique of world-government by international financiers. The last time that we had occasion to refer to it was when the reparations experts published their recommendation in the Young Report for the "Bank of International Settlements" or "Reparations Bank," some few weeks ago. We then called attention to our diagram, in which the place and function of what we had called the "Proposed Central Bank of Europe" was illustrated and described. Similarly again this week we must direct attention to the fact that in the same diagram we foreshadowed a League of Nations controlling "International Police Forces" on the one hand and "International Military Forces" on the other. To take first, and incidentally, the internationalisation of police-organisation; this has been going on for some time, so much so that it was not long ago when we were able to describe in these Notes a plan which was under discussion for instituting a kind of Scotland Yard to work in intimate association with every national Central Bank in Europe with the special object of tracking down forgers of currencies. This plan abrogated extradition rights: thus, a forger of currency who escaped out of one country where he had committed the offence could be prosecuted promptly in the Courts of any other where he was found. Again, in other quarters, we have seen proposals for the adoption of an international language for the use of the police in every Capital, together, of course, with standardised telegraph-codes based on the selected common language. Reference to our diagram will

remind our readers that we linked the "international police forces" specifically with "Monetary Systems," showing that these forces would be used as an instrument of government by the Council of the League of Nations in the interests of the banking monopoly.

Now let us turn to the "police cruisers." We will substitute a more exact designation for them, namely, *The Banker's Navy*. So inevitable was it that the credit monopoly would have to acquire military force of its own in order to maintain its power that our only wonder is that we have had to wait so long for the idea to be made public. Probably the reason is that the bankers had originally calculated upon being able to induce the Powers to adopt disarmament. But to-day it is apparent that no nation is prepared to sacrifice its means of physical defence. There might be an all-round restriction of armament-manufacture, but even this would take place only after long delays; and in the end would leave individual nations in very much the same position as to relative military forces as they control now. So the bankers, not being able to abolish armed force, are obliged to do the next best thing and endeavour to get control of it. They need not, of course, control every navy. They need only control the *balance* of naval power. As military forces are the chief instruments by which national capitalisms coerce each other into "playing fair" in the competition for markets, the nations form alliances which represent roughly an equilibrium of military power. For it is of no use any nation contemplating a resort to arms if it has not a reasonable chance of being the victor: and the same discretion is of course imposed on groups of nations. In such circumstances the independent control by the international bankers of only a very modest amount of armed force would give them the power to choose which group should win—and the chosen group would of course be that which offered the better guarantees to protect the banking monopoly. The Bankers' Navy would give the casting vote. Needless to say, the bankers would not appear as the visible controllers of the armed force: they

could safely let the League of Nations control it, because the Council of the League is composed of their own nominees.

Cats have to begin as kittens, and so do all other things called "she"—including seacraft. Therefore no-one must expect the bankers' navy to appear as the result of a special act of creation. It will "emerge," as the up-to-date evolutionists would say. From evidences in the press it appears that America is considering the idea of allowing Britain to use a certain type of cruiser for the exclusive function of protecting her long lines of overseas commerce. Presumably this fleet of cruisers will not be reckoned in the calculations on which the "parity" principle is to apply; for if so it is difficult to see how America is making any concession to Britain, as is suggested in the newspapers. The cruisers, then, are to be peace cruisers—British peace cruisers—British police cruisers—implements of defence and not attack. Now, in these days when applied science is dazzling the world with its new achievements, we should be lacking in imagination if we were to deny the antecedent possibility of constructing a fighting-machine which would lose its virtue directly it were used aggressively. In the presence of the theory that all matter is mind, and of the undoubted fact that invisible emotional conditions produce visible physical phenomena, it is not beyond reason to picture a cruiser so constructed that it would sink at the very instant that the captain had a bad thought. Moreover it is most uplifting to indulge in the vision of the road to Davy Jones' locker being paved with bad intentions. How far Britain's naval technicians have advanced towards the realisation of the vision in practice they alone can tell us. Perhaps we shall hear from them shortly. In the meantime we had better adopt the hypothesis that fighting-ships, though so frequently launched under the blessings of Bishops, have no souls—or at least, like Anatole France's penguins, which were baptised by mistake, only very little souls. Hence we must count upon their impartial responsiveness both to bad use and good use.

Our naval designers have thus a tough job to tackle. Can cruisers be so constructed as to be a protection to Britain and no danger to America? Can torpedoes be made that will blow anything up which flies the French flag but will turn tail and run at the sight of the Stars and Stripes? It needs little reflection to arrive at the conclusion that the required guarantee of peace depends on the human control of war machines and cannot be inherent in their structure. Can men trust each other? At present they cannot. Military war is merely an extension of economic competition, and economic competition is permeated with the atmosphere of distrust. For politicians to talk about capturing markets peacefully is as stupid as if they talked about bombarding fortresses peacefully. We have to get right behind the problem of "protecting" this or that nation's commerce, and ask ourselves what this protection really implies—why any commerce is in need of protection. Everyone is ready with the answer in its mystical form, namely: "We live by our exports." Nobody realises the reality that lurks behind this formula: "We live by dissipating our natural resources." The more of our coal, iron, copper, and so on that we can give away for nothing the better times we shall have. The largest apples grow on rootless trees! We know whence this delusion proceeds. It is the result of mass publicity by the banking trust. The world is robbing itself to get hold of the bankers' paper. You can have as many pieces of paper as you like, and you can use them to buy everything you like—but on condition that you put the things out of your reach by giving them.

For bank credits are most freely expanded in those places from whence goods are most rapidly departing; and, conversely, are most rigorously contracted in those places whereto goods are most rapidly arriving. And, because all nations are hypnotised by the idea that the quantity of money is everything, and its purchasing power at its place and time nothing, they scramble to get a preponderance of coercive power to facilitate their self-denudation of real wealth. Can you picture a crowd of Father Christmases punching one another's noses to capture a fair share of chimneys? Can you see one of them knocking the rest out, and then himself dying of exhaustion under the weight of his sack, leaving all the children to the mournful contemplation of empty stockings? In such fashion the last act of the modern economic farce is working towards the curtain.

War, to the money interests, is a danger not because of its inhumanity nor because of its economic waste, but because it produces conditions in which capitalism may blunder its way out from financial thralldom. By the word capitalism we mean to designate the borrowers and users of financial credit as distinct from the creators and lenders of it. Capitalism thus embraces the whole of the non-banking participants in economic work, whether employers or employed. This differentiation needs little elaboration nowadays when individual proprietorships in business are being rapidly transformed into mere managerial functions, and when masses of wage-earners are being cajoled or coerced into investing. The ultimate end of the process is a situation in which the top-dogs of capitalism will be salaried employers, and the issue between them and the underdogs will be seen to be one of scrambling for salaries and wages. The old issues concerning the ethics of profit-making and the "tyranny" of the wage-system will serve no purpose except to warm the blood of old and decrepit reformers as they discuss their wars and wounds on the long seat in the porch of some *Chartists' Arms*. Grievances about ratings of remuneration will still persist, but the idea of strikes by the underpaid against the high salaries of the overpaid will not appeal to the imagination as it did when the fight was thought to be a straight one between workers and non-workers. What-ever once was meant by the "solidarity of the workers," if it is still to be of value, must involve the solidarity of Capital plus Labour—or, by our definition, the solidarity of capitalism. But solidarity against what? Obviously against the banking-interests.

But insofar as the resort to direct action in internal affairs is seen to be futile, the greater will be the stimulus to direct action in external affairs. For the changed forms of economic organisation will bring no alleviation to people in general; and, being human beings, they will continue to revolt. The revolt will take the form of capitalism on strike. Unfortunately, there is little evidence to support our hope that the strike will be directed immediately against the banking interests; it will, of course, be a strike of one territorial capitalism against another. That is, war. Every good-will campaign in England, so far as it is effective for its immediate objective is effective also in building up capitalist solidarity for the next war. Hints of this are to be seen in the recent growing outspokenness of diplomacy. National capitalisms are becoming vocal in the same measure as they are becoming disillusioned. Snowden is a sign of it, although he does not know what his own truculence means. He is forced by the logic of the economic system to find some tangible enemy for British capitalism to indict as the cause of its distresses. If the man and his boss must not fight each other, and their discontents persist, they

are bound to unite against a third party. No political idealism can abrogate the law of self-preservation. Consequently Signor Mussolini was able to call attention, as he did last week in the *Evening Standard*, to the curious spectacle of the Labour Government—the arch-priests of international amity—manifesting at the Hague a more intense and obstinate nationalism than was ever shown by the Conservatives.

When capitalism was last in arms it consulted the bankers about war finance as an act of necessity. The next time it is likely to do so as an act of grace—if it does it at all. Ten years of enlightenment on the credit question, notwithstanding any apparent slowness of apprehension, cannot help but create in capitalism an "awareness" of its power to finance its chosen objectives with its own credit; in which event the bankers' control will be limited to matters of book-keeping technique. Even if this argument has not the force we believe it to have, the outbreak of another war and the accompanying expansion of credit, will at least demonstrate the hollowness of the bankers' pretence that "England" could not "afford" a £20,000,000 subsidy to its mining industry. Gone will be all the fables about an England physically exhausted by the war of 1914-18 when again England physically enters another; and gone will be all illusions about the first having emptied the people's purses when the second is seen to fill them.

The bankers must not let this happen at any cost. They have interposed all the legal impediments they can think of between the needs of the public and the laws which would supply their needs. So much so, that it is a matter of extreme difficulty to conceive of any "constitutional" way of bringing the bankers' power under the control of representative government for the right objective. It seems as if we must wait for an emergency of the sort that will justify liberties being taken with the "constitution." This was done during the General Strike for the furtherance of bank policy; it can be done during the next war for the furtherance of public policy. Mr. J. O. P. Bland, in his book on China tells of the incident of a Chinese general who occupied some territory during a campaign and found that he was hampered by the money dealers in his requisitioning of supplies for his soldiers. Instead of "consulting" them, and listening to a string of plausibilities about the incidence of the law of supply and demand on the price of money, he simply announced that if the price were not down again the next morning to where it was before he arrived he would behead the exchange dealers. The effect was magical. The General was not an economist; and, because he was not, he produced the economic result he wanted. The General was not a democratic politician; and, because he was not, he got the result when he wanted it. He did not invite his men to go short of supplies while he held a general election. He knew what they needed, and went straight and got it. The General was a dictator.

Now, we have no more sympathy with dictatorship as a permanent principle of government than we have with the so-called representative system. Show us any man who, with the object of restoring economic prosperity, not only becomes a dictator, but proposes to remain a dictator indefinitely, and we have no use for him. It is not simply that a man with a taste for dictating—a congenital dictator—is an obnoxious person; it is because, given the right policy, a dictator becomes superfluous almost immediately upon its inauguration. So that if a man is obsessed with the idea of dictating, he is bound to be psychologically resistant to the right policy.

Or if he is free from such an obsession, and yet considers that it is his duty to remain in the dictatorship permanently, that is a proof that he has got hold of the wrong policy. So on both grounds we wipe out permanent dictatorships.

But we do not repudiate a temporary dictatorship. We have nothing to say against a *coup d'état* in itself. The over-riding of so-called Parliamentary authority becomes even a good thing when one realises that Parliamentary authority is being used to conceal *coups d'état* delivered by the money interests. The most democratic act that could be performed to-day would be the imprisonment of the politicians. It would also be the most loyal act, for it would clear the way for providing the King with a new set of advisers—advisers directly in contact with economic problems. These should be soldiers and engineers. Engineers are economic soldiers, just as soldiers are military engineers. In fact, engineers as a body should long ago have been designated a branch of the *King's Forces*. Both bodies are fighters; it is they who plan and carry out the fighting; so they are the people who are entitled to dictate an honourable peace.

"But what a mess they would make of the job," the politicians will immediately retort. And it looks true. The Council, as we may call it, would have to give orders to certain people to do something or other. It would have no experience, let it be supposed, of financial and commercial technique. But that knowledge would not be necessary. The knowledge which it would require it would possess; namely, a roughly accurate estimate of the reserve capacity of the country to produce and distribute goods in a purely physical sense. Assume now that the Council had satisfied itself of the truth that within the framework of the physical limitation to production and distribution all other impediments were artificial and therefore removable; it would take steps to remove them. "Ah, but what steps?" we can hear the politicians chuckle. Well, in a money-economy you must begin to expand your production by getting more money. Money is manufactured by bankers. Very good. Decreed that the bankers must manufacture and advance whatever sum is needed to start on a given national schedule of production. Next problem: it is urged by a deputation from the Court of the Bank of England that if they expand credit to the required dimensions there will be enormous inflation, and the country will be ruined.

"Let us see," replies the Council; "you mean that prices will rise against the public?"

"Precisely," the deputation answers.

"You mean that they will collectively rise faster than collective personal incomes?" asks the Council.

"Exactly."

"In the shops, of course?"

"Yes. The purchasing-power of the public will diminish."

"Very well. Our second decree is that retail prices must not be raised," declares the Council.

"But what are you going to do to stop them rising?" asks the deputation.

"We?" replies the Council. "That is a matter of technique. You claim to be the financial experts, and therefore it is you whom we hold responsible for carrying out the decree."

"But it cannot be done."

"Well, we are very sorry, but if it is not done, you will suffer an exemplary penalty."

There is no one who will derive any pleasure in picturing circumstances like these, but they cannot be ruled out as impossible; and, certainly, if the necessary change in policy could not take place in any other way we should have no hesitation in approving

this one. The dictatorship here conceived of is neither so cruel nor so dangerous as it would be in the case of any other objective than this of Social Credit. The two hypothetical decrees are sound in principle. Also, it is known that there is not only one, but several alternative techniques for accomplishing their object. The bankers, like the Chinese exchange-dealers, would find a way of obeying. As for the danger to the dictators, it would disappear directly the country got its first taste of the results of the new policy. To all schemes and reforms that have been enacted hitherto, whether by constitutional or unconstitutional action, the ultimate attitude of the public in general is faithfully contained in the sentence "We loved the sound of it, but we hate the feel of it." In the case of Social Credit an exactly reverse judgment could be counted on. The specific dictatorship which gave the policy a start would be swallowed up in a popular dictatorship which insisted on its perpetuation and development—a dictatorship of consumers. The public are very much like a small kitten of ours. The other day, when she was weaned, we enticed her up to a saucer to introduce her to the cow's milk in it. We first pointed our finger to the milk. No good. The little animal sensed that there was a drink going; but that was all. She walked, squeaking, round and round the saucer. We held her head over the edge to give her a smell of the milk. No better. As soon as we let her go she resumed her futile journey. At last we got impatient, and, with the hasty exclamation, "Here, you little fool," we made a rough grab at her, and, disregarding her struggles, pushed her nose down into the milk. That did it! No more trouble—except that she turned and spat at us when we went to lift her away. To-day, we are obliged to push her nose out of the saucer to pour the milk in. Our dictatorship was the benign tyranny of a moment. We knew positively that the kitten would like the milk, and equally positively that it would do her good. This is the spirit of the dictatorship that we have just been prescribing for politics.

The bankers' strategy is to produce conditions in which the success of a capitalist *coup d'état* will appear too remote to be undertaken—supposing that capitalism becomes desperate enough to conceive the idea. The orders which a British dictator might give to the British Central bank would be the concern of the British people, and no other. But once let the British Central Bank be absorbed into an international bank, and those same orders would be held to constitute an infringement of other national rights. Our readers will remember how Mr. Maxton's Bill to nationalise the Bank of England was promptly pronounced invalid by some committee of reference on the ground that the Bank was "private property." How much more convincing would have been the ground that it was "international property."

Another item in bankers' strategy is their separation of different types of productive enterprise within individual countries, and their international trustification of these separated types. Thus they are promoting international controls of, e.g., coal production alone, oil production alone, and many other types alone; and by doing so are preventing the national trustification of, e.g., coal and oil, etc., together. Now the financial credit of a nation should be based on the sum of all its potential productive power co-operating in a national system. The bankers, who want to prevent financial credit from being so based, are busy disuniting the "real credit" of every nation. They are inserting insulators where the current of financial credit should run, and are busy wiring all the places where it should not. This policy is being acquiesced in and

supported by the public because it appears to be furthering the cause of international peace by regulating international competition. But regulation is not abatement. The competition will continue just as fiercely, but under a modified form. Whereas in the earlier days British coal, for instance, competed with German and American coal; in these days it is becoming a case of Anglo-American-German coal levying tribute on all coal-consuming industries. The war between specific national industries is evolving into a crueller war by internationalised combinations on the rest of the industrial world. The ultimate victims are the world's populations of private consumers. And since it is the distresses of these populations which are the fundamental cause of war, the new policy tends to hasten its outbreak rather than postpone it.

Everything is progressing towards the exact opposite of the right direction. British industries ought to be run as though they were one industry. Each ought to be financed by a responsible local bank whose manager, or group of managers, are able to base their loan policy on an intimate knowledge of local conditions. Instead of that, these industries are isolated, each being required to "pay its way" as a separate unit, and to depend for its financial accommodation on the policy of bank directors who are totally unacquainted with local conditions, probably not interested in British business at all; for some of them are aliens. Instead of a co-ordinated programme of production for internal consumption carried out under a decentralised credit-policy, there is an unco-ordinated system of guess-work programmes for any sort of purpose under a centralised credit policy. And as that policy automatically fosters the manufacture of capital goods or exports, these industries have to direct their own policies accordingly. If their manufactures happen to be superfluous in the sense of there not being sufficient money demand to buy them, the result is a diminution of production instead of the diversion of superfluous energy to another form of manufacture. The only approach to a conscious programme of production in British industry is a sort of horse-sense which impels each manufacturer to wait and see where the banks are letting most money out. Industry is a gamble pure and simple.

Big firms used to enjoy the privilege of having an account at the Bank of England. It is very probable that the proposed Bank of Europe is intended to keep the accounts of the large international trusts. The next development will probably be the direct financing of these trusts by the Bank of Europe. The Bank is going to be placed in Switzerland, a demilitarised, disarmed country whose territorial integrity will be guaranteed by the nations of Europe. Switzerland will be Europe's industrial board-room. It will be so packed with trust-directors that the presence of an ordinary shareholder—if he can afford the journey—will be reported in the newspapers. Then, of course, the League of Nations will use the services of the Bank. Not only does the symmetry of the thing demand it, but the League is preparing to enter into more intimate relations with banking than ever before.

Its Financial Committee has formulated a Draft Convention whereby it is hoped (in the language of the *Financial News* of August 16) to "prevent war through the power of the purse." Briefly the suggestion is that the States which are members of the League should subscribe to a Convention whereby any State which is considered by a unanimous vote of the League Council to be the victim of unjust aggression will be given special facilities for

promptly raising the necessary funds required for resistance. In its commentary the *Financial News* remarks that the effect of the Convention would be "very largely to equalise what might be called international bargaining power."

"There appears nothing in the Draft Convention that provides for a financial blockade, as it might be called, of the Aggressor State. Nevertheless it seems highly probable that the mere participation in financially supporting one side would in practice mean that the other side would be cut off from the world loan-market. It would not be economically wise to aid an aggressor in plundering one's debtor."

The same paper refers to the fact that hitherto the League has had trouble in devising effective means of enforcing its will. It can at present sanction a naval blockade against an offending State in certain circumstances.

"This provision necessarily has special interest for Great Britain on account of the probability that she would be the chosen instrument. But any decision to enforce a blockade of this kind might be attended by very real difficulties from the point of view of this country. It would set us free from such difficulties if the sanction of the purse were substituted for that of the man-of-war."

The writer's "us" in the last sentence is an awkward synonym for "this country." The "us" that would benefit by making financial sanctions the supreme means of coercing nations into right conduct would be the money monopolists. And since America has the casting vote in their policy we give ours to "this country" and the navy.

The cotton dispute has been settled "sensibly," according to the Press. The banks, as virtual owners of the cotton industry, had decided to get 6 per cent. off the operatives' wages. They doubled it and instructed their nominees—the so-called "owners"—to insist on a reduction of 12 per cent. The size of the figure forced the cotton operatives to acquiesce in the lock-out. The time chosen by the banks to bring this about was nicely selected, for the lock-out took place at the very moment when the operatives had drawn out their savings for their holidays. The consequence was that they had to use them to keep themselves alive at home. The date by which they would have exhausted their money was foreseen by the bankers; and precisely at that date an Arbitrator was appointed. Since arbitrators always split differences, the Award was of course a reduction of 6 per cent., as the bankers had pre-determined. The City has since risen for the holidays.

Mr. Maddocks: "Therefore, as soon as the bottom began to fall out of industrials, the bank came on the scene and demanded a reduction of the loan?"

Witness (Assistant General Manager to Barclays Bank, Lombard Street): "We always hope to be there before the bottom falls out."—*Star* report of the Bevan Trial, November 21, 1922.

"Just as the public has been taught that gold cover ought to reach 50 per cent., it can be taught that 25 per cent. is enough; and if brought up to such views it will have absolutely the same confidence in a currency with such gold reserves as it used to have in the earlier currency."—Professor Gustav Cassel, in *Post-War Monetary Stabilisation*.

"There's no fun like work."—Gordon Selfridge.

"The Civil Servants are secure and permanent, with no speeches to make, no constituencies to woo: they are professionals in matters where the politician can never be anything but an amateur. When, to these advantages, they added that of being men of picked ability, the politician ceased to have much chance against them."—*Evening Standard*.

"I think this country is now suffering grievously under an excessive accumulation of capital, which, having no field for profitable operation, is in a state of fierce civil war with itself."—Coleridge's *Table Talk*, June 20, 1834.

"Fooled Again."

C. H. Douglas.

When President Lincoln enunciated his famous complaint that "You can fool some of the people all of the time, and all of the people some of the time; but you can't fool all of the people all of the time," he indicated a defect in the scheme of things which, it is obvious, is troublesome to politicians generally.

As so often happens when a problem is clearly stated, he set in motion the activities of many of the world's best minds, with the result that although the statement is still true, it is not immediately important. The general Press and other agencies of publicity have been effectively organised to produce an impression of general befoolery on the part of the public when the rabbit is extracted from the hat, and all is well—for the moment.

These reflections are provoked by a consideration of the skilful stage management, with Mr. Philip Snowden as the star, to which we have been treated in connection with the Reparations Conference at The Hague. With a bellow which Signor Mussolini must have envied, Mr. Snowden announced that any attempt to divert to France or any other European country the sum of £2,400,000 (1-400th of the Budget, and less than 1-20th of the sum we annually pay the U.S. for money we never received), which may problematically be received by Great Britain from Germany, would make him very, very angry indeed, and he would be sure to do something about it. With more unanimity than I can ever remember on the part of the Press of this country, this gesture was applauded. The Young Plan, of which the only important feature is the formation of the World Bank, was thus exhibited as a European, and particularly French, attack upon the British people, instead of a Wall Street attack upon France, with Great Britain, as usual, as a catspaw. If this precious scheme for handing over the world, and incidentally the British Empire, to the tender mercies of the Bankers, were eventually to be accepted by the Conference, with a modification in the sense of Mr. Snowden's protest, the British Public would be expected to, and probably would, imagine that Great Britain had won a great victory, and that Mr. Snowden had acted as a courageous representative of the country's best interests.

Now, it is obvious that there are many things which might be said about this situation, but for the moment perhaps the most interesting of these is the clear light which is thrown upon the essential antagonism between executive statesmanship and public interest. Or, to put it another way, statesmanship might be defined as effectively fooling the People without being found out. I do not think that this matter is quite so clearly realised as it might be, and it is probably worth while giving a little space to its examination.

Let us first state the problem. Is there some essential reason which makes it impossible to conduct the affairs of any country honestly? By honestly, I mean with a continuous endeavour to take such action as will realise a plainly set-forth objective, such objective being one which the public would itself accept as desirable, if it thoroughly understood it. And if the answer is in the affirmative, as I think it is, is there any process operative to produce a particular type of statesman willing to conduct the affairs of the nation dishonestly?

Now it is perhaps hardly necessary to remark that in a conventional sense of the word it would be difficult to find a more honest man than Mr. Snowden.

It is highly probable that he attaches considerable importance to this sum of £2,400,000 per annum, both because in his Budgetary difficulties every item will be of importance, and because of the immense political capital to be made out of the feeling

that it is quite time someone else other than Great Britain "paid" for the war . . . a feeling which I think is common to 99 per cent. of the population of these islands, including myself. But I find it difficult to believe that Mr. Snowden, who is possessed of considerably more intelligence than our late unlamented Prime Minister, regards the mere allocation of the sums obtained from Germany as being the most important aspect of the Young Plan, or is unaware of the fact that it is quite unnecessary for anyone to pay for the war—that was done by those who fought it either in the trench or the factory. Even Mr. Bernard Shaw, whose brilliant wit is so delightful a contrast to his "Socialism," understands that.

Assuming this to be the case, and crediting Mr. Snowden with the ability which I believe he possesses, only one conclusion is possible. He has decided to wreck the Plan, but wishes to wreck it on a comparatively minor point rather than on the question of the Super-Bank which is involved in it. In other words, he would rather antagonise France, Italy, Japan, and possibly Germany, than antagonise the financiers, probably in the main of American domicile, who propose to place Europe under the control of an International Bank. To this end, the Press is engaged in the mobilisation of British opinion against the countries and statesmen who, while involved, are no more or no less responsible than are soldiers in a war they do not understand.

In this situation we have an exact parallel to the condition of affairs which exists in our home politics. Finding it impossible to deny that the condition of industry, of social life, and of national morale is thoroughly unsatisfactory, the role of the statesman appears to be to find a scapegoat who can be blamed with comparative impunity. Mr. Snowden must know, as any individual of ordinary intelligence who devotes a little time to the question must know, that the condition of affairs in the mining industry, textile industry, and the railways, to take only three examples, is fundamentally attributable, and almost solely attributable, to the dead weight of an obsolete financial system. But in the mining industry he allows financial interests to capitalise the discontent of the miner, so that the mineral owner may be deprived of his coal, although within the frame of the existing financial system, coal is a form of property indistinguishable from other forms of property except that it is most unfairly taxed. There is no factor in the coal problem so unimportant as the ownership of the raw material, which represents an item in the selling cost of coal of about 3d. per ton. But the mineral owner is a fairly defenceless scapegoat. In the textile industry every effort is made to suggest that management and machinery are at fault, thus strengthening the hand of those interests which desire to trustify the textile industries while obtaining the assets at break-up prices from their existing owners. To the extent to which the textile industry of Lancashire is operating on obsolete machinery, the responsibility is obviously financial, and financial only, since the finest textile machinery is made in, and exported from, Lancashire. If the present owners had the money—or rather, if it would "pay"—they would naturally use the equipment which the makers would be so glad to sell to them. The railways, which were trustified at the behest of the Bank of England and the powers operating through it, are, almost alone amongst the railways of the world, in a state of financial, technical, and administrative stagnation, the services rendered to the public being little, if at all, superior to those available over thirty years ago, the prices charged for these services being probably more than double, and the return to the shareholders less. There is hardly a practical railwayman in the country who does not regard the

grouping system as having accentuated every problem with which he has to deal.

So long as this condition of affairs remains . . . so long indeed as the financial system remains unmodified . . . statesmanship would thus appear to consist in attacking one section of the public after another, and steadily reducing the power of resistance of each while consolidating the position of the financial hierarchy. There can be no remedy for this state of affairs, so fatal to *morale*, until a statesman is in power who is prepared to face squarely the issue that either finance will rule the world and the statesmen will become a species of bank clerk; or, on the other hand, a halt will be called to the aggression of the financier, sanctioned and assisted by the law, upon each section of society in turn, and he will be reminded of the warning given many hundreds of years ago: "Ye take too much upon yourselves, ye sons of Levi." Time alone will show whether Mr. Snowden is content to be a bank clerk. He has had, within the last few weeks, an exhibition of the temper of the British people, which, as Lord Castlerosse remarked in the "Sunday Express," "has done more to shake the Conservative Party into a sense of reality in one week than did Mr. Baldwin in five years." If he can manage to grasp the fact that the enemies of this and every country are not Frenchmen or Italians or Americans, not dukes, or employers, or even rich men *per se*, but those people, wherever they may be domiciled and whether Jew or Gentile, who are determined to maintain a system which would destroy all initiative not sanctioned by themselves, then he has an opportunity to go down to history as the founder of a new Magna Charta. But I cannot help feeling that if we are witnessing the opening of a new drama of Runnymede, the Chief Baron is getting a suspiciously good Press.

Twelve o'Clock.

"Shakespeare strikes twelve every time."—Emerson.
EXTRACTS FROM "THE NEW AGE."
Edited by Sagittarius.

"In the realm of political ideas, what Europe was talking about yesterday will be what America is writing about today."—Maurice B. Reckitt.

"Scarcely a book comes from America which, to a European mind, has any depth or insight behind it."—Alan Porter.

"Small solvent businesses were swept in and then drowned in the maelstrom created by this megalomania of finance."—Mr. Justice Eve. (Quoted in *Notes of the Week*.)

"We find it difficult to tell why, or to see how, an expansion of America's mortgage rights over Britain's economic activities can enhance Britain's prosperity."—*Notes of the Week*.

"No man is permitted by the financial system to consume products unless he takes part in making them."—*Notes of the Week*.

"It is no coincidence that the people have 'won' what is practically adult suffrage at a time when the Bank of England has won the currency note."—*Notes of the Week*.

"Psychology, to have any backing, to have any blood, any reality, must be learned from seeing, handling, and engaging in the crises of human life, observing and controlling oneself, observing and helping others."—Alan Porter.

The M.M. Club will meet on Tuesday, September 3 (not Wednesday as usually), at 6.15 p.m. at the Holborn Restaurant (Kingsway Room). Mr. A. S. Leese is to give an address to the members on "Fascism." A discussion will follow.

Does Marx Matter?

I.—MARXIAN ANALYSIS.

Marx spent his whole life in pointing out and in spreading the following teaching, springing from the materialist conception of history:—

1. The inevitable evolution of the Proletariat in modern industrialised civilisation.
2. The inevitable clash of interests between the Proletariat as a class, and the Capitalists as a class.
3. The inevitable overthrow of the Capitalist class and the abolition of all classes by the revolutionary class-conscious Proletariat.

Power-driven machinery and methods of mass production, developed during the nineteenth century, produced the masses—the proletariat. It was inevitable. Therefore we must admit that Marx was right in (1) above.

But when we come to (2), the inevitable clash of interests, we are bound to halt and consider the matter afresh.

All living organisms—man included—no matter how they are classed, nor how they may class themselves—depend upon supplies of Food, Warmth, and Shelter. There is, therefore, one biological interest common to all living things. The material interests of every human individual are, economically, identical with every other human individual. The proletarian wage-slave has one interest and one only—*economic security*. And his capitalist "boss" has one interest and one only—*economic security*. The interests of the two opposing classes are identical. Consequently there can be no "clash of interests" between the classes on the physical plane unless one is deprived of the necessities of life by the other.

Next, as all classes need Food, Warmth, Shelter, is there a sufficient supply of such real wealth (goods and services) to supply the whole of the proletariat and all the capitalists throughout the world; can modern production produce all the goods and services needed by the whole of mankind?

We know perfectly well that the answer is, Yes. There is no problem in production, and no likelihood of a shortage of raw materials on this planet.

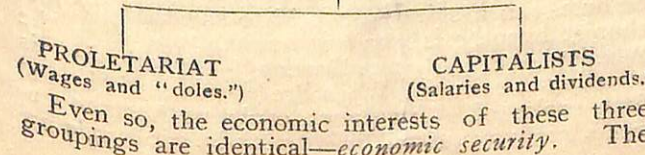
The clash must be a clash brought about by a defective distributive mechanism? Who is to blame for this?

Are the Capitalists in control of the distributive mechanism of our modern industrial civilisation? It is certain that the Proletariat are not in control of it.

But what is this "it"? It must be the money-system, since this is our only mechanism of distribution.

Who are the Capitalists? If we are to understand the problem we must know. There are "little" capitalists, and "middling" capitalists, and "big" capitalists—and the bigger ones are the "captains of industry." But are they also the captains of the money-system? If not, all these underlying capitalists must be under the thumb of the captains of the money-system. It is no use bothering about subordinates. We must find the Bosses. We find them without difficulty; they are not industrialists, not producers. They are Financiers pure and simple. They deal only in money, and the ciphers and symbols of money. They are the Financial Combine. Thus, we find:—

FINANCE



clash is not a clash of interests. Modern international banking policy contains within itself the only clash there is. It attempts to do something that is physically impossible. It attempts to call in from the consumer (that is from everyone) money that has been wiped-out in the cost of production before it can be spent on consumable goods and services.

Marx's second point should now read:—

2. The inevitable clash between the mass consumer needs of all classes of society, and the restrictive policy of International Finance.

But this makes Marx's first point in need of some revision. Evidently it is not merely the inevitable evolution of a proletarian *working* class that is now the important factor. The application of science to industry is creating an unpaid leisured class—the unemployed; and (as Marx points out) will go on doing this to a greater and greater extent with the further introduction of automatic machinery, and automatic processes in the manufacture of machinery.

We are forced to revise Marx's three main points, as follows:—

1. The inevitable evolution of the Mass Consumer in our modern mass productive civilisation.
2. The inevitable clash between the mass consumer needs of all classes of society, and the restrictive policy of International Finance.
3. The inevitable overthrow of the present international financial policy, and the abolition of artificial poverty by the equation of Consumption to Production, brought about by the debt-conscious Mass Producer and Consumer.

This is not quite so dramatic—the personal, human touch is not so strong—but its economic logic is exact.

The proletariat, the employee, the wage-slave is a Producer. The capitalist, the employer, the "boss," is a Producer. To-day we have a Producer Class composed of wage-earners and salary-earners.

There is also a Leisured Class composed of out-of-work "dole"-slaves, and of out-of-work "dividend"-slaves. This class is not required in the productive organisation of our civilisation.

But, we find, both these classes—the Producer and the Leisured—are, biologically and economically, all one class: *they are all Consumers*. We all belong, without distinction, to the Consumer Class.

Financiers, as individuals, are also consumers, but they are, knowingly or unknowingly, operating a financial policy and technique which makes Consumption difficult for the great mass of consumers and, if pushed to its logical conclusion, would make Production and Consumption altogether impossible.

Therefore, we find the alignment one in which the consumer needs of the Producers-and-Consumers (everyone) are arrayed in a life and death struggle against the physical restrictions resulting from the mathematical contradiction contained in the policy

In one of Lord Robert Cecil's addresses in the United States, he made a prominent feature of the assurance that "we will never let the Jews down." Since that statesman's objective in going there was to win support for the League of Nations, we are entitled to presume that the League was comprised in that "we"—which immediately recalls the fact that it recently ratified a mandate for Palestine, including the Zionist restoration under the British Government. Further, there is a suggestion, in a recent issue of the "Zionist Review," that Great Britain's promise to provide a home for the Jews was not made so much out of sympathy for them as to preserve her own vital interests; although what the implied dangers were or are, when they were first made known to Lord Balfour, and how far they were influenced him in making his famous declaration, has not been explained so far as we are aware. However, there is indicated a connection between Lord Robert Cecil, the League of Nations and Zionism; and in general support of all three we may include most of the British Liberal Press. —*Credit Power*, September, 1923.

and technique of the International Banking Combine.

The capitalist-producers will be driven to make common cause with the proletarian-producers against the banking system. The capitalist-producers cannot exist without an *effective market*; they must sell their goods or go out of business. The proletarian-producers cannot exist without *effective purchasing-power*; they must buy the goods produced or starve.

In other words, international banking policy and technique is creating One Great Debtor Combine of Producers-and-Consumers, against the Credit Combine.

Yet it remains true that the exploited class are the proletarian-producers and the out-of-production consumers, not because they work or do not work, and not because they are wage-slaves or "dole"-slaves, but because they form the greatest number of living organisms needing the goods and services produced, Biggest Empty Purse, and, as individuals on a one-week credit basis, are always the first to feel the pinch.

We must thank Marx for two things: firstly, his masterly exposition of the materialist conception of history; and, secondly, his insight into the inevitable evolution of the proletariat.

He saw the proletariat as the exploited and oppressed working class throughout the world. We see the proletariat as the most easily exploited and most heavily oppressed of the world's consumers.

Marx saw the proletariat becoming class-conscious and revolutionary as the inevitable reaction to their oppressed state. We see the proletariat and the capitalists becoming debt-conscious as the inevitable result of the fundamental flaw in the financial system.

Marx saw the proletariat—the great working-class wage-earning masses—rising in revolt and overthrowing by force the capitalist class. We see the Producers-and-Consumers rising in revolt and breaking by the Power of the Empty Hand—by an Economic Runnymede—the spell of the Money Myth.

Marx saw the dictatorship of the proletariat as a transition period, followed by the abolition of all classes and all dictatorships, and the establishment of a truly Communist State brought about by the proletarian revolution. We see the "dictatorship" of the Exact Price Formula, followed by the abolition of any and every economic restriction of the individual in the New Producer-Consumer State, brought about by the united action of all Producers and Consumers in claiming and establishing their right to finance production for consumption.

When we examine what exactly Marx meant when he spoke of "surplus value," we find that he was using the term to denote what we should now call the "B costs" in the A + B Theorem. "Surplus value" is the undistributed cost of a cycle of production (the "unpaid surplus labour-time" in Marxian phraseology). The Marxian theory of surplus value is one way (a "labour-time" way) of stating the costing facts revealed by the A + B analysis. What is lacking in Marx's work is the Exact Price Formula. Because that is lacking communism, or Marxian socialism, in Russia has failed to give the worker economic security, and must fail to do so until the Exact Price Formula is introduced.

Marx put his finger on the inevitable class conflict, but he failed to find the mathematical solution to the financial contradiction which is the cause of this conflict.

Marx gave shape, by means of his remarkable *Communist Manifesto*, to the development of class-consciousness; he created the proletariat as a revolutionary weapon. But he dealt always with the Ownership of the Means of Production. When, later, he added "means of production and ex-

change," he always meant the ownership of the means of exchange. Money is the means of exchange.

It is cold comfort to "own" a penny, and then to look round and find everything you need priced at 2d.

Marx imagined that ownership gives control. Lenin also swallowed this fallacy, and, in consequence, Soviet financial technique is essentially the same as orthodox capitalist technique. As Trotsky says (in his *Towards Socialism or Capitalism?*) "in relation to world capitalist economics, the Soviet Government acts as a big private property owner . . . and attracts private capital by the formation of mixed companies and the granting of concessions." In other words, the Soviet financial system depends upon orthodox financial technique, and *all loans have to appear in price*.

We see, therefore, that Marx discovered and brought forth the Proletariat as a revolutionary weapon. That, fundamentally, is the sum total of his work; for he put forward no system of exchange that would ensure economic security for the proletariat. He simply wanted the orthodox system of exchange to be "owned" by the revolutionary working-classes.

The only point that needs attention from the Economic Party is: What is the part to be played by the class-conscious proletariat in the new economic struggle against the Financial Hierarchy?

It cannot be left out of account, because the wage-earners and the "dole"-receivers are by far the largest group of Mass Consumers in the world. S. R.

Life-Force.

IV.

Nietzsche's "Human All Too Human" investigated all moralities and laid them bare as systems of faith and conduct necessary only to those who formulated them. They were necessary for life's sake. A cripple could not have the same system of morality as a healthy blond beast, since what might be fun for the blond beast would be suicide for the cripple. There is no need, of course, to deprive the cripple of the discipline by which he is enabled to win joy from life. But for cripples, in limbs, lungs, or minds, the mental riches of the world would have been vastly fewer. There is equally no necessity to compel the blond beast to observe the morality of the cripple, or to prohibit wine all over the world because a poor machine-tender somewhere, with responsibilities beyond his purse, drowned his grief in drunkenness. That Nietzsche had to go to such terrible lengths of introspection to perceive that one man's meat may be another's poison in morality no less than in diet was a damning commentary on the fixity of the bourgeois morality dominant in his day. What flowed from Nietzsche's discovery, however, was the realisation that morality had no sanctions except the aims selected for themselves by human beings. If we could be enslaved to a moral system without our knowledge, Nietzsche argued, and believe that principles of conduct merely necessitated by our physiological weakness were commands of God, we could, after becoming aware of ourselves, select other principles of conduct. These could be related consciously not only to our physiological needs, but to what we wanted to accomplish in life; while all moral cant and hypocrisy could be cleared away.

Philosophies are as human as moralities. It may be heresy in a scientific world to say that the mechanist hypothesis was not science, and that the "holist"—or "co-ordination"—hypothesis is equally not science. When Professor Lloyd Morgan first spoke of "emergent evolution," his opponents knew it was not science, and their minds are

not being changed by scientific method, but by the change of human needs and aspirations. All these hypotheses are philosophy, and they are good or bad philosophy according to the wishes, needs, ambitions, weaknesses, and so forth, which cause them to be perceived by consciousness. Philosophy and science are as human, all-too-human, as morality. Science is an expression of the will-to-power just as much as is the father's fight to retain command over his children. There can be no will to pure truth as long as there is will to live; there can be only the will to that truth or those facets of truth which render the continuance of life possible. People with wretched lives need illusions which are unnecessary to people with richer lives; to the extent, possibly, of wishing for the destruction of the world and their enemies, and of believing that God will end the world in their sight on a certain day. The scientist, in his will-to-master the universe, to be able to turn the planets backward and recover yesterday if he likes, invents the illusion that makes him able to believe in himself, and in the practicability of his task. The hypothesis of mechanism is such an invention. It was invented when the will-to-power, working outward on the universe, wanted to believe it controllable; and the universe was accordingly expressed in terms of the known-controllable. War and the chaos following war killed the mechanist hypothesis. The vitalist hypothesis, or something rather like it, is now necessary to render life possible.

It must not be inferred from this that all philosophy and all faith are illusion, and that, by inherited definition, all illusion is to be destroyed. In the first place, it cannot be destroyed until the will-to-life either flickers out or attains a power that renders continuance possible without the illusion. The mechanist hypothesis was an invention of the "life-force"—if such a term be not too naïf for describing the forces there are—which the hypothesis denied. Indeed, the mechanist hypothesis is merely a symptom that the "life-force" is temporarily extorted, which is to say absorbed by its surroundings and little conscious of itself; while the vitalist hypothesis is a symptom that the "life-force" is introverted, or more occupied with its internal than external relationships. Just as Nietzsche saw that man must remain in bondage to seasons of slave morality (self-preservation morality) alternating with seasons of prodigal exuberance unless he became so physiologically conscious as to advance "beyond good and evil," so in philosophy man shall alternate between the mechanist and the vitalist hypothesis until a further definite advance in consciousness places him "beyond mechanism and vitalism." These present, indeed, precisely the same antinomy as between phenomenon (mechanism) and noumenon (vitalism). The possibility of an "emergence" of consciousness "beyond mechanism and vitalism" has come from the work of the psychologist-therapists, not from the experimental scientists.

Every growth of consciousness is accompanied by the shedding of the illusions which the previous stage of consciousness required for life's sake. This is another way of saying that an advance of consciousness (it is true of retrogression also, but not of concern just now) involves the death of gods. The grown mind no longer requires a tribal god to elevate his tribe above all the other tribes of the world; only bishops are left in that state of emotion nowadays, and they only pretend it because they think that kings expect it of them. The child may require to believe in fairy-tales and in Santa Claus; a little later in heroes; later still in saviours; and later still in a mechanical universe, linking up with the Meccano set which gave him feelings of power in childhood. If it were possible to establish an order of rank among

illusions it would be possible to register degree of growth among minds; and although it is not possible everybody attempts it. While every growth of consciousness, however, is accompanied by the loss of certain illusions, called fixed truths, philosophies, scientific hypotheses, or gods, there is no guarantee that the present movement from the mechanist hypothesis to vitalism will be a growth. It may be only an up among ups-and-downs. Whether it is to be consolidated as a growth depends on the vitality and courage with which the conscious part of mankind, political, economic, and artistic, recreates human society as a whole. What the scientist, as every other mind, will see in the universe is precisely what he is wanting to make out of it, Heaven and Hell, school-room, family-party, machine, or—something else. R. M.

Drama.

A Bill of Divorcement: St. Martin's.

When "A Bill of Divorcement" was first produced in 1921 Miss Clemence Dane was adored as the herald of a new summer. The spirit of the play, whatever its faults, was in keeping with the nation's good intentions about "post-war reconstruction." The Utopia which we were to build out of gratitude for relief from war was not only economic and political, but moral and domestic. In future, reason and common sense were to govern individual conduct and social institutions. In marriage men and women were no longer to suffer in bondage to one another with nothing but nonsense about sanctity preventing them from living happily apart. Heroism was no more to consist in being gnawed by the fox without complaint; and the common sense which would set our blunders right was to take the place of Spartan bravery as the cardinal virtue. There would be suffering and hard cases, but better these than irrational slavery to the superstitions of previous ages, which had legislated without knowledge of present conditions. "A Bill of Divorcement" is a problem play on a situation following the Rationalisation of the divorce laws. The case it states is a hard one. Its tenets regarding the laws of heredity, and the rights of men and women individually as against their social duties, may be disputable; yet it remains a sincere attempt to solve consciously by long-sighted common sense the problem it raises.

The grounds on which the play was originally criticised, both as a drama and as the solution of a future marriage-problem, still hold firm. As a drama, of course, certain defects rise from the fact of its being a problem-play. To insist on them is to state by implication that a problem-play is illegitimate, which at this day is to close one's eyes and pretend to have destroyed the universe. It is inherent in the nature of a problem-play that the characters, instead of living in their own right and absorbing the audience, should be seen as vicars for classes of people outside the theatre who may find themselves in the situation presented; and equally inevitable that one should pick up the play, as Euclid picked up one of his isosceles triangles, to put it down anywhere within the horizon of the world on a parallel case. All the characters in "A Bill of Divorcement" suffer to some extent from this fact, but not all of them enough to hide two faults which Miss Dane shares with almost every woman dramatist, and which have nothing to do with the problem-play question. First, her men—in this play, particularly Hilary Fairfield—behave as we would expect women to behave. Second, while characters of whom the author approves, or with whom she sympathises, are drawn with an approach to mercy, those of whom she disapproves are drawn with less than justice. Aunt Hester Fairfield, with her old-fashioned notions

about keeping family skeletons in their cupboards while hoping for the best, and about filial deference to authority, is drawn as an ignorant hypocrite; and the Rev. Christopher Pumphrey, who refuses to remarry a couple because one of them has been divorced—emphasis on “legally” divorced made no difference to him—is an Aunt Sally in every sense. That “A Bill of Divorcement” is as good a play as it is seems largely due to the lucky accident that Miss Dane mainly peopled it with characters for whose plight she felt sympathy. But the partisan in her, as in women dramatists generally, is nevertheless evident. Finally what would appear to be the most moving scene in the play is enacted off. When Hilary Fairfield, the incurable lunatic unexpectedly cured, returns home, he is ignorant both of his divorce and of his wife’s engagement to marry again. The family doctor, the representative of rationality, has the task of enlightening Fairfield and of converting him to the acceptance of reason about both the divorce and the re-marriage. On each occasion of seeing the play I have wished that this consultation had been given in the audience’s sight.

As a solution of the problem of what to do about the returning husband the play is rigorous common-sense so far as the wife’s going off with her lover is concerned. If hereditary insanity cannot by any régime be cleared out, the refusal of Fairfield’s daughter Sydney to marry may also be rational, altruistic at the same time as hard. Whether, however, there is anything but sentiment in the potential lunatic Sydney staying to look after her ex-lunatic father, and whether any good could come out of it, is the problem left at the end of the solution. Possibly, sustained by faith in natural selection even among humans, at the time of writing “A Bill of Divorcement” Miss Dane did not care; their problem meant nothing to posterity, being limited, like that of the ex-Serviceman and the war-widow (married or unmarried) to one generation.

The success of this revival of “A Bill of Divorcement” makes the subsequent work of Miss Dane of social more than of dramatic interest. Immediate post-war good intentions about Utopia evaporated, leaving only an amorphous residue of acquiescence to fate. This movement towards anarchy and despair is reflected in Miss Dane’s subsequent work. “The Way Things Happen,” and “Adam’s Opera,” are signposts on the road from belief in the rational solution of problems in spite of immediate pain, into doubt and despond. The very title of “The Way Things Happen” is an indicator, while “Adam’s Opera” marks a complete loss of patience with the crowd of defective-minded and ineducable children who are mankind. Explicitly dealing with the crucified would-be saviours of mankind, “Adam’s Opera” was almost a burlesque; and Miss Dane gave the impression of considering crucifixion inevitable and resurrection not worth while. In her last play, “Mariners,” she is back in tradition. Her emancipated type envies the unconscious allegiance of the parson and his wife, throughout their misery, to the sanctity of “things”; while the right and duty of the individual to settle problems by reason, on a basis of the individual’s right to “self-expression” whatever may happen to institutions, are entirely given up. Miss Dane’s work almost serves as a dial-pointer registering the emotional tone of the post-war middle-class mind. One looks forward to the next of her plays with the interest of a sociologist rather than of a lover of art or drama; and wonders whether the successful revival of “A Bill of Divorcement” at this time is also a movement of the pointer—back to conscious rationalism.

Problem plays belong of necessity to a considerable extent to the marionette, rather than to the actor’s theatre, since pathos of situation, rather than dynamic of character, constitutes the play.

This is by no means to censure the acting, much of which whole-heartedly attempted to bring the play entirely into the actor’s theatre. Such characters as Aunt Hester and the clergyman cannot, of course, be brought there, and all the actor can do with his craft is to render the type as typical and vivid as possible. In the parts offering more scope for flesh and blood, Herbert Marshall, as Hilary Fairfield, Cathleen Nesbitt, as his wife, and Edna Best, as their daughter, endowed the characters with humanity; although the last named conveyed rather the nervousness of the age, if one may so call it, than the “nervousness” which is a euphemism for predisposition to insanity referred to in the lines, that Sydney is, as well as nervous, the self-sacrificial lamb and the last ditch defender of the faith in common sense, renders the performance of the part a complex task. Particularly in the final stages, however, the actress appeared to oversimplify the character.

PAUL BANKS.

The Screen Play.

“Tembi.”

Good nature and travel films are more than ever welcome to-day, now that the staple screen fare is composed of crooks, crimes, and cabarets, spiced with the accent of Chicago. “Tembi,” which I saw at the Marble Arch Pavilion, is a really first-class picture, which deserves far more attention than it has received from either the critics or the managers of “movie” theatres. It is in the admirable category of “Stella Polaris,” depicts wild life in Central Africa, and a slender, but cleverly-interwoven, thread of story greatly assists the continuity. Among its remarkable “high spots” are “shots” of a lion playing with its cub, and close-ups of a lion drinking, the rescue of a queen ant by workers when danger threatens the ant-hill, locusts on the march, a chameleon catching insects with a flick of the tongue, and a spiny cricket. This last is an extraordinary nightmare creature, which might aptly be labelled the “Great-What-Is-It.” “Tembi” has more variety than most films of its kind, and I trust that Wardour-street will not bottle it up in its cellars.

“Moana.”

A lengthy absence from London has caused my visits at the Avenue Pavilion since Mr. Stuart Davis succeeded Mr. Leslie Ogilvie in the direction to be much fewer than I would have wished. On the last occasion, when I was able to see what this “House of Silent Shadow,” which has resisted the “talkie,” had to offer, I was fortunate in running into the best triple bill in my experience. Its ingredients were “Moana,” “The Frog Princess,” and “The Cabinet of Dr. Caligari,” as clear-cut a contrast as can be imagined. “Moana” is another travel picture of unusual interest and unusual beauty, of which the scene is laid in Samoa. There is no story, merely a skilful and sympathetic pictorial rendering of native life and customs. The opening “shot” has a haunting quality; the camera first shows the top of a tall coconut tree, moves downwards until jungle vegetation is reached, and then moves laterally so as to show tropical leafage, in which the dramatis personae are “discovered.” This is as effective a piece of film technique as I have seen.

“The Frog Princess.”

“The Frog Princess,” which is directed by Paul Perof, is a Russian film, in itself a portent, having regard to the insane Russophobia of our censorship. It is a delightful rendering of a fairy story, with puppet characters, and is in the tradition of “The Magic Clock,” than which it is even more charming. The décor is deliciously artificial and

slightly reminiscent of the Russian ballet, and the whole strikes exactly the right note of fairyland, in which frogs change into horses, horses fly and carry beauteous princesses on their backs, and the frog-horses change again into Prince Charmings, who wed the Princesses. This artistic gem plays for less than ten minutes, and I should very much like to see some of Perof’s more ambitious work.

“The Cabinet of Dr. Caligari.”

This was one of the small number of German screen plays which made the world realise that an art of the film had been born. It wears very much better than most revivals, and anyone who now sees it for the first time can easily understand the furore it created when originally shown in England. The atmosphere and rhythm are admirable, the Futurist décor is here entirely appropriate, and the execution of the whole marches with the conception. Werner Krauss and Conrad Veidt are very happily cast, and Lil Dagover, who has little to do, looks like a Madonna.

“The Idle Rich.”

Here is a film (Empire), which, despite the growing flood of mechanical talking banalities, encourages a belief in the eventual artistic development of the “talkies.” The story is good and amusing, and the dialogue is natural and interesting, instead of being dragged in merely because the director has received instructions to make a sound picture. The general level of the acting is excellent, and, as is now common, most of the principals are not film stars, but have graduated from the stage. The exceptions are Conrad Nagel and Bessie Love. The latter fails to repeat her success in “The Broadway Melody,” but while her part in that film fitted her like a glove, she is, on this occasion, by no means so well cast. As a tour de force, her impersonation of a, presumably, typical American flapper, is, however, a remarkable technical achievement.

DAVID OCKHAM.

LETTERS TO THE EDITOR.

Sir,—My attention has been drawn to your remarks on my recent contribution to the *National Citizen*. I suppose I am to be congratulated that you did not find reason to praise my criticism in the manner, for instance, that I hear you lately adopted towards an article by Mr. Barfield in the *Nineteenth Century*, but, in spite of my amusement at your excitement over the headings in the *National Citizen*, I must protest against several misrepresentations.

There is no “curious coincidence” in my writing against the Financial Expert of the *National Citizen*, and in my criticism being regarded as more important than that of Major Douglas. I wrote my article in May, and as I have no connection with the editor I did not know until I saw the August number that Major Douglas was making a reply. The trouble with the note-writer of THE NEW AGE is that he has his ears pressed so closely to the ground that he is quite unable to see what is apparent to everyone else that the theory associated with Major Douglas is generally discredited.

It is a new complaint that I take a lot of space to express my views. Reference to the articles will show that my three columns contain a general criticism of the expert’s line of attack, brief criticisms of at least a dozen points he had raised, summaries of three proposed reforms, and extracts from the Genoa Resolutions; while Major Douglas took nearly two-thirds as much space: (a) to denying that he was a “theorist” and to disassociating his proposals from those of other reformers; and (b) to stressing the fact that bankers control credit, and that this must cause scarcity of goods! For a good article on this control, see “A Moral Crisis in Banking,” by John Carter in the *American Mercury*, but the present trouble in the control of credit by central banks is that its flow is liable to arbitrary limitation by conventional reserve ratios.

It is ludicrous that you should consider the absence of special reference to Major Douglas as significant, for he was barely alluded to in the original articles, and you are mistaken in assuming that I refer to him as “an amateur economist with a considerable organisation.” I do not regard Major Douglas as an economist at all, and the Social

Credit organisation—though, perhaps, extensive—could hardly be described as considerable. I referred to Major Douglas, along with Sir O. Stoll, as “the proprietors of two patent schemes.”

I was not an opponent of the Social Credit movement from its beginning. At a risk of losing what credit I have on these questions, I must admit that in the absence of other reform movements I joined that connected with THE NEW AGE in 1921 and, while disagreeing with some of the doctrine, did what I could to persuade opponents that it was not so silly as its propaganda. In January, 1925, reviewing for THE NEW AGE the explanations of two of the Major’s disciples, I stated very briefly what I considered to be the defects and the correct interpretation of his case, but this criticism, praised by a writer whom the editor regarded as second only to his oracle as “the first breath of fresh air in five years,” brought a rebuke from Major Douglas for literary ill-manners—rather amusing in THE NEW AGE, the style of which, always tending to asperity, had deteriorated after 1923 into complete vulgarity. When about a year later Mr. Brenton saw fit to close a controversy in which he was getting worsted, I decided to sever my connection with a doctrine which was not amenable to reason, and an editor who regarded his own credit as more important than his obligation to voluntary contributors.

The only occasion I can recall of communications of mine being forwarded to contributors is the recent case of Mr. Couzens and Stabilisation, a question referred to with ineffable ignorance by the editor as “only of incidental interest to our readers.” The reasons that I occasionally criticise to THE NEW AGE are because I still feel some interest in a paper to which I subscribed for fifteen years, and some shame in seeing its degeneration, and because its propaganda, while originally of some use in directing popular attention to the monetary defects in our present economy, has subsequently done great harm to a reform which is judged by its least sensible associates.

In conclusion let me thank you for your advertisement of the *Credit Power Credo*. There are still a few copies available, 2d. coloured, for the few readers of THE NEW AGE with a sense of humour who have not seen it.

GEOFFREY BIDDULPH.

“ECONOMIC PHILOSOPHY.”

Sir,—A word in reply to “N.B.” I wish to make it clear that I did not set out to state the Philosophy of Social Credit. I set out (a) to “blow the gaff” on philosophistry, and (b) to state the first premise upon which the Philosophy of Social Credit must rest.

RETROSPECT.

AUGUST 20, 1925.

Reflections on propaganda—through intuitive acts to rational concepts.

Dr. Edmund Stinnes fights the banks—gives his staff half of his shares.

Paris Journal calls for alliance of European debtor nations.

The false “bankruptcy” scare in an Admiralty letter—armaments a guarantee against insolvency.

The new Coal Commission—out the axe grinders, but in the grindstone monopolists.

AUGUST 27, 1925.

Anti-Jew outburst in Vienna—the *Observer’s* warning that Austrian problems are mainly financial and cannot be solved without the aid of “Jewish power in the financial world.”

The coal-owners indict the Council of Action—quote Mr. J. H. Thomas (Speech, August 13, 1920) approving the Council as a “challenge to the whole constitution of the country.”

What a wise Council of Action should say to the coal-owners—a suggested manifesto.

The *Observer* on international debts.

France’s dispute with Britain over the French debt—M. Caillaux attacks Sir Otto Niemeyer—“thinking more of the interests of financiers than of the British people.”

AUGUST 19, 1926.

The case of G. K.’s *Weekly*—financial difficulties—suggested League for Distributists.

Nature backs the Malthusian theory. Theorists disturbed about scarcity while practical business men terrified about plenty.

Mr. Wade in the *Daily News* on the economic consequences to Lancashire of the bumper cotton crop—buyers of cotton goods holding off in the hope of a slump in prices.

AUGUST 26, 1926.

G. K.’s *Weekly*—the mystery of “Distribution.”

Blackmail by high politicians—the suicide of Mlle. Regine

Flory—Max Viterbo narrates in the *News of the World* the attempt to compromise Jean Jaures [who was murdered at the outbreak of the war].

The banks agitate for more information in industrial balance-sheets. [Legislation is now pending, 1929, to "standardise" these balance-sheets.—Ed.]

Canon Henson's attack on the ten Bishops who intervened in the mining dispute.

Latin America and the Monroe Doctrine—Dollar debts and Disarmament. Chile's idea of appealing to the League of Nations against American penetration!

AUGUST 15, 1927.

Mr. Cosgrave's victory in the Dail—the mystery of Mr. John Jinks who forgot to vote.

Outlines of a policy for Fianna Fail.
The position of British agriculture—the central problem.
The Post Office Workers and the Wage Award.

Sir Leo Chiozza Money advocates debt-cancellation—says American debt largely exists because America so late sending troops to Europe. Europe had to borrow to carry on while America got ready.

AUGUST 18, 1927.

The opening of the "Peace Bridge" over Niagara river.
The Sacco and Vanzetti trial in America.

Falling prices—Lord Beaverbrook's optimism—Lord Astor's pessimism.

The Federal Reserve Board's gold-problem.

AUGUST 16, 1928.

Mr. W. F. Jowett on Trade Unions—"no truce in politics"—"control the banks, raw materials, power and transport."

Mr. Brailsford on "Labour and the bankers."
Professor Hearnshaw's *A Survey of Socialism*.

Unemployment—Mr. Baldwin's scheme—the "falling birth rate" as a solvent of the juvenile employment problem.

The Passing of the Assessor. Editorial article on the Board of Inland Revenue's attempt to centralise tax-assessment—Mr. Stanley Brown's criticism—the old responsible local assessor to become a cog in a machine.

AUGUST 23, 1928.

Air raid manoeuvres over London.
America's arbitration-treaty with Egypt—the *Times* speaks of the "diplomatic risk" of this direct treaty with Egypt "without reference to Britain."

Mr. Emil Ludwig's assurances that there will be no further European upheavals.

The *Midland Bank Review* renews its demand for a financial inquiry.

Egyptian irrigation projects.
Signs of more credits being available for transport development—Charing Cross Bridge.

Electricity as a substitute for manure in agriculture—experiments in China and Australia

Bankers' "Resources". Editorial article on the supposed natural limitations of their lending-power.

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