THE
NEW AGE
INCORPORATING "CREDIT POWER."
A WEEKLY REVIEW OF POLITICS, LITERATURE AND ART

No. 1930] NEW SERIES Vol. XLV. No. 19. THURSDAY, SEPTEMBER 5, 1929. [Registered at the G.P.O. as a Newspaper.] SEVENPENCE

CONTENTS.

NOTES OF THE WEEK.

We are reminded of two old stories. One is about a man out for a walk, who, hearing continued bursts of cheering, made his way towards their source, and at last came up to a large crowd. In the fringe of the crowd there was one man cheering more loudly than anybody else. Approaching him, the newcomer touched him on the elbow and asked: "What are they cheering about?" The other replied: "I'm sorry; I don't know yet; I've only just got here." The other story concerns two men who were stumbling along a road from opposite directions after a long convivial evening. Upon meeting, one of them raised his hat to the other and said: "'Scuse me, ol' chap, but is that the moon rising or the sun setting?" The other took off his hat, and after gravely inspecting the indicated orb for a minute, replied: "Awf'lly sorry, ol' boy, but I'm a stranger in these parts." The first story will be seen to apply to the inspired public acclamation of Mr. Snowden's "prowess" at The Hague; and the second to the nature of the spoils of his "victory." In the field of economics—those "parts" to which practically everybody is a "stranger"—the public will cheer any phenomenon that they are told to, provided the instruction to do so comes from the people through whom they are accustomed to receive guidance. We said at the outset of The Hague farce that Mr. Snowden's much ado was about twopence, and that if he got it he would lose it before he got back to London. As it turns out, he has more than fulfilled our forecast; for by the very nature of the agreement which has been arrived at he deliberately gives away everything tangible that he set out to secure. While, on one side of the account he has defeated the particular clause in the Young Plan which proposed to write a couple of millions a year off Europe's I.O.U. to Britain, he has agreed to make a present to Italy of three million tons of coal—and our best Welsh steam coal into the bargain. If anybody reminds us that Italy is to *buy* this coal our answer need only be to refer him to the writings and speeches of people like Mr. McKenna, Mr. J. M. Keynes, Lord Melchett, in which they have explained the real nature of international purchases and settlements. The crux of the whole matter is not the fact that Italy *buys;* it is the process by which she *pays*. Does she pay money, or does she deliver us goods of equal value to the coal? If money, she gets the coal for nothing, while the British taxpayer subsidises the coal-industry as a reward for supplying it. If goods, the trade gained by the coal industry will be offset by the loss of markets by other British industries; and the domestic unemployment problem will remain exactly as it is now. If only Signor Mussolini were as awake to economic, as to political, realities—or, rather, if he were courageous enough to act on his awareness of those realities, we should hear him announcing not only, as he did, Italy's willingness to sign every peace-compact which was presented to her, but her readiness to give orders to any and every other country which wanted to sell her goods for money. As a purely economic proposition it would be all gain and no loss; for she would be piling up her physical resources in exchange for I.O.U.s. The snag is not economic but political; and consists in the fact that all such I.O.U.s inevitably come into the hands of the international bankers, who use them to usurp national sovereignties and concentrate these into one world-sovereignty exercised by themselves. Like the Communists, they plant "cells" in all the key-places of political government, the only difference being that whereas the Communist cells are germs of education for revolt against established principles of administration, the bankers' cells are germs of education for subservience to established principles of policy. The miseducation consists in the subtle dissemination of the idea that it is impossible to distribute among the individuals of a population the benefits of their collective gains in economic resources —whether those gains be created by the internal activities of the country or are acquired by importation from other countries. How can these banking interests help being all-powerful when they can hoodwink all the nations into a competition in which the

" winner " is the nation which exhausts itself most quickly of its natural resources? " We live by our exports " it is said by each of them. This is the cellular lie at work. Nobody would dare affirm it of armaments during a military war. So why about coal in an economic war?

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The *Daily News*, commenting on the agreement to evacuate the Rhineland, says that Mr. Henderson had accomplished his task the more easily because he was able to carry it out " under cover " of the quarrel which Mr. Snowden provoked about money. The *Star* supplements this by saying that the couple of millions won by Mr. Snowden are " a mere bagatelle." The mistake, continues the *Star*, of his Continental critics " was in thinking that it was this bagatelle which was the real bone of contention." It was not; " it was merely the symbol."

> " What was at stake was England's position and influence in Europe, and, thanks to Mr. Snowden's determined stand, that position and influence are now made clear beyond all question."

This vague allusion to the issue at stake would have been more plausible if the *Star* had not also remarked that the Continental critics themselves had told Mr. Snowden that the money he was agitating for was a bagatelle. As it is, the *Star* is trying to argue that the outcome of a struggle for something which both sides agree is nothing in particular is proof of the victor's " influence and position." The question of what it is that Britain has won is still unsolved. If it was not the two millions, was it the evacuation of the Rhineland? Apparently not, for according to the *Star* (as well as other newspapers) this, too, is only a symbol. Its merit, in the words of the *Star*, is that it " levels the distinction " between the " victors and vanquished " in the war. Perhaps in a few days the *Star* will be telling the public that not only Mr. Snowden, but also Mr. Henderson, has been providing " cover " for some third party to win the real victory elsewhere.

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The master-clue to the Hague mystery is connected with the Reparations Bank. It concerns the question whether that Bank is to be a European branch of the Federal Reserve Board or a European rival to it. The evidence on this problem is conflicting. On the one hand the recent report that New York was ready to provide an enormous credit to save the Young Plan suggests that the European bank is to be an instrument of American policy. The suggestion is strengthened in retrospect by President Hoover's act in sending his letter of congratulation to Herr Drack, who had been advocating just such a bank, which would abolish European national currencies and merge them into a World-Peace-Dollar currency. On the other hand a pamphlet* written by Mr. J. F. Darling, of the Midland Bank, has just been published advocating an " International Pound." So far, here is a plain enough issue. It seems that banking interests in general are supporting the principle of an international central bank, but are divided about who is to control it. Mr. Darling does not hesitate in his answer; but it remains to be seen whether the financial opinion ranged on his side is strong enough to make his policy prevail.

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In our article " The Key to World Politics " a year or two ago we said:

> " Capital and Labour must call an industrial truce and collaborate in Parliament to detach the Cabinet from its subservience to the Treasury: then to detach the Treasury from its subservience to the British banks; and ultimately to detach these banks themselves from the international trust which they serve."

Experience since then has emphasised the necessity for these three processes of detachment to be carried out, but rather suggests that we ought to have enumerated them in the reverse order. It does not matter much whether our advice was practical or not; for to-day the " thieves " are falling out, and we are able to consider afresh by what means " honest men " can come by their due. It may turn out to have been inevitable that the international banking trust should be gorged with power as the essential precedent condition of its disintegration, and that therefore it was futile—and even a mistake in principle—to attempt to hinder the process.

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At any rate, Mr. Darling places the last of our processes of detachment first.

> " Europe must start afresh, with a new Currency Unit. As it values its financial freedom, Europe, in self-defence, must be prepared if necessary to break step with the dollar and the abnormal conditions obtaining in U.S.A. The way should be prepared now so that if breaking step becomes necessary it may be carried out, so far as Europe is concerned, in an orderly manner, throwing on the United States the onus of deciding whether to be out of step with Europe. By the creation of an independent Currency Unit and setting up an International Bank, the break, if it has to come, would take place automatically and simply."

Mr. Darling says that this international bank would become the fountain-head of credit not only for the participating countries, but ultimately, perhaps, for the world. In that case his proposal implies the dominance of the World-Pound as against that of the World-Dollar. Our readers will recall his former pamphlet " The Economic Unity of the Empire "; and they will do well to consult it again in connection with his present advocacy of financial unity for Europe. In the former pamphlet he proposed that the Empire should dump gold into America without stint. He did not share the belief that the gold-ratio was divinely ordained. In his present pamphlet he gives proof of it by proposing to include silver as part of the basis of the international-pound currency and credit.

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Whether he intends it or not, we can imagine no proposal that could cause a more hostile reaction in American financial sentiment than this. The " heresy of bimetallism," they call it; and the fierce political controversy which Bryan (we think) roused when he advocated it is a matter of history. " The last echo of it was in the " Reminiscences " of Colonel House. It recounts how, when he was first asked to back Wilson—who was then a comparatively obscure politician—the first thing he did was to make sure that Wilson, who had previously shown symptoms of bimetallist infection, had cleared it out of his system. We need not stop to discuss the principles involved in bimetallism. At the moment it is more useful to know why Mr. Darling revives the idea. He says that the Western nations, by their anti-silver legislation, have despoiled the vast populations of Asia by depressing the metal, in which they have been accustomed to put their savings from time immemorial. The rehabilitation of silver would, he declares, increase the purchasing power of Asia, which would be a factor of some importance in industries like Cotton, to which the Eastern markets are so important. The *Financial World* in its issue of August 10 supports Mr. Darling in these words:

> " On these two grounds alone—the economy of gold and the rehabilitation of silver—Mr. Darling's proposals are worthy of full consideration. The former, touching as it does a gold standard that lacks gold and is artificially prevented from functioning, is at the root of our unemployment problem."

In due course we shall see other financial opinions expressed, but there is sufficient evidence in even this one opinion to show that the idea of breaking with the gold standard has been translated from its " subversiveness " to a position in which it might be described as belonging to the progressive wing of orthodox opinion.

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The financial cleavage of opinion in this country may have already developed sufficiently to produce a visible financial clash of policy between New York and London before very long. Such a clash would not, of course, bring us nearer, in point of principle, to the application of the true financial solvent for the world's economic poverties and animosities; but it would bring us nearer in point of time. Bankers and banking cannot be held up to the world as the agency and technique of peace when they are seen to be unable to agree on a united policy. No doubt one of Mr. Norman's chief preoccupations while on his recent visit to America has been to arrange means for concealing the symptoms of the disintegration of the Anglo-American credit-entente. He will get no help from British capitalism, which is obviously coming to realise that whereas America's resources in dollars may be of great assistance in one way, there is no guarantee that they can be acquired whenever they are wanted, and certainly not for every purpose for which they are wanted. Slowly it is turning attention to the physical resources of the Empire instead, without consciously realising why; and the emergence of Mr. Amery and Mr. Neville Chamberlain as champions of a vague sort of Empire protection is an indication of the direction in which things are tending.

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Another indication is to be seen in Sir Thomas Holland's Presidential Address to the British Association at Johannesburg on July 31. In his own words, the Address was intended to be an introduction to a movement to facilitate " a working agreement between the two great mineral powers that alone have the avowed desire and the ability to ensure the peace of the world." Stripped of its sentimental rhetoric this means: If America and Britain can agree on respective shares of world-trade which will satisfy their respective needs to remain solvent, their united mineral power is sufficient to coerce the rest of the world into putting up with the arrangement. His reasoning is as follows, according to a leading article in *Nature*, August 3:

> " Coal and iron ore are the dominant minerals, as their products are necessary both in industry and war, and their exceptional abundance on the opposite sides of the North Atlantic has established the existing political supremacy of the United States and North West Europe. . . . America and the British Empire, owing to their control of coal and iron ore, can, if they will, stop war by refusing to supply the products of those minerals to any belligerent Power. . . [These are] the only two Powers that could fight for long on their own resources, and if they refuse mineral products to countries that infringe the Kellogg Pact, no war could last long."

Whether Sir Thomas Holland is aware of it or not, his reasoning demonstrates that the only practical risk of war is one between America and the Empire. Having shown that they can together stop any other nation going to war, why does this contemplated agreement to do so need a " movement "? The answer is that they cannot agree what war to stop, or what belligerent to blockade. Their " avowed desire " to ensure the peace of the world means nothing at all, because the " desire " is evidenced by nothing more than the speeches of high politicians, who will avow any desire that the financial interests want to see achieved. In the case of a war breaking out in which America and the Empire were not the belligerents, if neither of them wanted the war each would automatically use its power to stop it, and the power would be just as effective when exercised independently as it would if exercised by virtue of some concerted arrangement. Suppose France went to war with Germany, and it suited British policy to starve her of iron-products, and it similarly suited the United States to do the same; the absence of a previous agreement would make no difference to the result. Each Government would prohibit the exports, and the thing would be done. We interpret Sir Thomas Holland's " avowed desire " for such an agreement as eyewash: his Address consists largely of a survey of the comparative fighting power of America and the Empire, and the information which it contains and which it will elicit in the future will be used with the view of consolidating the Empire's power not to suppress war indiscriminately, but to take sides safely against America in any future struggle. Only yesterday America was bombing Nicaraguans; and to-day Britain is bombing Arabs—peculiar rehearsals for concerted peace-leadership.

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But supposing that our interpretation is wrong, and that Sir Thomas Holland is spokesman for Anglo-American bankers, the realities of the situation remain unaltered. He himself notices one of them, which is that though nations might be denied access to external supplies of mineral products, they have already sufficient accumulated internally in one form and another, and could convert them to war uses. This is the result of the export policy of mineral-owning nations in the past. For instance, have we not alluded above to Mr. Snowden's triumphant achievement in engineering the dumping of three million tons of British steam coal into Italy? And for generations all capitalisms endowed with essential mineral resources have been munitioning lesser capitalisms—potential allies and potential enemies alike—with mineral-products, and are asking nothing better to-day than to go on doing it as fast as they can get the orders. As our readers know, they are obliged to do it in order to keep solvent under domestic banking laws. This being so the advent of a war is a welcome opportunity to do it faster. On the eve of the last war the *Daily News* advocated non-intervention on the part of Britain, pointing out the enormous benefit that would accrue to British capitalism by its supplying products to the belligerents on both sides. Unfortunately, in one sense, that privilege was grabbed by the United States; and the *Daily News* can, if ever it likes, plausibly argue that if its advice had been taken we should have escaped the imposition of the American debt, and also the European animosities which have now sprung up at The Hague as a result of our attempts to repay it.

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Reflection along these lines discloses the main miscalculation not only in Sir Thomas's proposal, but in others of a similar nature. There are three methods of enforcing peace before the public: one is contained in the present Address, another is Senator Capper's proposal to deny munitions to belligerents, and the other the Finance Committee of the League of Nations' proposal to deny them money. All three come under one categorical principle of starving out bellicosity. It sounds very simple until you ask who is to pay for the starving out—in other words, where are the neutral capitalisms going to sell the products which you prohibit them from selling to the belligerents? It is all very well for the bankers, whose idea this is, to say to manufacturers through the mouth of Parliament: " You must not sell anything to those fellows "; but for every banker with an ideal to pursue in economic security there are thousands of masters and men with livings to earn in economic insecurity. A situation must necessarily ensue comparable to that which has been created by liquor probihition in America—namely, illicit trading. Of course, it is within the power of the banking interests to obviate

* *A New International Currency: The Bank For International Settlements.* London General Press. 2s. net.

this for a time by creating credit and lending it to the manufacturers to an amount equal to the calculated value of the lost trade; or, perhaps, to cancel the loss summarily by making them a present of the credit. But the banking interests will risk a lot before they consent to do even the lesser of these two things, for it would set a dangerous precedent. Dormant credits, they have been telling their borrowing clients for ages, undermine banking stability: and, as for lending, hoping not to receive again; well, they would like to be good Christians, but the Law of the Ledger forbids—and even were this not so, the mere fact that everybody would be satisfied with the results would be a sure sign that the cause was immoral. So the position would be that capitalism would have to subsidise the bankers' rectitude.

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To be just to the bankers' intelligence, they are doing all they can to get direct administrative control of key materials and services in every country without letting the fact of their doing so leak outside. They settle down on lines of intercommunication like crows on telegraph-posts. Like cats, they jab with their claws at everything that moves, whether through the press, cables and wireless (facts and thoughts moving from mind to mind), or electricity and shipping (power or products from place to place). Money—the prime mover of all—they have monopolised from the beginning. They are building up the power of legally exacting obedience, in administrative action, to their governing policy. To this extent they are closing up the hiatus between the order and the act, narrowing capitalism's opportunities to defeat their intentions; but their efficiency has to meet the test of another military crisis. On the commital of a warlike act anywhere, military mobilisation commences everywhere. Military mobilisation is capitalism taking up arms. The question is whether armed capitalism is going to obey laws which were imposed on it when it was disarmed. It may; but when we recall all the signs of distrust during the period of disarmament, which capitalism has shown in regard to banking policy, we doubt very much whether the bankers will get their own way. The fact of their having their own nominees in the topmost administrative positions of the capitalist system will be no safeguard. The power normally exercised by these officials resides in the fact that their function is to see that production is subject to financial policy. On the approach of a crisis productive policy begins to dominate finance, and the bankers' nominees decline in prestige to their natural dimensions—recorders of figures. And so we conclude that all the resounding agreements between political dignitaries about what is to happen when war comes are scraps of paper already.

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We shall have plenty of time, we fear, to watch developments in the Palestine outbreak. We wish here to make a few preliminary observations. The first is that Lords Melchett and Reading would be properly employed in recruiting Jews for service in the Holy Land, instead of calling on the Prime Minister with complaints about the woes of their brethren. They could start at Mile End, where we see by the Sunday newspapers, there was plenty of suitable material agitating for vengeance. The trouble about the Jews' National Home is that most of them are out of it. Sir Herbert Samuel could not stay there. We notice that there has been a demand for him to go out again. We agree; and suggest that he be created a general of the East-End Jewish Army and sent out at the head of it. If your kith and kin have been slaughtered, the place to protest is on the battlefield, not in a meeting-hall.

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It may be a British interest to defend Palestine, but the presence of Jews there is not essential to that interest. Lord Balfour, who has expressed his "disgust" at the outrages there would be much more interesting if he were to tell us why he made the outrages possible, and even provoked them, by planting the victims there. We know that he did not make his Declaration voluntarily. It was in 1917, when the issue of the Great War was uncertain, when he gave the promise of Jewish restoration there. The promise was exacted, and it becomes necessary to know what was the nature of the pressure put upon him to get the promise. The well recognised affinity of the Cecil family for Jewry is not a sufficient explanation. Speaking of the Cecils, we recall that Mr. Orage, the late editor of this journal, had some caustic things to say about Lord Robert Cecil's being on the Marconi Inquiry Committee. Before the Inquiry opened Lord Robert had expressed his complete confidence that Sir Rufus Isaacs (now Lord Reading), one of the Ministers whose connection with the case this Committee was appointed to investigate, was not guilty of the things alleged against him. This is the same Lord Robert Cecil who announced in America after the war: "We will never let the Jews down." What is the matter with the man? He almost persuades us to be racial Christians.

Current Political Economy.

Emerson remarked in his essay on Politics that the Liberals had the better policies, while the Conservatives had the better men. Before the impersonal grip of the modern financial system, based on superstitions which were never more than rule-of-thumb assumptions, this was apparently true. Comparing the present Liberal Government with the late Conservative Government, however, one must revise Emerson's observation. Neither group has a policy, but the Liberals provide the better marionettes; the qualifying word "better" meaning the more energetic and responsive to the financial oligarchy. That British foreign policy has changed is now obvious. Britain has turned to America for salvation, and as regards Europe has taken a standpoint of insularity whose consequences have only begun to appear. No doubt Mr. MacDonald believes that he does more for peace by entering the belly of the American whale than he could do by helping Europe to defend her culture against the American vandal. But he has been hypnotised by the figure of Peace, with her maternal wings and breasts, which America has used as a decoy. America is the world's master. All that she has to defend is the state of affairs as it is, when she must inevitably become more and more the world's master. Her peace-propaganda is nothing more than an effort to bind the world with invisible chains, as Loki bound the Fenris wolf. From the formation of the League of Nations to The Hague Conference on the Young Plan, the United States has presided over all European affairs for her own benefit and without responsibility. Without a complete change in the basis of distributing the product of industry, and in the stimulus for calling the product into existence, she must go on doing so. The Hague Conference, indeed, is similar in all respects to sending the baby prince out in procession to divert the revolutionary people in the streets. Nothing more Bismarckian has been achieved in politics than the Press community-singing leaders' persuasion of the unemployed to cheer Mr. Snowden as a fine fellow for his "victory" at The Hague.

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During the war when it was necessary for municipalities greatly to increase rates in view of the falling purchasing-power of money, wherever the Liberal or Conservative councils found the job likely to lower their popularity a Labour council was appointed. For years afterwards the Conservatives

obtained the majority of votes by reminding the citizens how Labour had put up the rates. No explanation that Labour could give—though the explanations were rational and true—made any difference. When the dog was mad it was given to Labour to hold; when it quietened down it was taken back, and Labour was blamed for the fact that while with it the dog was mad. It is obvious from the absolute lack of energy or policy displayed by the last Conservative national Government that its situation was comparable, allowing for the difference in the tasks before it, with that of the Conservative municipal governments during the war. Because of its history and personnel it was an unsuitable instrument for changing over from the pre-war and war-time allied entente to an Anglo-American entente with Europe left to its own damnation until such time as France had knuckled under to American finance. Labour came into office to solve the problem of unemployment, and found immediately after arrival that unemployment was not as bad as statistics made it appear. Instead of immediately going out of office, thus at once acknowledging that it had painted the situation unnecessarily black, Labour stayed in office to play the game of the Anglo-American financiers who picture England and America in partnership for the purpose of establishing the existing finance-poverty capitalism firmly over Europe and the world for ever. When Labour has done this job and has been turned out of office—as it must be if politics is the reflection of balances of economic power—it will once again be rendered unpopular and even contemptible in the public eye for doing it.

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The agenda of the coming Trade Union Congress contains a number of resolutions, says a newspaper report,

> "calling for action on various questions. . . . Some of them suggest very superficial considerations of political difficulties and existing industrial conditions, as, for instance, a suggestion that a forty-hour week shall be established by legislation. . . . In the main, however, the resolutions pay due regard to the difficulties confronting Mr. MacDonald and his colleagues."

The political theorists of the Labour Party have asserted over many years that once in power the Party could set up Utopia; that the party in power commands the Army, Navy, and Police, and could do what it liked. That the Labour Party has not a clear majority need not deprive it of the lesson of politics in time to prevent its going on with adherence to so foolish a theory. Already the Trade Unionist is taught to demand less from the Labour Party in office than from the Labour Party in opposition. So far from a Government being able to do what it likes, it can do only what is necessary, and only that provided the main sources of its revenue give their consent. A demand for a forty-hour week is not a cry for the moon. If rationalisation does not lead to the working of fewer hours by the working-classes, it will not be rationalisation. Existing industrial conditions, so far as productive industry is concerned, are not against a forty- or thirty-hour week, and a good many workers could be pensioned off even then. Existing financial conditions only are against it, and the superficial and unreasonable members of the Trade Union Congress are right to ignore existing financial conditions, since these are merely accidental, and maintained only by the obstinacy of the existing special benefactors. In their refusal to consider the financial system as an instrument having a social function, to be adapted to the office it has to fill in the total social economy, the existing benefactors resemble exactly the dog-in-the-manger of the fable. They will live, but they dare not let live. It is to fulfil the workers' extravagant demands, if their extravagance is seen to be mythical when realities are considered, that the Labour Party was returned. Honourable failure would be better than no attempt. All that Mr. Snowden has done, as he said at the Bankers' Banquet was a Chancellor of the Exchequer's job, has been to promise the filling of the purses into which a Chancellor must dip. The consumer, concentration of political mind on whom would lead to the solution of the economic problem, seems entirely absent from the mental constellations of the Labour Party in office.

BEN WILSON.

Agricultural Debt.

All over British India the peasantry is deeply, hopelessly in debt. It is curious to find this prime cause of the Egyptian Revolution faithfully reproduced in India, under our own paternal and enlightened rule, and through the same cause. Agricultural debt came into being in either case with European methods of finance.

In old times, money was practically unknown to the peasantry. Their dealings were in kind, and especially the land tax paid to the Government was paid not in coin but in corn. The whole of the peasants' security—if they wanted to borrow—was their crop. No lender, therefore, would advance the impecunious cultivator more than his seed corn or the loan of a yoke of oxen, and there was no possibility on the Government's part of anticipating the taxes.

But with European administration came other doctrines. Wealth, our economists affirmed, must not be idle; production must be increased; resources must be developed; capital must be thrown into the land. The revenue, above all things, must be made regular and secure. In order to effect this, payment in money was substituted for payment in kind, a regular tax for an irregular portion of the crop; and, while the rate was nominally lowered, no loss from accidental circumstances was to be allowed to fall upon the Government. So much money must be forthcoming every year as the tax on so many acres. In the country districts of India, however, as in Egypt, corn could not be sold in the public market at its full market price, and, when the day came for payment of the Government dues, the peasant had the choice either of selling at a grievous loss or of borrowing the money. He generally borrowed. It may be stated absolutely that the whole of peasant indebtedness in either country originally came from the necessity thus imposed of paying the land tax.

The change, however, put immediate wealth into the hands of Government, by lessening the cost of collecting the revenue, and so was approved as a beneficial one; and *by an inevitable process* of financial *reasoning borrowing was encouraged.* It was argued that capital, if thrown into the land, would increase the wealth of the agriculturist along with the revenue. But how to induce the investment of that capital except by increasing its security? In order to enable the agriculturist to borrow, he must be able to give his debtor something of more value than the crop in his field. Then why not the field itself? *The laws of mortgage and recovery of debt by safe and easy process were consequently introduced, and courts appointed for the protection of creditors.* This completed the peasant's ruin. Finding money suddenly at his disposal, he borrowed without scruple, not only to pay taxes and to improve his land, but also for his amusements. In the course of inquiries, not a single instance of a village clear of debt was met with, even in Bengal.—("Ideas About India," Wilfrid Scawen Blunt, 1884.)

"Naturally, standards of ethics differ. We inherited from our English ancestors the standard of commercial probity which they and we still practice. To this correspondent it seems unfair that Britain should pay her debt to the U.S. in full, while the debtors of the U.S. on the Continent of Europe should be able to compromise on sweeping reductions. But the honorable Briton would not have it differently. . . . It is true that the one nation of unimpeachable integrity seems to have the worst of the deal. But strong men have borne the burdens of weaker ones through all the ages of humanity. Britain would not have it differently, nor would those of us who recognise her integrity insult her with the terms which are good enough for others with a different standard of ethics."—*Wall Street Journal,* August 5, 1929.

"At the Institute of Politics at Williamstown, Mass., George Young, a member of the British Parliament, stated that 'Great Britain would be delighted to share the job of policing the seas with Americans if they wish to accept half of it.'"—*Christian Science Monitor,* August 10, 1929.

About Things.

I have come across an article by John F. Porte in the *Gramophone Review* of January last. In it he said:

> *His Master's Voice* has found it interesting to collect some very rough and necessarily incomplete statistics as to the purchasers of classical and other records. Wagner Beethoven, and Schubert sell heavily in purely industrial districts, with the simple ballad as the next best sellers. The suburbs are, generally speaking, fairly evenly divided in their affections between heavy, light, and jazz music. It is in South Kensington, Mayfair, Belgravia, and even that stronghold of the intelligentsia, Bloomsbury, that jazz predominates. A fact that should provide food for thought and lessen the traditional distrust of the public taste.

The title of the article is: "The Public is Always Right." His thesis is that before the coming of the gramophone the average man was dragged to concerts by "soulful enthusiasts," and became prejudiced against classical music because it was made the vehicle by which "wearisome highbrows" might express their superiority over their fellow men. If the gramophone has done nothing else, he claims, it has at least rescued music from this "pseudo-aestheticism": it has set music out in its naked, unvarnished nature, and left the public to form its opinion.

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In the magazine just mentioned there is also the following note:

> An official of the Columbia Company states that the quantity of gramophone needles sold by that company alone in 1928 would require thirty railway wagons, each of ten tons capacity, to convey the load—300 tons of Columbia needles being the year's output.

Here is a chance for a statistical enthusiast to write an article and earn a few shillings. What does a box of needles cost?—and weigh? What does steel cost per ton? Then, how many miles of music emerge from these needles? And, in view of the proverbial relationship of music with "the savage breast," what is the measure of the contribution of the steel trusts to the cause of Peace?

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Concerning cartoonists. When is the *Daily Mail* going to pension Tom Webster off? And when is the *Evening Standard* going to publish Gluyas Williams in book form? I leave Low out of it: he is commissioned to do something more than provide entertainment.

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As an example of the art of criticism applied to sport, Mr. P. G. H. Fender's articles on the English Test Team in Australia stand alone. They were published daily in the *Star* during the progress of the matches, but have lately been reprinted in book form under the title, *The Turn of the Wheel*. But 15s. is too dear. I hope the publishers will bring out a cheap edition as soon as possible. County cricket is kept alive by shillings, paid one at a time; and it is surprising that a book like this is priced so far beyond the reach of the extensive and natural market provided by the humble supporters of the game.

* * *

In view of America's notorious strictness about "obscene" literature, it is curious to hear that Miss Norah James' book, *The Sleeveless Errand*, is a best-seller there, whereas it was banned in this country a few months ago. According to her statement, the story is also to be dramatised in New York by Basil Dean. The plot is banal. Here it is as Alfred Jingle would have told it:

> Man there—home early—finds wife with friend—compromising circumstances—isn't seen—sneaks out of home—despair—nothing left but suicide. Woman here—lover breaks off affair—tears—leaves him—despair—nothing left but suicide. Man and woman at same teashop—chance remark—confidences—suicides deferred till to-morrow—and so to bed. Next day, shopping in morning—night clubs in evening—hired car—midnight drive to perform death compact—woman calls man a fool—sends him back to wife—starts off alone—high speed—edge of precipice—finis.

The "obscenities" occur chiefly in the conversations at the night clubs between the acquaintances of the woman, but consist only of the adjective "bloody" (some scores of times) and the noun "prostitute" (once or twice). There is no remark, nor is there any incident, in the book which can be called an offence against decency in the sense of communicating illicit knowledge by describing sex-intimacies. My own theory is that the book was banned for political reasons. The woman in the story had been one of the thousands who went to France to help win the war. It was there that she learned what "life" was, though the reader is given to understand that she did herself not participate in the promiscuities she alludes to. It is her mental reaction to her experience that seems to have upset the censors; for when pleading with the man to go back to his wife and leave her to die alone, she asserts that not only she herself but all the other women who had been out in France were degenerates, and that it would be a good thing for society if the whole generation of them were put to death. The allusion, it will be seen, amounts to an allegation of the existence of the same scandal as that of which Miss Douglas Pennant seems to have stumbled across evidences in the course of her official duties out there. Those readers of THE NEW AGE who remember "banning" of much greater scandal—the virtual "banning" of Miss Douglas Pennant's Appeal in the House of Lords—will agree that my theory does not stretch inferences to the length of incredibility.

* * *

"We've got the ships; we've got the men; we've got the money too." Lop off the money, and I suppose the old song will still sing true in this country. But in America they've got the ships and money, but not the men. At any rate, British shipowners are up in arms over the desertion of trained seamen from vessels calling at American ports. It appears from the *Saturday Evening World* (Newcastle-on-Tyne) that America is offering nationalisation to trained seamen in a much shorter period than any other class of labour. The consequence is that an "A1" British seaman hops off after American dollars under the protection of American citizenship, and the crew has to be made up with a "C3" American seaman at an exorbitant rate of pay.

* * *

This recalls a similar sort of thing that took place some years ago. Under American law at that time, the hiring by American employers of men from other countries to take specific jobs in America was prohibited. Immigrants who had booked their jobs before arrival were refused admittance—or were supposed to be refused. Nevertheless, there was an occasion when a batch of naval draughtsmen from English yards was hired by the Bethlehem Steel Corporation. Their jobs were secured there before they left England. But they got into America all the same—the Customs officials *on both sides of the Atlantic* warning them "not to say anything about it."

HERBERT RIVERS.

THE AIR MENACE.

When man has conquered all the powers of air,
And screaming, screeching din is everywhere,
When all the wild things of the skies have fled,
And earth has been machined—and Beauty—dead.
There'll be no quiet left in all the world.

ELSIE PATERSON CRANMER.

The Metaphysics of Credit.

It is curious that just at the time when an article on Economic Philosophy has been published in THE NEW AGE there should come into my hands a monograph* on the subject which might easily have been written in direct response to the question asked by a correspondent: "What is the philosophy of Social Credit?" My own response to the question would be: There isn't one. To me "Social Credit" stands for a *technique* designed to bring the use of financial credit into perfect relationship with economic activities, and ultimately with all human intercourse. Even were it possible for me to conceive of a "philosophy" of a technique of counting I should have no use for it. But I can admit the use of a philosophy which can visualise, explain and justify the perfecting of the relationship itself. Such a philosophy would not be concerned with the intrument as such—the Social Credit Proposals—but with the objectives which are attainable through that instrument or any better one.

Of Miss Connor Smith's monograph I will say that if Kegan Paul happen to have had the offer of the manuscript and have declined it they have neglected the opportunity of publishing a better book in their "To-day and To-morrow" series than any that I have read. That it would not have been an immediate best-seller is another matter. It covers only 78 pages of a hundred words, and is incidentally one of the most tastefully printed little volumes I have seen. The scope of the book is sufficiently described by the author's own foreword:

> "Few people realise that the scarcity of money is due to ignorance concerning its real nature and source. Explanation, leading up from the physical to the metaphysical, shows how simple the whole problem is."

To students of the credit problem who are interested in metaphysics it is probable that the author's general idea will already be familiar. Nevertheless, they must read the book, because it is an outstanding model of clear thinking and lucid expression. It is a work of genius in the sense that it thoroughly achieves its object with an almost startling economy of means. The author sets out to persuade idealist readers of the vital importance of credit as a force in the world. Next she endeavours to explain to them why their impulse is usually to run away from the task of investigating the subject. Then she presents a concept of the ideal credit system by the use of metaphysical and other parallels. She does not argue for any particular financial reform: instead she announces that the perfecting of the use of credit is an inevitable next step in the march of civilisation. Her only allusion to the "how" of this perfecting process is the simple statement that the means have been discovered and are open for anyone who so wills to study them.

In most books on this sort of subject I find myself skipping the text to read the quotations. In this I found myself skipping the quotations to proceed with the text. Can there be any better praise for an author than this? It is not that the quotations are not readable in themselves (and they are all most aptly chosen), but the coherence of the author's text, the orderly sequence of her arguments, and the simple beauty of her expression, have the effect of making these interpolations seem like jolts on the journey—your train, so to speak, is running over the points, and you are vaguely conscious that a line has branched out towards somewhere—or branched in from somewhere—very pleasant places, no doubt—only, just at that moment you do not happen to be wanting to go to them.

* "Where Does Money Come From?" By Connor Smith. C. D. Dutton, 93, Mortimer-street, W.1.—[The Credit Research Library, on my recommendation, has included this book in its stock.]

The writers from whom she quotes are (in order) P. Mairet (on Adler in THE NEW AGE), Soddy, John Stuart Mill, Stevenson, Van der Leeuw, Kitson, Adam Smith, Toynbee, C. P. Isaac, Henry Ford, Henry George, Macleod, Mitchell, Powell (*Deadlock in Finance*), Strachey, Douglas and Ferguson. The mere enumeration of such a long list for such a short book as this indicates something of the degree of compression in the author's own exposition. I may have missed something, but my impression is that she has left nothing essential unnoticed in her survey.

I will give one or two typical extracts from the book, although in doing so I am conscious of the risk of soiling them in detaching them. The following is the opening paragraph of the first chapter:

> "The word money has a significant origin; it comes from the Latin, monere, to *warn*. '*For the love of money is the root of all evil: which while some coveted after, they have erred from the faith, and pierced themselves through with many sorrows.*' Let it be understood that the evil root is not *love* of money, but a universal delusion with regard to it, and we find ample psychological and historical confirmation of the need for a warning."

Immediately quoting P. Mairet on the "fear" which people have of hearing money "explained away," the author proceeds:

> "Few people will admit that they love money, fewer still that they fear it. The usual attitude is that of indifference; but 'one must live, and money is unfortunately a necessity of life in this world.' The fact is that money cannot be ignored, and yet we are entirely ignorant about it, and fail to see that a *necessity* is something very important, and worthy of being secured by bonds of sympathy and love, in case we seem to lose it."

Speaking of the two-fold nature of a man a little later, the author says:

> "In one aspect he is individual, unique, the ego, the 'only begotten'; while in the other aspect he is corporate, collective, the common nature and selfhood of all, the real 'economic man.' It is in his economic aspect that he 'earns his living,' utilising the common resources, properties, faculties, senses, in the service of the community, and using the money-idea to take his share in the interchange of communal life."

This theme is resumed later:

> "Man as ego is independent; in his social aspect he is interdependent. We must lose our lives to save them. We must forgo the separate struggle for existence and use the common vitality to support the common life. We lose no independence by giving up separateness, but we gain a natural means of self support. . . . Individuality is not separateness."

Finally, in the last chapter, the same idea is again presented:

> "The individual 'I' is aristocrat, the corporate 'I' is democrat; and these two are one. The individual is inevitably the artist, whatever his mode of expression, and he must have economic freedom . . . It may be said that struggle and suffering ennoble a man and give power and refinement to genius. We would say that genius is the radiance of Spirit which shines through and reveals itself under the worst external conditions wherever a clear enough human transparency is found. And further, that poverty, struggle and suffering are not causes; and the artists, the poets, the mystics and the scientists have been in every case the spiritual man, divinely inspired, struggling to express his true nature."

In a chapter on the idea of exchangeability this passage occurs:

"There is in fact no such thing as exchange of goods for money. Money is only the link between the two parties to the exchange; it is never one of the two. Money is a servant which gives its services freely but does not give itself, and if we ignorantly try to grasp the thing itself we run the risk of losing its service."

Here is another passage on the nature of money:

"Money cannot be possessed, it can only be used; it is not wealth, but it represents wealth. Consequently, in reckoning up the sum total of a community's wealth *no money would be included*, because that would mean counting the same thing twice."

I must refrain from any more quotations. I have given enough to enable readers to form a tentative opinion on my judgment, and, I hope, to intrigue them into getting the book for themselves. I shall be very surprised if it does not become immediately popular with a wide circle of "NEW-AGE" readers—especially those who are campaigning among the Churches.

JOHN GRIMM.

Does Marx Matter?

II.—MARX HIMSELF.

Marx had a good brain and a shockingly bad liver. He was, physically, an ill man. Mentally he was alert and charged with abnormal energy.

"Karl Marx, his Life and Work," by Otto Rühle, translated by Eden and Cedar Paul (George Allen and Unwin, 15s. net) gives a very clear picture of a remarkable personality.

Marx was, it seems, enormously conscious of his own abilities; he had an overwhelming self-esteem to the point of pig-headed pride. But he was a stupendous worker. Nothing could stop him.

But for his friend Engels, Marx would have starved; he was a parasite on Engels. He sponged on him in the most outrageous way. Every letter, every week or so, was a begging letter. "Dear Engels, Send more money. I must have £5 to pay the grocer with." Year in year out the begging letters continued, and Engels always "dubbed up."

"Marx loved his own person," wrote Bakunin in a comparison between Marx and Mazzini, "much more than he loved his friends and apostles; and no friendship could hold water against the slightest wound to his vanity."

Never mind about all this—a most interesting account of such details is contained in the book mentioned above.

In what way does Marx matter to us? He matters as the superb formulator of dynamic formulæ; his *Communist Manifesto* being the finest example of logic-tight reasoning, closely knit, and yet charged in every sentence with the impersonal command to action. It has, in its final words, the enormous uplifting surge that may still be felt in Nelson's famous signal, "England expects . . . " But in Marx's call to revolutionary duty, it is not England that expects—it is Proletarian Destiny that compels. The calmly stated logic of the materialist conception of history breaks—like the "breaking" of a few bright signal-flags of the International Code—into a few short sentences; as short, and crisp, and heartening as "Up Guards, and at 'em!"

The toilsome, ponderous, wordy and ungainly tomes of *Das Kapital* could never have reached the proletariat. But Marx, perhaps just because he was such a toilsome plodder, such an untiring sifter and sorter amongst the vast rubbish-heaps of German philosophies and metaphysics, had the power to contract, to distil, to condense a whole network of arguments into one clear slogan-drop.

Here are a few drops from the *Manifesto*:—

"Communists scorn to hide their views and aims. They openly declare that their purposes can only be achieved by the forcible overthrow of the whole extant social order. Let the ruling classes tremble at the prospect of a communist revolution. Proletarians have nothing to lose but their chains. They have a world to win.

"Proletarians of all lands, unite!"

Perfectly straightforward, you see. Nothing "literary"—everything literal. Those words have moved, and still move, millions of men and women to action.

Unfortunately, the chains remain unbroken, and the world is yet to win.

United Proletarians of all lands have to have—*money*. Even a communist revolution has to be financed—("Eef you vant to buy a vatch, buy a vatch; eef nod, take your dirty nose from my vindow!")—and the proletarians have nothing to lose but their wages or their unemployment "dole."

"Line up for your U.S.S.R. bread tickets."

"No: no bacon ration this week."

"Stand back, there; only ¼ lb butter each family for to-day."

"Fire-wood? No. No fire-wood. Try the Nepmen."

The dictatorship of the—price factor?

S. R.

Life Force.

V.

(Concluded.)

For the idea of a mechanical universe, in which all organisms, from jelly-fish to poets, were as mechanical as the rest, the *ego* had to be deprived of its throne. The attack on unscientific abstractions such as individuality or *ego* has been long and fierce. But the ego insists, like the cat in the old comic song, on coming back, polymorphous though its name may be. The following quotation from Dr. Smuts' presidential address is an amusing example of old clothes dyed with new colours.

"There was not a life-substance or a real life-force; there was only life-structure. The evolutionary world was characterised at one end by physical structure with a minimum of functional structure; and at the other by functional structures with a minimum of physical structure. . . . The first was called matter, the second mind, and the area of mixed structures, life. . . ."

"Life structures *or patterns* had the characters of wholes . . . not mechanical aggregates or constructs . . . the whole itself appeared to play a centralising, unifying, and co-ordinating rôle."

Such a term as "whole." with its proselytising counterpart "holism," is no less abstract as a concept than is the idea of *ego* or *individuality*, which does precisely the same work. The whole quotation inevitably implies a philosophic dualism with mind and matter as the two realities. At one pole is matter, which philosophers or mystics might refer to as chaos or darkness. At the other is mind, which philosophers or mystics might call by a hundred names, Brahma, God, elan vital, life-force, or light; "There is not a life substance or a real life force," might be rendered by the philosopher or mystic as, mind is unmanifest except as it is expressed through matter. That the mixed structures, physical and functional, are "life" would be rendered by the mystic as mind entering or descending into matter, "to emerge" as the manifest evolutionary drama from nebula to Beethoven, Shakespeare, and Einstein—and beyond. But the scientist, being scientific, would refuse to step beyond the intellectual concept of emergence, whereas the mystic might be so rash as to use the emotional, intellectual, and intuitive concept of creation.

The hypothesis of mechanism can be accepted with severity only in a safety-first mind. Emergence and creation remain in its unconscious, to come out in dreams, day-dreams, and grievances. The idea of emergence belongs by right to the mind which recognises that the world is in a mess, and prefers to wait for something to turn up. A writer on evolution in Messrs. Kegan Paul's To-day and To-morrow series said that the neo-Darwinian theory of evolution implied that by shaking up in a bag slips of paper bearing figures and the names of stations, a Bradshaw could emerge. It might, of course, be only a rudimentary Bradshaw at first—unless, by being thoughtlessly turned anti-clockwise, it became an A B C—but this primitive result would stimulate more shaking, with better results in time or eternity. Such an emergence, of course, is as contrary to common-sense as it is to known physical laws. Why can we not recognise that a product of mind such as teeth or artificial teeth, eyes or spectacles, can no more conceivably emerge by accident than could a Bradshaw, and that it must be preceded, so far as mind can see, by discomfort in a mind wanting to do a job that requires such instruments.

* * *

The emphasis on structure is no happier than the effort to use a term such as "holism" outside its sphere. Just as the word holism represents the transfer of a quality whose need is perceived in economic, political and social life (centralising, unifying, and co-ordinating) to the universal field, for describing *scientifically* the unique quality of all life, so the emphasis on structure is a bondage to scientific tradition. It corresponds to the "cram anatomy" stage in medicine. It belongs, in short, to the "physical science" considered more scientific than any other science could be, merely because recording and calculation in that field were achieved earlier, and scientists were not yet skilled enough to perceive their errors. That a study of structure is important nobody would deny. It is as necessary for surgery as for engineering; it may even lead to a scientific phrenology and a brain-surgery such as Dr. Bernard Hollander has not yet imagined. It may lead to the ability to operate on the brains of the nobility—in childhood, of course, when it would be painless—so that the perfect Robot would emerge. Indeed, the study of structure, in relation to function, may be of the greatest service to any system of society men ultimately decide to want; and if they are too safety-first, or too ready to go on with *laisser-faire* and see what happens, to want any creative form of society, no doubt something or other will emerge. The whole of the present economic anarchy and war could be ended by concentration on function in place of structure, and on constructing to fulfil function rather than on merely re-constructing whenever the existing structure broke down.

* * *

Emphasis on structure is merely conscious recognition of the unconscious impulse which led the nineteenth century biologist to gloat over man when he exclaimed that man was a true mammal. About the animal, if not particularly mammalian, attributes of man, the saints of the Middle-Ages and the Early Christian Fathers were as fully aware as the modern biologist. In woman they saw still more lowly creatures than the biologist saw in man. They saw serpents and stinging insects, though they were not scientific to the degree of concentration or structure. The cannibal, cutting up a baby, was no doubt more scientific, since his was a practical job; and he no doubt noticed, in the event of a falling birth-rate among enemy tribes, or in the event of a shortage of babies for other reasons, that in sharing a rabbit with his family, he had to go about the job of cutting it up much as if it had been a baby. And he no doubt inferred that the only difference between rabbit and baby, unless it happened to be his own baby, was in taste, into the question of which science does not yet enter. The cannibal was, of course, right; more right than the modern biologist. He merely inferred that baby and rabbit were much the same after taking it for granted that their functions were the same. The nineteenth-century biologist regarded structure as paramount. He knew, or would have known in private life, unless he were a fanatical eugenist, that the functions of baby and rabbit were different in all respects, in that the baby had potential functions and value which the rabbit had apparently not; but he did not regard either function or value as scientific.

* * *

The scientist was too eager to know the universe that God lived in, and not content, as the mystics are, to inquire into the universe that man lives in. The scientist thought that the hypothesis of the mechanical universe was a spring-board from which he could jump on the throne of God, whose abdication it had already secured. By the same temptation as Adam's, the scientist ate more of the fruit of the tree of knowledge, and fell; and he is now groping his way out of the machine he fell into, for which reason he becomes daily more religious and more mystical, while clinging in large degree to the old physical "structure" concepts at the same time. We are all mechanists when in power, including Mussolini; and we are all vitalists after a fall, unless we fall too far to be anything. For the only knowable universe is the one in which we can live. No matter how different the conception of the universe has to be for one man, as compared with another, for him to live in it, the falsification or otherwise will be made. The will-to-power type will live in a will-to-power universe; the safety-first type will live in a mechanist universe; the gambler will believe in miracles when he disbelieves all religions and gods. The conceptual universe, in short, is one that we can live in. If the scientist is the only valuable type of all mankind, that his universe should prevail in philosophy is defensible. That the scientist has given up the mechanist hypothesis indicates, however, that he is not the only valuable type, and that he is incomplete without other types. Hamlet's reflections on man were as necessary for man to live in the universe as the relationist's reflections on space; and the type that conceives and reveals a Hamlet is as valuable as the scientist. The poet's universe is an æsthetic universe; the dramatist's is a harlequinade, sometimes marionette harlequinade, sometimes grandly tragic harlequinade. The universe as art-show, as drama, as symphony, as workshop and playground, is as true as the universe as machine. All these truths go to the making of the whole truth, which is, in this Kalpa, the instruction, desire, thought, and experience by which men grow in consciousness, power, and joy. For man is not merely the measurer; he has, so far as this planet is concerned, set himself up as the measure. He is not merely a structure, more simple or more complex than worms, bees, or birds, or his own automatically co-ordinated telephone units. He is not merely functional structure, preserving himself and reproducing his kind. He is pattern-maker, organiser, inventor, creator, and poet; and science rides for another fall if it would claim that he is less. "In my Father's house are many mansions." The machine is a paltry image; it is merely a fraction of man's inventions. A machine cannot conceivably design a pattern until a man tunes it. It cannot make a minuet or a sonnet, though it may repeat one. For a minuet or a sonnet are as much creation as eyes and ears and fingers once were; and a minuet or a sonnet emerges from the mind and some of the artist not from any accident, nor from either mechanical or unknowable principle, but because a creator is sweating in agony to create one.

R. M.

The Screen Play.

"Tesha."

One of the greatest pleasures of a film critic, if only on account of its rarity, is to be able to give whole-hearted praise to a British picture. I cannot bestow unstinted eulogy on "Tesha" (Regal), because the opening scenes drag; and if I had come out of the theatre after the first fifteen minutes I should have had unkind things to say of Maria Corda, and have asked why British producers seem to think no film complete without Jameson Thomas. But after this *mauvais quart d'heure*, "Tesha" is admirable.

It has a story that seems to have shot past the censorship by one of those miracles which occasionally happen in Wardour Street. Tesha, a professional dancer, marries a young man who still suffers from the effects of his war-time experience. We are led to expect that the marriage will be childless. The dancer, who yearns for maternity, as her husband desires to be a father, gives up the stage, but the domestic life brings no little pledges of affection, as the Victorians used to say. Tesha is obliged to spend the night at a Southampton hotel, where a complete stranger falls in love with and makes love to her. At this stage the psychology seems to me to wear ragged at the edges, since it is not made clear whether Tesha, who obviously loves her husband, yields in order to give him a child, out of eroticism, or through a mixture of both. The next day the lover is revealed as the greatest friend of the husband, with whom he proposes to stay while in England.

On his return to Africa the lover learns that Tesha is about to become a mother. Vowing that his friend "must never know," he promptly takes the next boat back to England and throws Tesha into a faint on his arrival. Discovery, talk of a duel, reconciliation of the husband, now a father, with Tesha, and an effective ending indicating that the child will be treated as his own son.

The acting of Maria Corda, of Jameson Thomas as the husband, and of Paul Cavanagh as the lover is excellent. The "high spot" is a very brief talking sequence, the best I have yet heard. This is introduced at the moment when the husband guesses the truth, and is of especial dramatic value, since it comes as a surprise in a film which is otherwise silent. The English diction of the two actors is something for which to be thankful. Credit for the direction of the film is due to Victor Saville, who made it for British International.

"Martin Luther."

It was recently remarked that our Film Censors are happy if they are only given something which they *can* cut. I don't know whether they are feeling happy over "Martin Luther." The critics were invited some weeks ago to see this film at the Avenue Pavilion; at the last moment the censorship forbade the banns, and then followed a period of uncertainty, enlivened by a series of bulletins, and culminating in the granting of a licence, so we were able to see it privately on Thursday last. I understand that some cuts have been made in deference to Roman Catholic susceptibilities, and although I do not think that the exhibition of the film will provoke any Wailing Wall incidents, its public presentation should be more pleasing to followers of the late John Kensit than to members of the Roman community. On general grounds, I am, however, glad that the censorship has reversed its original veto.

DAVID OCKHAM.

Sadism.

This book,* which is limited to sixteen hundred copies, consists of a short essay by Mr. de Shane, "In Defence of Sadism," and a dozen pen drawings by Mr. Egan. Whether the essayist and the artist are separate persons or one person we are not told, and it does not matter, except that the essay is well worth reading, whereas the drawings are not worth looking at. To be sure, the essay, which is some six thousand words in length, is hardly worth paying a guinea for; unless by those who study the market in the gamble of limited editions, and who hope to make a good profit on a rise in price; also, such a brief work as an essay looks a little ridiculous when presented in the panoply of expensive publishing. These things said, I can recommend it.

Mr. de Shane defines sadism as "that surge of wanton primeval lust to inflict, or to witness the infliction of, pain upon a victim undefended by others and incapable of self-defence." Quite rightly, he suggests that the word "cruelty" is not a synonym, because it may be applied to reprisals after provocation; and points out that although this instinct of sadism is as old as sexual lust, there was no word for it in the English language until the eighteenth-century Marquis de Sade gave it a habitation and a name. He faults the English language for this long absence of a defining term, and attributes it to the "national hypocrisy of thought" reflected in the "mirror of the national tongue." Did, then, the French language or the Italian have a word for it before the arrival of de Sade? Perhaps Mr. de Shane will tell us, as he seems to be an expert on the subject?

Having defined the word, the author proceeds to show that the sadistic impulse is always satisfying itself, either blatantly, as when the Romans crucified three thousand slaves in one day, or subtly, as when the crowd stands guessing outside the modern English gaol when a murderer is to be hanged. He traces it in the organised persecutions of the Catholic Inquisition, in the blood-sacrifices of so many religious ceremonials, in the social ostracism applied by the herd to minorities which offend against sexual and other conventions.

If I may quote a passage which will provide a sample of the author's style, I choose this, which follows a quotation from the archives of the Toledo Inquisition that describes the agonised pleas for mercy of some helpless wretch tortured by the Inquisitors:

> ". . . To the populace the ensuing ceremonial burnings of the condemned provided an entertainment more exquisite than any bull-fight. If the greatest happiness of the greatest number be indeed the aim, the Catholic Church stands before the bar of history gloriously justified. As the sweet savour of human incense rose to the nostrils of God, surely He must have been moved to admiration at the cleverness of an invention which was at once an acceptable offering to Himself, a delight to His children, an outlet for passions of the populace that might otherwise turn rancid or rebellious from repression, and a guarantee of stability to those who perhaps thought themselves to be in governance over that populace. For to think that they *do* rule is a frequent delusion of rulers. . . . As though any lasting domination over a herd were not ultimately dominated by that herd. . . ."

J. S.

* "De Sade." By Brian de Shane. Drawings by Beresford Egan. (The Fortune Press. £1 1s.)

"Contrary to prevailing belief in Europe, we occasionally have unemployment in America. . . . In the winter of 1927-8, for example, reports showed that we had a shrinkage in employment of 1,874,050. Even when business is at its best we have more than a million idle for various reasons."—*Financial Times*, August 28, quoting Hon. James J. Davis, U.S. Secretary of Labour.

Twelve O'Clock.

"Shakespeare strikes twelve every time."—Emerson.

Edited by Sagittarius.

"All the pride that once dwelt in leisure is now fiercely occupied in work."—*Current Political Economy* by "N."

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"Capital which produces nothing but capital is only root producing root; bulb issuing in bulb, never in tulip; seed issuing in seed, never in bread."—*Ruskin.*

* * *

"From the standpoint of physical reality, the idea of a nation accumulating wealth is as absurd as the idea of accumulating a river."—*Prof. F. Soddy.*

* * *

"In a national sense no money can ever be lost."—*Arthur Brenton.*

* * *

"The banker is probably the only known instance of the possibility of lending something without parting with anything, and making a profit on the transaction, obtaining in the first instance his commodity free."—*Major C. H. Douglas.*

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"Thrift has ceased to be a virtue."—*Garet Garrett.*

* * *

"The essence of self-government is financial self-determination."—*Notes of the Week.*

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"Nobody knows where the dead are, and nobody seems sure where the living want to be."—*Current Political Economy*, by "N."

* * *

"The Kellogg Pact may be plausibly viewed as an American manoeuvre for the best moral position before the court of the world's opinion."—*Notes of the Week.*

* * *

"To the extent to which America can control the world's mortgagors, she can hypnotise the world's moralists."—*Notes of the Week.*

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"What is economic law in the machine system is that the total of costs cannot be recovered in prices, from which it follows that price must be regulated at a fraction of cost until need is fully met, or the commodity must be conserved for posterity's sake."—*Current Political Economy*, by "N."

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"He that saveth his life shall lose it."—*Jesus.*

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"In economics personal consumption is the completion of productive digestion."—*John Grimm.*

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"Instead of economising the greatest of all productive forces, namely, human qualities, men are being scrapped like old iron."—*Prof. Henry Jones.*

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"When a dog buries a bone and tries to find it, he is generally assumed to be having a game. Only men do it in earnest. Multiplied, it is what they call their economic system."—A. N.

Reviews.

Karl Marx, his Life and Work. By Otto Rühle. Translated by Eden and Cedar Paul. (George Allen and Unwin. 15s. net.)

Well worth reading. Well written and well produced, with good photographs of Marx and his intimate circle, this book gives a straightforward account of his life and his work. (This book is referred to in the article, "Does Marx Matter?" on another page.) S. R.

Joy in Work. By Henri dē Man. Translated from the German by Eden and Cedar Paul. (George Allen and Unwin. 8s. 6d. net.)

In connection with his work at the Frankfort Labour College, de Man collected reports from seventy-eight persons, industrial workers and salaried employees, on the conditions that promoted their pleasure or intensified their distaste for their various occupations. These reports form the groundwork for arguments and inferences about the interesting problem—mooted sixty years ago by Samuel Butler in *Erewhon*—of "Man versus Machine." They are presented in this book, which should be studied by all who wish to understand the complexity of the Work Complex.

"The man who takes the greatest delight in his work is the man who, while he is doing it, is able to forget that he must earn his livelihood. Thought about daily bread, thought about earning, kills joy in work."

That should lead directly to the idea of release from the necessity of earning a livelihood. But de Man does not arrive.

"The cumulative effect of the social prestige of the ruling class and of the standards of that class . . . is so powerful that to-day no anti-capitalist ideology is able to destroy the masses' feeling that for them work is a matter of social obligation."

Nor, he might have added, can *anti-work* ideology.

". . . . Rational considerations are far less effective than vague feelings, than the slow subconscious transfer of traditional sentiments to new concrete institutions."

It is the "community of lot"—the brotherhood of the common lot—and not the "community of ideas" which is decisive as far as the working habits of the masses are concerned, says de Man. "Our main problem," he writes, "is to discover how the 'new aims' consciously formulated by a 'small minority' can be brought into effect by way of 'transforming the customary motives' of the masses. . . . The answer obviously is that this cannot be achieved by mere propaganda, by simply 'preaching' new principles, but only by the active realisation of these principles in institutions and traditions."

M. de Man has enjoyed his work, and so have the translators. It is a useful contribution to a proper understanding of work-problems and the effect of modern mechanised processes of production upon the average industrial worker.

J.

The Strange Moon. By T. S. Stribling. (Heinemann. 7s. 6d.)

This is a competently written "thriller" set in Venezuela. The hero is an American engineer; the heroine one of those colourful Latin ladies; the villain a South American aristocrat. The engineer is a representative of the American oil group, and he is trying to get a concession from the aristocrat. In the background is the Dutch oil group, who own the land next to the concession and who, it is suggested, may be able to drain oil from the concession without buying it. There is cross and double cross; fights, murders, love and mystery are the sufficient ingredients of this kind of cocktail fiction, and Mr. Stribling knows how to shake them up and give them "pep."

J. S.

RETROSPECT.

SEPTEMBER 3, 1925.

The French Debt to Britain—the Caillaux-Churchill agreement. The *Observer's* concern at America's hostile reaction to the settlement—Anglo-French "conspiracy to embarrass America." The French Press attacks America—repudiation—payment in corpses.

Machinery or Finance. (Editorial article on Mr. Penty and the supposed evils of machine-production.)

SEPTEMBER 2, 1926.

Crime in Chicago.

Synthetic nitrates and Chile's economic position.

Dean Inge on goodwill in industry.

The "New-Economic" Distributism. (Editorial commentary on Mr. McNabb's article in *G. K.'s Weekly*, in which he claims that Mr. Philip Kerr (Mr. Lloyd George's late private secretary) is a Distributist.)

Labour Banks. By C. H. Douglas. Account of their origin.

SEPTEMBER 1, 1927.

Reflections on the Irish situation—futility of political power without credit-control and price-control.

Municipal banks—Mr. Hilton's history—Mr. Neville Chamberlain's foreword—Treasury repression of municipal banking enterprise.

The Silence of Dissent. (Editorial commentary on the boycott of Social Credit.)

AUGUST 30, 1928.

The *Daily Mail's* reference to the heavy capitalisation of the railway system—the money "sunk"—where?

Mr. Snowden attributes unemployment to the fact that "purchasing power does not keep pace with increased capacity to produce goods."

Sir Austen Chamberlain's illness—his departure for America so timed that he will miss meeting Mr. Kellogg, on the way from America to upset the Anglo-French naval pact.

The Fetish of Abstinence. (Editorial.)

The Social Credit Movement.

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

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

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All communications should be addressed, Manager, THE NEW AGE, 70, High Holborn, W.C.1.

Published by the Proprietor (ARTHUR BRENTON), 70 High Holborn, London, W.C.1 and printed for him by THE ARGUS PRESS, LIMITED, Temple-avenue and Tudor-street, London, E.C.4.