

THE NEW AGE

INCORPORATING "CREDIT POWER."

A WEEKLY REVIEW OF POLITICS, LITERATURE AND ART

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NOTES OF THE WEEK.

We discussed last week the *Evening Standard's* romantic story about how an obscure ex-policeman brought about the discovery of the "crime of Room 66." But on the same day (March 22) the *Evening News* came out with a more prosaic and credible story. It appears that the hero of the piece was a Mr. William Charles Crocker whom the reporter describes as "a famous solicitor who acts behind the scenes for insurance companies." Mr. Crocker's hair-trigger suspiciousness was exploded chiefly by reason of the fact that a claim of £2,000 was created before a traveller's policy expired, when the company would have got away with the clear profit of the premium. To be beaten on the post like this is such a rare occurrence for an insurance company to experience that Mr. Crocker's subsequent action was not surprising. The reporter describes it as follows:

"Mr. Crocker knew nothing of Fox then. The case was one of a thousand. But to his mind the facts pointed to—murder.

"He set his own detectives to work—for he has a staff of ex-C.I.D. men. They looked at Room 66 at Margate. They visited hotels where Fox and his mother had stayed. The suspicion became a certainty. The facts were handed to the police—and a few days later Fox was in a prison cell." (Our italics.)

So the *Evening Standard's* solitary, independent, public-spirited, ex-policeman fades out; and in his place we have an organised detective service acting under orders. Some readers may have wondered a little last week how an ex-policeman could go down to Margate without any authority behind him and be granted the "Freedom of Room 66" by the hotel management without apparently the slightest demur. Was it likely? Is it not self-evident that the hotel proprietors' one desire was to get the whole accident (as they thought it) forgotten as quickly as possible; and would they not instantly have told any amateur enquirer to mind his own business? But they could not take up this attitude so easily when called upon

by accredited agents of an insurance company, although it is not clear how these agents could justify their intervention. For the fire had been found to be "accidental" by the Coroner's Jury. So it would seem that the only thing that would give the insurance interests and their agents a *locus standi* would have been in respect of a claim by the hotel people under a fire policy for *damage done by the fire*. Probably they did make such a claim. But according to the accounts in the press the detectives who turned up to search the room did not come to verify and assess any fire damage but to investigate a claim arising from the death of somebody insured under a traveller's policy. Of course the death had been caused, according to the Coroner's Jury, by the fire; and as the two were so connected any enquiry into the circumstances of the fire would automatically serve for the discovery of the true cause of death. But here is not a case of private detectives investigating something which involved merely the settling of a commercial transaction, and unexpectedly discovering something else which involved a crime and was therefore the business of the Crown; but it is a case of private detectives coming down for the deliberate and sole purpose of testing a hypothesis of murder. Not only that, but the hypothesis on which they were working was conceived by an official acting for commercial institutions who had something material to gain by the discovery of evidence proving that a murder had been committed.

It may be that we have got a wrong impression from the reports of this case, but that impression is that the Crown's services and forces were not appealed for until the insurance detectives had collected the evidence. Not until (as the *Evening News* says), the "suspicion became a certainty" were the "facts . . . handed to the police." If this is so we submit that the procedure was irregular. The police ought to have been communicated with at the moment when (again quoting the *Evening News*) "a look of startled horror" came into the face of Mr. Crocker, who "in a quiet room in the City" had

read a "bundle of documents" and was constrained to ejaculate, on learning their contents: "By God, it's murder."

In the case of any suspected criminal offence whatsoever the investigation should be conducted under the exclusive direction of an authority which is utterly disinterested from every point of view concerning the result, and by agents wholly controlled and paid by itself. This principle may be challenged and even impugned by practically-minded persons on the ground that private auxiliary detective-services have the effect of making the prevention of crime more efficient. For instance, if the Appeal Judges should uphold the verdict and sentence against Mr. Sidney Fox, these persons would then be able to affirm that but for such auxiliary services a murderer would have escaped capture and punishment and would have been "walking about in our midst." Let that be granted. But although murder is rightly esteemed one of the worst of crimes, we submit that society can pay too high a price even for making the detection of every murderer an absolute certainty. If so, such price is the more disproportionate where the process of detection is confined to a certain restricted category of murders only—namely, those in which insurance-claims are involved. The risk of detection should be equal for every class of crime and for every single crime in every class. If every undetected murderer is a grave menace to society, the gravity of his freedom is neither heightened nor lessened by the circumstance that he did, or that he did not, attempt to rob some financial institution of money. But at present it appears that a murderer for love (who would be a continuous danger to society if undetected) would not receive the attention of the auxiliary detectives, whereas a murderer for insurance-money (whose success would enable him, and might frequently induce him, to let crime alone for the future) is hunted by two packs of investigators.

Under a soundly financed economic system every C.I.D. detective would go into the reserve of the Crown's forces at a salary or retaining fee sufficient for him to live in comfort and security without offering his services elsewhere. It is indeed improper that he should do so. His knowledge and experience have been gained at the expense of the general body of taxpayers, and should not be purchasable at scrap prices by private institutions for their own purposes. While no reasonable man would entertain for a moment the idea that a "staff of ex-C.I.D. men" would be conscious parties to the cooking of evidence against a claimant under an insurance policy, every reasonable man would agree that the theoretical possibility of this being done should be eliminated if possible. Leaving murder out of the question, if any citizen had a fire of incendiary property, and there was a suspicion properly to be investigated either (a) by the Crown's experts exclusively, or (b) by experts representing the Crown, the insurance company and the claimant in each other's presence. We prefer the first alternative because it is far less cumbersome. The one obstacle to its adoption is purely financial. The State has to exercise "economy": it cannot "afford" to retain the services of more than a certain number of experts. The reason why is, as our readers appreciate, because of the policy of credit-restriction by the banks. It is an ironic reflection that this credit-restriction is the prime cause of all attempts to rob insurance companies. That is to say, the banks manufacture criminals and the insurance companies detect them. Further, the banks manufacture the majority of suicides, and in cases where the deceased are insured it is only the humanity of Coroners and Juries in finding that they

have been of "unsound mind" that prevents the insurance companies pocketing the premiums and refusing to pay out the claims. The danger to society in this connection is the risk of premature deaths among its members no matter what the immediate cause. When, a year or so ago, that respected old Town Councillor of Chelmsford took his own life, by reason of financial misfortune, that was as great an injury to society as if somebody had murdered him. But in his case the only experts who were called in were doctors: and the investigation was closed as soon as it was established how he died. Why he died was a question outside society's jurisdiction. The economic cause of his death was nobody's business to ascertain. If it had been honestly ascertained the verdict would have been Death by Deflation—which would not have taken things any further, because since Deflation is held by financial authorities to proceed from an inexorable law above human control, all its consequences to humanity are ascribable to "natural causes." Society is taught to uphold the sanctity of human life. It is a pity that only the hangman is a symbol of it.

In the *Farmers' Weekly* of February 12 there was a letter entitled "Finance and the Farmer: The Gospel of Self Help," over the signature of Ivan Pedersen, a gentleman who seems to have a sound practical experience of agriculture. Speaking of South Africa, he says:

"It has been realised in other agricultural countries that some additional form of finance must supplement commercial banking, which is neither willing nor able to give all the credit required by farm produce. In Denmark it has been solved by farmers forming their own credit societies, and in America by the creation of the Federal Farm Board. . . .

"If farm produce could always automatically be assured of accommodation at reasonable rates everybody would be able to work for low profits. At present a few big concerns can get cheap money, but the bulk of traders and distributors have to buy dear money—the result is that the cost of marketing is high and the only people benefiting thereby are the few international concerns.

"It is almost pathetic during the season to see firms marketing cereals, willing to pay one per cent. per month (and sometimes more) for accommodation. Providing a daily margin of ten per cent. (or more when prices were standing high) is maintained, there should be no difficulty about getting advances against farm produce."

The writer goes on to advocate what is a kind of farmers' bank.

"Nothing would be easier than to create an organisation which, on the one hand, would take in 'call' money at, say, six per cent. and loan it out against farm produce at eight per cent. or seven per cent. The difference would make good all overhead expenses and probably leave something by way of a dividend."

Dividends, however, are not the object; assisting the farmer would be the function of the organisation. The farmer-members would be expected, whenever they had any money on hand, to put it into the organisation at six per cent. and not use their savings for speculating on the stock exchange.

"Self help, according to the Danish pattern—so often recommended for copy—means that one's spare time and spare cash must be utilised in furthering one's main trade or industry. Nobody can serve two masters. If you produce or market meaties you must devote your time, energy, and savings to this industry and trade only, to the exclusion of all others."

"By such principles Denmark's farmers became reasonably prosperous. Has South Africa the necessary energy and idealism?"

With regard to the banks' inability or unwillingness to provide the whole of the credit required by South African farmers, Mr. Pedersen said, in another letter published in *South Africa* in February, that he had received a communication from the Ministry of Agriculture and Fisheries in Whitehall drawing his atten-

tion to the report on the marketing of wheat, barley and oats in England and Wales (24-40-18) and quotes the following passage from the report:

"In North America grain is itself a first-class security, on which owners can readily obtain, directly or indirectly, from the banks, whatever credit may be required to buy, move, or hold it.

"Given a warehouse receipt for 'X' bushels of Grade 'Y,' the bank can always collect from the elevator that amount of grain of the specified quality, and, consequently, there is very little risk involved in making cash advances to the trade amounting approximately to the value of the grain which has been bought at any particular moment.

"An ample supply of credit by the banks is, in fact, the special feature of grain assembly in North America."

Commenting on this Mr. Pedersen points out that South Africa has an elevator and grading system equal, if not superior, to the American system, but that the "necessary financial machinery" has not been provided.

"As long as this does not exist, all those interested in cereals in South Africa will be exposed to risks which they ought never to be called on to shoulder. Agricultural produce should be able to be financed at all times on the basis of 90 per cent. of current value. It should be a question of right without discussion.

"Surely what can be done in America can also be done in South Africa. If not—why not?"

The answer to this question is not difficult to get at when once it is realised that the banks of the world are collectively directing the economic work of the world. Take any closed area as an illustration. Let there be two banks "A" and "B" operating there. Let there be one business concern there having its account with bank "A." Now supposing that another concern wants to start in exactly the same line of business as the other, and applies to bank "B" for a loan for the purpose. In what circumstances would bank "B" look favourably on the application? It would do so if (a) it were entirely independent of bank "A," and (b) if it considered that the applicant would be able to capture all or part of the existing market from the other concern. Conversely, it would look unfavourably on the application (a) if it had an agreement with bank "A" to ration the trade opportunities of the area according to some concerted plan, and (b) if they both foresaw that the new competition would cause a slump in price, enabling the private consumer to acquire more goods without paying any more money for them.

Now, if the central bank in South Africa had no external allegiance and was therefore able to consider South African interests without reference to those of other countries, it would be a most pertinent question to ask why it did not adopt a credit policy which was observed to work beneficially elsewhere. But the central bank in South Africa is tied in a common agreement with all the other central banks of the world. These constitute a world-trust conducted under a single policy in the shaping of which the influence of the American Federal Reserve Board is dominant. So the fact that American banks are assisting American grain-growers to hold their own in the world grain-market is no reason at all why South African banks should be supposed to be free to assist South African grain-growers to attack that market. Rather is it a reason for inferring the contrary. As we write we have a newspaper cutting before us saying: "Only a serious failure of the wheat harvest can save America from a great financial disaster." (Financial opinion in the New York *Tribune*.) The present carry-over is equal to a whole year's exports. Another cutting quotes from the report of the Standard Bank of South Africa, which says that

"Fortunately, this process [cutting down imports into the Union] will be facilitated by the recent good wheat

harvest, which will reduce the country's requirements of imported wheat during 1930 by over 1,000,000 bags."

Connecting these two items it will be realised that South Africa's good wheat harvest is a contributing factor in the development of an expected financial disaster in America. Is it likely, then, that American finance, which swings the counsels of the central-bank trust, is going to encourage South Africa to develop agriculture? Populations everywhere ought to be enabled to absorb their own production-gluts. The alternative is to export them. If so there must be some world body with the authority and power to prescribe national ratios just as is being attempted with naval armaments. The bankers are the only body who possess such authority and power. They are doing their best within the limitations of their own financial doctrines, but the situation is visibly getting beyond them. The absorption-capacity of the world's citizens is dropping farther and farther behind the production-capacity of the world's plants and organisations. Only last week we read that some Chinese firm has commenced exporting cotton singlets to England! Easier credit facilities are a local and transient mitigation of a general disease. The cure for the disease is to take direct measures in every country to increase the buying power of the personal income. Credit expansion does nothing in itself. It comes. Credit expansion does nothing in itself. It puts more money about for a time. But as far as concerns the private individual, what money he gets is nothing, what he gets for his money is everything. Work provides food: but it is the eating of food that provides work. The work provided in these ex-days is being performed to an ever-increasing extent by machine power. The machine cannot eat food, and therefore cannot provide work. Hence the share of food earned by the machines will have to be eaten by human beings. It is not now; because the purchasing power which should buy it cause the purchasing power in the form of cancelled deposits is evaporating in the form of cancelled deposits. (vide Mr. McKenna's *Post-War Banking Policy*). There is ample need for the food; and an ample supply; but it cannot be sold. To render it saleable involves a simple rectification in the technique of accounting costs. The obstacle to its adoption is the opposition of the bankers. Their opposition to it is due to the fact that capitalism would become financially self-determined, and would be subject to no external checks on its enterprise. Banking would be assigned its proper place as a function of the Civil Service, obeying instead of exercising the prerogatives of Parliament and the Crown.

In the meantime it is encouraging to notice the increasing frequency with which practical men of affairs are turning their attention to the problem of external financial checks on production. Having their own work to do in the world it is not to be expected that they should spend time examining theories of credit reform. It is enough for them to devise practical immediate steps to overcome credit-restriction in the form in which they experience it. Everything that they suggest or attempt will help to open the way to the final reform that is required. For example, if the farmers to whom Mr. Pedersen has referred are able to divert money which they are now employing on the Stock Exchange into the farming industry there are some good features about his suggestion. One difficulty is that the average investor regards it as the least trustworthy object of investment that exists. Another is that a farmer needs to be an idealist to lend his surplus money to competitors in the same line of business, especially if there is a risk of a glutted market. Nevertheless, it is well that these things should be discussed; for if they do not issue in any action they do attract attention to the ques-

tion of the relationship between bank policy and industrial policy, and deepen the impression in the public's mind that in some way or other the key to the puzzle is in the bankers' hands.

Accustomed as readers of this journal are to hearing of difficulties created by the bankers we should think that all but a few will be startled to hear that there is a bankers' fine of no less than 7½ per cent. on everybody in England who sells goods or services to Australia. A correspondent in the City informs us that he received last week cheques drawn on Sydney in settlement of business accounts amounting to £6,000 which he was authorised to collect for himself and associates, but that he finds it impossible to negotiate them for more than £92 10s. od. per £100. Thus, in all, they stand to lose £450 on the deal—a sum which he tells us is considerably more than their anticipated profit. The consequence is that they will be driven to discontinue seeking business in Australia—and so, for that matter, will every other British exporter unless he is lucky enough to sell goods there at a large enough margin of profit to be able to stand a 7½ per cent. deduction from his revenue.

This is a pretty sort of situation to be squared with the bankers' repeated exhortations to industry to rationalise itself, to trustify itself, to reconstruct itself, and to advertise itself with the express object of expanding its export trade. It is a reasonable assumption that over a wide range of industrial undertakings the total possible margin of cost-saving (whether by wage-cuts, writing-down capital, or improvements to process) would not reach 7½ per cent. Thus industrial capitalism is encouraged or driven to practise inhumanities (for that is what all economies in cost necessitate in the end) in order to expand its overseas markets, and when it has thus achieved an increased competitive efficiency, its reward is intercepted by the banks and discount houses. The substance of the banks' advice to industry amounts to the proposition that the less money paid out in cost at home the more money can be collected in revenue from abroad. And seeing that the consumption market in every country cannot contain more money than is put into it by industrial disbursements (and as a matter of fact never contains more than a fraction of their sum) the home consumption-market contracts. And now, when that sacrifice is made, along come the bankers and impose a discount rate which contracts the overseas markets as well. Whatever can be the reason? asks our correspondent.

Well, that is a question that critics of the credit system have been trying to get the authorities to explain for the last ten years—and more persistently now, we are glad to observe, than at any time in the periodical commentaries on economic problems indulged in by orthodox financial journals. But the writers consistently avoid merging these and their implications into a coherent and intelligible synthesis. The reason is that, as Lord Hewart said about Departmental bureaucracy "to be intelligible is to be found out." One of the partial answers in respect of the situation now being discussed would undoubtedly be that Australia was misbehaving herself according to the strict banking code. Now financial misbehaviour, as everybody is told and believes, automatically causes a slump in the delinquent country's exchange. Thus when Sir Montagu Barlow began to flirt in public with the idea of raising a £200,000,000 credit for reconstructing British industry a few years ago, there was a prompt slump in the British Pound Sterling.

This was supposed to happen by itself, that is to say, to be the consequence of mere acts of self-pro-

tection performed by private citizens who had been made nervous by Sir Montagu's tentative proposals, which tended, in the jargon of the day, to "undermine confidence" and "frighten away capital." It was nothing of the sort. Private citizens are not instructed enough to take fright like this without prompting, nor are they able by any acts of their own to produce the consequences ascribed to them. The truth was that the international ring of banks was administering (as it still is) a scheme of credit-rationing covering the chief countries of the world, and objected to the Barlow proposals because they would disturb the agreed quota; also, because in principle they came dangerously near infringing the financiers' doctrine that Governments must not interfere with credit-policy. The consequence was that the British Pound Sterling was hammered by the Exchange Dictators. It was not until then that "private citizens" (mostly mythical) "lost confidence" and the private "capital" began to be "frightened away." Savages used to suppose that thunder was the voice of a god. Whether the idea has since been exploded or not there is no doubt about the fact that a financial panic is the voice of the credit-monopolists. It is their way of arguing. When they object to a political project they do not trouble to say so, and certainly not to say why; all they do is to use their power to create nervousness about it in everybody else. And thus, in the episode referred to, the whisper went round that Sir Montagu Barlow's "unsound" remarks had "injured British credit"; and in course of time, as our readers recollect, the Conservative Government fell from its place of dominance in Parliament. And similarly to-day in regard to Australia, this 7½ per cent. discount penalty is a bankers' sheepdog whose work is to round up independent politicians and head them with the rest of the flock towards the gateway of sound financial procedure.

Our correspondent will naturally react to this simile as follows: "All right: granted that Australian policy is objectionable to the bankers, and allowing for the sake of argument that they have the right to interfere with it, why is it necessary to injure me in the process? Why scatter a flock of sheep which have not strayed in order to reassemble another which has? It is not only unjust in principle, but it is inefficient in practice." Quite so. He has been taught from boyhood that Britain lives by her exports; has, in this instance, obeyed the bankers' injunction: *Export more*; and the reward of this good and faithful servant is that not only are the new talents he has earned withheld from him but in addition he is obliged to part with some of the old ones that he started with. If national prosperity is built up on individual trade losses the majority of industrialists would prefer a short spell of national ruin. And the more they will reflect upon the incidence of the bankers' rewards and punishments the more quickly they will reach the definite and true conclusion that there is precious little difference between the reward of obedience and the penalty of disobedience to the bankers. Whether this situation is created by design or accident the moral is the same, that the bankers are not fit and proper persons to assume the exclusive responsibility of directing economic activities.

This reflection is, however, poor consolation for our correspondent, who has to face the problem of how to avoid parting with cheques totalling £6,000 and receiving for them £5,550. It is possible in theory for him to send back the cheques to Sydney and ask his debtors to send him bank-notes instead. (What would they fetch in London?) Alternatively he could ask them to ship him gold. But the practical snags are (a) Would the debtors be allowed to

buy the gold? (b) Would the cost of freight and insurance be prohibitive? and (c) In any case, is the creditor in a position to wait eight weeks without his money? In most cases of this sort the last-named snag would be the real one; for usually the recipient of money from overseas in settlement of an account owes the major part of it to his banker—or to some other business man who owes it to his banker. To suppose that the banker is going to extend credit to customers to enable them to dodge his discount charges is to invent a huge joke. The job must be done quickly or not at all. So we must consider another alternative. The problem is to market a cheque on Sydney. Very good; when you want to market anything you advertise it. So let us draft an advertisement.

Advertiser, in London, has for disposal authentic and good cheques on Sydney amounting to £6,000. Offers are invited from persons who have to send remittances to Australia. Reserve price £5,550, which is the amount that the London banks are bidding. Reply to X. Y., Box No. 1, "The New Age," 70, High Holborn, W.C.1.

We do not guarantee that this would do the trick, so if our correspondent tries it on *The Times* he must be prepared to lose another shilling or two—if that paper accepts the announcement. In the meantime we have pleasure in giving him a free advertisement in these pages, because even if this publicity should fail to close a deal it will succeed in exposing a ramp. Moreover, the idea of THE NEW AGE functioning as an Outside Cheque-Broker attracts us. Will all readers canvass for more advertising of this sort for us?

But, to be practical, these suggestions are of no particular value, because although the London banks will pay only £92 10s. per £100 for Australian currency, they will sell it at the rate of £93 10s. per £100. So that even if our correspondent were lucky enough to find a buyer of his £6,000 worth of cheques, there would be only £60 saving to be divided between the two of them.

Between March 21 and 27 £2,000,000 worth of gold arrived in London from Australia. By reference to authoritative teaching on gold movements for the adjustment of trade balances it is legitimate to regard this gold as having in principle been sent to discharge debts owing to British exporters. If so, then our correspondent was entitled to £6,000 worth of the gold. But he did not get it. The banks cannot discount gold, they must give pound for pound against its value. Therefore our correspondent received his payment in paper, and the banking system acquired his £6,000 of gold for £5,550—a nice little profit for two minutes' book-keeping.

The moral of this episode is not that the banks are profiteering (they are working on a 1 per cent. margin), but that they are interfering with trade. When the famous Bankers' Manifesto was issued it emphasised the evil of fiscal tariffs as impediments to the free and fruitful flow of commerce. One zealous Free Trade banker had a model made showing the ranges of tariff mountains dividing the countries of Europe. "If these were only swept away, oh wouldn't it be grand?" Perhaps it might if all Governments were in control of their credit systems. But at present, no. Exchange-rates are tariffs. When a London banker decides that you shall get only £92 10s. for every £100 worth of goods you sell to Australia, the effect is precisely the same as if Australia had put a fiscal duty on those goods. The bankers' objection to fiscal tariffs has no reference to trade impediments; it is held because fiscal tariffs are not directly under their own control.

Lord Beaverbrook's idea of Free Trade within the Empire ought to wait until we have free credit-rela-

tions between the various parts of the Empire. Look at this:

"EMPIRE EXCHANGE SELLING RATES.

	£	s.	d.
Australia	93	10	0
New Zealand	96	12	6
South Africa	99	15	0
Rhodesia	99	16	3

—(The Times, March 26.)

If each of these countries had £100 worth of, say, wheat to sell, the above figures represent respectively what it would cost a British importer, according to where he placed his order. This importer is in exactly the same position as he would have been if the British Government had put duties ranging from about £3 to about £6 on wheat from the last three countries, while letting Australian wheat in free. Bankers' discount rates are preferential duties reflecting bankers' preferences concerning where you shall do business. Whatever is the use of Lord Beaverbrook's hoping to achieve fiscal unity in the Empire while leaving the banks with the power to create financial disunity?

At this moment of writing the foregoing we are in receipt of a report that the Big Five banks decided last Saturday not to discount Australian paper at all until further notice. They are not buyers of Australian money. Our informant could not say what they will sell it for. If they are working on the same differential margin as before you caught theoretically to be able to buy from them a £100 draft on an Australian bank for somewhere about £1. But, of course, you won't, because they will be clearing old stock out at a profit on what it cost them. So it looks, after all, as if our suggestion about advertising may become practicable.

West Indian Sugar.

GOVERNMENT PROPOSALS INADEQUATE.

"Sir,—Lest there should be any misunderstanding, may I be permitted to state that the Government's proposals for helping the Governments of the British West Indies and British Guiana to give financial assistance in connection with sugar crop advances cannot end the present crisis? The proposals are regarded in the Colonies concerned as impracticable in some cases (that, for example, of British Guiana, where the Colonial Government is without funds and unable to meet even its existing obligations), and in all utterly inadequate to save the sugar industries. This is made abundantly clear by telegrams received from the Colonies in the last few days. The proposed guarantee is apparently to be in respect of the ultimate loss (i.e., after exhausting the resources of the borrower) of a small proportion of advances made by banks, and not of losses on the year's work incurred by the sugar planters. The banks operating in the West Indies are conducted on conservative and prudent lines. With the possibility before them of the tariff preference being removed, if not this year, perhaps in 1931, is there any reason to suppose that as business concerns they will be willing to adopt a less circumspect attitude towards borrowers than they have done hitherto?

Unless the Government has an understanding with the banks that they are prepared to relax their established rules of sound banking principles in granting advances, there does not appear to be any appreciable probability of their needing to apply to the Colonial Governments for any payment on account of their guarantee, and the whole proposals become an empty gesture entailing no risk on Imperial or Colonial funds. In that case it is obvious that the proposals will not help those planters most in need of assistance.

These, I have reason to believe, are the views held by our friends in the British West Indies and British Guiana, who assure us that something more than the retention of the existing tariff preference on their sugar, and Barmecide, though, no doubt, well-intended proposals for guaranteeing a small proportion of advances made by the banks, will be needed to stave off disaster.

I am, Sir, your obedient servant,
ALGERNON ASPINALL.

The West India Committee, 14, Trinity Square, E.C.3.
March 21.
[Letter to *The Times* of March 22.]

Affairs of Empire.

Sir Anton Bertram deserves the thanks of all students of affairs for having given, as he does in his book,* so clear and comprehensive an account of how Britain governs the non-self-governing parts of the Empire. The information deals with the status and functions of the local officers, and of course with their relationship with the Government at home. There are nine pages of index to 282 pages of matter—so that the reader has every facility for locating any point on which he wants to refresh his memory. The book as a whole cannot be called interesting except by the kind of people who like to read dictionaries: it is meant to be glanced through and pigeon-holed.

But here and there occur passages that have a historic interest, notably where the post-war mandate system is discussed. This system is based on Article 22 of the Covenant of the League of Nations. On December 4, 1918, President Wilson arrived in Paris for the Peace Conference. His Fourteen Points contained a reference to Colonies, but this was of a very vague character. Two days later General Smuts published his famous pamphlet, *The League of Nations, A Practical Suggestion*, which first presented the idea of International Mandates. His proposal was not ultimately adopted in its original form. For example, General Smuts contemplated annexation pure and simple for the German Colonies. His conception of mandates was intended to deal with problems presented by the dissolution of the Empires of Austria, Russia and Turkey.

Sir Anton Bertram says that this pamphlet had a very remarkable influence on President Wilson. "He carefully copied out with his own typewriter the leading paragraphs of the pamphlet and inserted them almost bodily into the draft of the Covenant which he was preparing." But he extended the mandatory system in his own scheme to all the German Colonies. In one of his successive drafts he declared that the object of such "tutelary oversight" should be to "build up . . . a political unit which can take charge of its own affairs, determine its own connections, and choose its own policies." But these lofty expressions, as Sir Anton calls them, disappeared when the British and American experts set to work to produce a common draft, eventually known as the Hurst-Miller Draft.

When the Premiers of the Dominions learned in the following month (January, 1919) that it was proposed to turn the German Colonies into mandated territories, they made heated protests, and it was not until after a week of "tumultuous discussion" that a compromise was arrived at. The blessed word was "Classification." Mandated territories conquered by the British Dominions were to be assigned to a particular class, and others to other classes. The conditions attaching to each class varied, and in the case of the British mandates for the German Colonies the conditions were barely distinguishable from those of complete annexation. The Premiers of the Dominions, who agitated for a freehold secured a perpetual lease, and the achievement goes into history as a "compromise"! The important thing about a mandate is that the Mandatory must present an annual report to the Council of the League.

In 1926 the Mandates Commission of the League thought it a good idea to issue a questionnaire of no less than 118 interrogatories, some of them composed of a series of separate questions. This at once evoked protests from Britain and certain of the Dominion Governments. Sir Anton Bertram thinks that although the information sought in the questionnaire was little more than was already being voluntarily furnished by the Mandatories, its issue was

* "The Colonial Service." By Sir Anton Bertram. (Cambridge Press. 10s. 6d. net.)

"hardly consonant with the dignity of Sovereign Powers administering an international trust."

The recent death of Lord Balfour lends special interest to the mandated territory of Palestine. It is interesting to note that whereas, in spirit and intention, mandates of all the three classes ("A," "B," and "C") shall continue "only until the nations under mandate are unable to stand alone," in the case of Palestine the termination of the mandate is "expressly contemplated in the document itself." Sir Anton does not suggest any explanation of this differentiation—in fact, he categorises this and other information in the chapter in question as "academic." But recent events may give it some practical importance. Great Britain has yet to decide what to do when the Commission of Inquiry under Sir Walter Shaw reports on the Jewish Arab rioting in Palestine; and in the meantime there have been some forceful newspaper criticisms of the policy of Britain's continuing to administer the mandate. Moreover, according to the *News of the World* of March 9, in a prominent front-page article:

"There will be no surprise if the Commission unanimously calls for a further interpretation of the famous Balfour Declaration regarding the establishment in Palestine of a national home for the Jews."

In the same article the following statement is made regarding the terms of reference laid down for the Commission:

"Although it was first pointed out that the inquiry would not extend to major questions of policy, we are able to reveal that the Commission made representations to Lord Passfield that they should not be hampered by terms of reference which were too rigid, and that they ought not to be limited to the riots and the immediate cause of them. This wish was complied with, and, using the latitude allowed them, the report of the Commissioners is expected to raise serious issues."

If this is a true forecast, the fact that termination of the Palestine Mandate is "expressly contemplated" should provide Britain with a sort of world-constitutional right to determine it herself should she consider it advisable. Certainly her risks and responsibilities in India, Egypt, and the Middle East as concerning her Mahomedan and Arab subjects must be having considerable weight in view of the unrest which is manifest in various degrees of intensity all over the East. Yet, on the other hand, there must have been very weighty reasons why the Balfour Declaration was made in 1917; and it is a matter of pure guesswork whether those reasons are not still operative. There have been indications (which we have discussed at times during the last six years) that the Declaration arose out of the exigencies of Britain's war-finance rather than of military strategy. And, if so, seeing that Britain's hope of winning the war rested upon American financial assistance, it seems probable that the Balfour Declaration was virtually a Declaration of Wall Street Independence and policy. In such case, America can insist on Britain's continuing to implement the Declaration in the changed situation that she has to face would have the effect of using her as a cat's paw—not that she should scorch her claws. There is no disguising the fact that unrest inside the Empire is a business asset to the United States of America. And, as most people will agree, the increasing risk of Britain's having to slaughter her native subjects as the price of securing alien financial support makes it all the more necessary that alternative methods of finance should be discovered if possible. Readers of this journal do not need to be assured that they are possible—that Britain can achieve financial self-determination. The Empire can be run on the credit of the Empire; and events are steadily forcing our rulers to recognise that it must if it is to remain an Empire.

The War Becomes Fiction.

By F. Le Gros Clark.

Fiction has now—to some extent—crystallised the emotions of the last war; and this is customarily accepted as a sign of grace, as an expression of the public willingness to face this war business in all its nudity. Let us, however, indulge in a little scepticism. To doubt of the efficacy of the trench-literature as peace propaganda is not to despair of the public conscience—but rather to open the way towards a fresh effort of such propaganda on the part of the writers themselves. So far the work is only half accomplished.

Novels and plays cannot express war. War is the only thing that can express itself. Obeying its own convention, the novel adopts war atmosphere as the medium wherein to give an outward or visual form to certain profound human conflicts and spiritual experiences. That is the task of the writer and artist. It is a task to which they and their public have grown accustomed; so that in attending *Hamlet* or *Lear* we expect—however small be the quantity of royal blood in our veins—to identify our emotional states with those of the protagonists; we assume, in other words, that we shall contemplate our own lives in allegory.

That is what we are led to expect. That is how we traditionally react. We are not called upon to take any responsibility for the condition of affairs in Elsinore; and we should resent any such suggestion. That our own emotions should have been titillated and maybe to some degree purified by the spectacle, is all we ask of it. And to such a play as *Journey's End*—to give the most popular example—we necessarily carry the same mental outlook. It is needless to remark that many thousands, who never knew the trenches, have witnessed and been affected by this play. Apparently their feelings have been of the same character as those experienced by the ex-service men.

The point is that *Journey's End* is a dramatic work of perhaps trivial literary interest but with profoundly human undertones, relying for its medium on recent memories of strong emotional content. But it is the undertones that make it so successful; and the public is as little anxious to take responsibility for the war atmosphere as it is for the degenerate court of Claudius. Indeed, by the very convention of the theatre, we take it naturally for granted that we are there to enjoy ourselves—i.e., to luxuriate in our own private emotions.

Once history has been enshrined in fiction or drama, it ceases in some part to be history; that, at least, is the effect upon the uncritical mind. Literature and the theatre are judged as sources of diversion—that is, as treating of subjects about which we ought not to be called upon to take action. The covers of the volume, the drop-scene, and the footlights, assure us that here we are entering a world of unreality, a closet for our personal fantasies. The war has become fiction; and in so far as this is true, it ceases to be the war and becomes a library shelf. Its tragedies have been lifted out of the commonplace and thus eternalised.

When sufficient war novels and dramas have been produced—when, in other words, the public feels it has got all its wants—the last war will have been *ex hypothesi* entirely transmuted into literary form. We shall begin to apprehend it not with the chaotic force of our individual memories, but through the structural and aesthetic shapes given it by the diarists and playwrights. We shall have been taught the proper things to think and say about the war. We shall think and say them; and so the war itself will have become a symbol or formula.

The mind, I would contend, is capable of a curious somersault; and instead of seeing in war-fiction a shadow of war, it may come to contemplate war as no more than a shadow of war-fiction. Since

"Journey's End" is by assumption an "enjoyable" play, the public mind inclines to the inference that war itself is equally romantic. Thus the æsthetic form drains away the stored-up energy of war-emotions, which might have been directed into active propaganda against another war.

The conclusion is that the year of war-fiction must be followed by a period in which European literature can concern itself with the more positive values of peace. That the last war should be æstheticised was a necessary step; it was Europe's feast of purification. But only by contrasting peace with war—to the ultimate advantage of the former—can literature hope to serve the cause of human amity and free the public mind from the fatal romanticism of war.

Drama.

Charles B. Cochran's 1930 Revue: *Pavilion*.

There is no standard of comparison for a Cochran revue except other Cochran revues. Each is built in a year to last a year, though not all of them stand the test. How long the present one will last is a question to which the late Lord Oxford gave the only possible reply. After sitting through the entire performance in contentment, and suddenly realising at the end that the night was an hour older than I thought, I felt nevertheless that some of the things the multitude is alleged always to demand from a revue were missing. There was comedy, but no comedian. There was, that is, no man whose business it was to enter about a third of the way through two scenes out of every three, thenceforth occupy the front-centre of the stage, and throw the audience into guffaws with his broad jokes. There were song-scenes, but not of the pattern in which a dimpled, pink and white fairy melts the old men back into adolescence, and the young ones into three-dreams, by begging somebody to love her in three-four time and repeated refrains. In spite of the excellent work of half-a-dozen artists of the theatre whose technical perfection is a delight in itself, the whole revue leaves the impression of being without stars, so that it is impossible to foresee what attraction it will have for a public which is still pagan to the extent of star-worship.

The comedy is, indeed, of the satirical complexion that the public refuses to understand for fear it may discover itself the butt. In at least one glorious comic item, which ought to play not only for twelve months at the *Pavilion*, but for as long in every theatre, the audience was the butt, and some members of it were not placated by Mr. Cochran's preliminary plea, through Miss Kathleen Gibson, for indulgence. The item, "The Late Comer," showed the auditorium (stall section) of a theatre, in which the chief late-comer, Miss Maisie Gay, trod on all the toes in the wrong row, on most of the toes in the right row, the wrong row, on most of the toes in the right row, blotted out the stage for the people behind her in moving her cloak, and generally behaved with that bland, utter inconsiderateness displayed by about half the stall-goers in London, whose dalliance over dinner until the curtain is up at the theatre would cause them to be shot for bad manners in a less civilised city. One "late-comer" turned back for a programme after seeing his companion to her seat, a front-row man, entering alone, apologised in a stage-whisper to his earlier-arrived lady, until he provoked a unison "shush" from the auditorium. The couple next to me, who had arrived very late, and the four just in front, who arrived a little later, all appeared to resent the hilarity of everybody else at this comedy with a moral; for which theatre-lovers ought to think of Mr. Beverley Nichols and Mr. Peter Spencer with gratitude.

It is inevitable for a revue, like an *hors d'œuvre*, to be more to one's palate in parts. The opening

scene, a minute or two of a talkie film satirising talkie films, although clever, appeared to me to serve ill what followed. After attuning one's ears to the megaphonic volume of the talkie, the human voice resembles a kitten mewling in the distance; a human chorus sounds thinner than one voice from the screen. Mr. Barry Fitzgerald, the twin brother of Mr. Arthur Sinclair, was richly funny, as the professor in the "School for Husbands," and as the Irishman in the brief burlesque of a combined realistic Irish and Russian play. In "Madame Tussaud's 1980," it was amusing to see the apparent wax-work of Shaw rise from its seat and reply to the remark of the guided and misguided member of the public that "surely he was dead," with Eliza's classical reply as to whether she would walk. "Not bloody likely," is the phrase by which a great intellectual has become known to the people. All the three "Piccadilly" scenes, 1930, 1900, and 1830 were pleasing, in the degree of the order, 1830 being perhaps the high-water mark of the whole revue, matched as regards the setting by Mr. Oliver Messel's other setting, "Heaven." Whether due or not entirely to the opening talkie, one felt at the end that the 1930 revue was a dumb show; that while colour, rhythm, dance, kaleidoscopic pattern, comedy, satire, and burlesque, were all present, there was not a voice; so much so, indeed, that in some of the scenes the singer's presence was almost objectionable for distracting one's mind from the dance and setting.

One's impression of the whole, members of the Russian ballet notwithstanding, is of something natively English, as when one suddenly enters the English room of the National Gallery; something much more English than the 1920 Revue, the colouring for which necessitated the Grand Tour. The primary colours are masked by quiet greens, violets, and oranges, with tinted whites in profusion. The nearest to a starred performer is Miss Ada-May, but her work is so varied that even in her case it is easier to think of the work than of the performer. Everything she does, however, is marked by economy of force, and by a resulting definiteness and precision which hide technique; in speech and song, in comedy such as the dairy-maid being helped over a gate by a somewhat slow young man, in dance such as "Lighter than Air"—in which her own movements almost put the balloon to shame—the delicacy of her execution brought conviction at last of the relativist's discovery that the shortest distance between two points is a curve. The revue has been tried out in Manchester before being presented in London, which no doubt accounts in some degree for the present perfection of technique. The "Young Ladies" are probably the best trained team seen on a London stage, and their perfection prepared me to listen to Mr. Jack Powell's amazing feat of drumming for as long as he cared to keep it up.

Appearances: Royalty.

Mr. Garland Anderson believes that a man can make of himself whatever he will. Being a practical philosopher, he did not merely preach. He decided to preach and demonstrate at the same time by making himself the dramatist of a play, the theme of which should be his faith. For three years he wrote at his play in the spare minutes of a night switchboard attendant, and then took it to New York, where, after months of discouragement, he found a producer. The play, "Appearances," opens with the black bell-boy who represents the author's philosophy confessing to the audience that here is no pretension to dramatic technique, but claiming justification for the gospel's sake. The gospel presented in the play is not only that a man can make of himself what he will. That gospel belongs to democracy and the age of the self-made

man, of which Napoleon, as Emerson said, is the divinity. Mr. Anderson's gospel in the play has a deeper appeal and more ancient origin. It is that a man can make himself of the Kingdom of Heaven, if he will, and that, in bell-boy's uniform, in prison, or on the cross, he cannot come to harm if the truth is with him and he does Christ's works. The reason why Mr. Anderson's gospel was so little distasteful from the stage is that, although only one in the million trusts Jesus Christ to the extent of following him, all the million are disquieted by doubt of their bondage to the world, and by the suspicion that the gospel of Christ would deliver what it promised if only they had the awful courage to test it. That the world consists mainly of Peters, with few either Johns or Thomases, is probably the explanation of the popularity of the Roman Catholic Church.

In Mr. Anderson's play the bell-boy's gospel of ambition falls on sceptical, even cynical, ears; his gospel of "service," to the support of which he practises Rotarianism—definable as helping others in order to get on one's self—merely saddens us that even the negroes have not avoided corruption. In the trial scene, however, where the bell-boy is falsely accused of criminal assault on a white woman, and his gospel is that truthfulness requires no witnesses, both the gospel and the drama become real. The cross-examination of the old negro, alleged to be an accomplice of the bell-boy, on his escape from the crowd, his hiding in the drain-pipe, and his terror at the threat of bloodhounds, wiped out the theatre and became "life valued." In this act Mr. Anderson demonstrates that creative truthfulness is as beyond price in drama as in life, and not to be compared with the American system of ethical education, which always reminds one of a non-swimmer shouting instructions to the man in the water from the bridge.

In spite of its being a play with mixed flavours, "Appearances" belongs, in the much of it that is drama, to the only drama possible, since the emotions universally felt are now expressed dramatically only by the common-folk. The magnificent performance of Mr. Doc Doe Green as Rufus Jones, the old negro-porter and alleged accomplice, ought to demonstrate to Mr. Anderson his duty to write plays about his own people, either in relation to whites or among themselves, and thus to bring them into the understanding of the world. In doing so he can spare all his gospels except without Blake's that "truth cannot be uttered without being believed." Mr. Dario Shindell's performance as the black bell-boy also justifies his having come over from America specially to do it. Other excellent performances are given by Miss Lillian Oldland, Mr. Farren Soutar, Mr. Everet Byington (whose speech for the prosecution was one of the best bar-rister efforts I have heard from the stage), Mr. James Carew, and Mr. Roy Emerton. But the impressive realism of the negro-actors is so powerful that all white actors become by comparison pale-faces.

PAUL BANKS.

"The All-Australian Trades Union Congress has decided to ask the Government to finance a scheme for unemployment insurance from the consolidated revenue. During a discussion on the nationalisation of banking (reports Reuter) delegates urged the Government to use the Federal of the Commonwealth to provide work and sustenance for the unemployed. The Congress agreed to this question of the Government to give its early attention to this question of nationalisation, and, as a first step, to widen the functions of the Commonwealth Bank."—Daily Herald, March 5.

"Mr. Legge, chairman of the Federal Farm Board, in a statement urging the reduction of wheat acreage by 10 or 20 per cent., declared that the surplus this year was so great that there was no hope of relieving the congestion."—Daily Herald, March 15.

Music.

Courtauld Concert: Queen's, March 18.

This was one of the most interesting of the series, including, as it did, two front-rank works—the Elgar *Falstaff* and the Szymanowski violin concerto. The Elgar *Symphonic Study*, as the composer himself calls it, is, with his second symphony and the violin concerto, his ripest work—in it, as in the second symphony, his expression attains an eloquent freedom, richness and variety that there has not been before nor since, and the suggestion of that well-bred priggishness that is so typical of certain Englishmen, and which more or less pervades, so it seems to me, so much of his work, is totally absent. At its best it is a very great musical mind, broad, deep and powerful, and no good service was done to Mr. Arthur Bliss, one of the younger and more or less shining lights, by the performance of his new *Serenade* immediately after; but of this later. Written at the full tide of the symphonic poem with Richard Strauss, it is inevitable that a work in much the same genre should show occasionally Strauss's influence, but the most noticeable thing about it is that it is in general tone and feeling so immensely different from the Strauss poems. The Strauss works are much more pictorial in an external way—so much so that enjoyment of them is much enhanced by a knowledge of the programme. This is not, however, to go as far as Monsieur Vincent d'Indy, who in his dry, tart way declared that in order to make a symphonic poem fully intelligible it would be necessary to have a personage stationed in the orchestra with a megaphone declaiming the various incidents of which the music is descriptive as they occur. With Elgar's symphonic study one never wants to bother about the programme which supplied the emotional framework so to speak. The music seems so completely an end in itself—in fact, as Debussy used to say, one is content to let the music tell its own tale without needing nor wishing to translate that tale into verbal concepts. Dr. Malcolm Sargent has a good deal of the conducting manner of Beecham with none of the latter's conducting power—the superficial and noisy "effectiveness" that passes for brilliance was far too much in evidence, arousing acute apprehensions for the handling of the delicate and complex shimmer of the Szymanowski work which was to follow. And the apprehensions were realised. Not daring to reduce the dynamic level to the required point lest the shakiness of the players resolve into a scrambling stumble, the admirable soloist, Mdle. Jelly d'Aranyi was frequently overwhelmed. The work is compact of light and fire, it does with power, triumph and splendour what Scriabine tried so often, and as often failed to do. A score of more wonderful and radiant luminosity I do not know, and with what brilliance and subtlety the solo instrument is treated! How its entries and the "lay" of its part are contrived to tell to the utmost against the elaborate and complex weft of the orchestral background! How delicately and exquisitely contrived is that orchestral background only those who know this lovely score can realise, and that it was no fault of Szymanowski if Mdle. d'Aranyi could not always make herself clear and audible. That fault lay to a certain extent with the violinist herself, who lacks the tremendous power and superb tone of the great artist to whom the work is dedicated, and who is a superb interpreter of it—Paul Kochanski. Much more did it lay with conductor and orchestra. And Dr. Sargent has no *flair* at all for the high fantasy, the nostalgic exoticism, as a French critic might say, of this very beautiful work. And it is a noteworthy fact that there is no European composer living whose Oriental evocations have the power, the conviction, the intensity of those of Szymanowski. The exquisite song-cycle, "The Love-sick Muezzin," and the

orchestral "Song of the Night," written around poems of Djami, are examples of his uncanny and clairvoyant faculty in this respect. And of what appalling and shattering crudity are the Brummagem-Benares efforts of a Rimsky-Korsakov and still lower down in the scale, of a Granville Bantock or a Cyril Scott, after this authentic magic! Mdle. d'Aranyi thoroughly realised the spirit of the work, no small feat having to cope with such unsympathetic orchestral conduct of affairs, and showed a delightful mastery of the rather terrifying difficulties of the solo part. She was only, as I have already suggested, hardly big and broad enough for her playing of the work to have been a complete success.

The second series of these concerts for the season 1930-31 is now announced, with, I am glad to see, more Mahler, including the "Resurrection" Symphony. I would suggest, however, to the organisers of these concerts that if and when they are well established they repeat some of the works done at former series—such, for instance, as *Das Lied von der Erde*, which was so man-handled earlier in the year, and the Szymanowski concerto which fared not much better.

KAIKHOSRU SORABJI.

The Screen Play.

Son of the Gods: Regal.

Here we have the promise of a definite talkie technique; of the film which is not a photoplay, but has the essential fluidity of the cinema, and in which the spoken word, so far from being an ex-crescence, falls into place as a natural and therefore desirable ingredient. Indeed, while nearly every previous talkie has produced on me the impression that speech was unnatural in a two-dimensional medium, so that I was conscious that I was looking at a series of moving photographs in the flat, of which I am not conscious with a silent film, "Son of the Gods" gave me the complete illusion of reality. This is not due to the excellent acting of Richard Barthelmess, Constance Bennett, and the other members of an admirable cast, but to the director's grasp of the needs of the new technique, as can be seen by a comparison with "Disraeli," which is characterised by the most superb acting yet seen on the talking screen, but is yet more of a play than a film, and lacks the plasticity of this production. An added merit of the film, which is directed by Frank Lloyd, is the quality of the dialogue, which is unforced, and not handicapped by the appalling poverty of the vocabulary characteristic of the average American talkie.

Seventh Heaven: Stoll.

The management of the Stoll is to be congratulated on reviving what is not only the most purely charming film yet made, but one that has the added merit of being silent. This is here a special excellence, since Janet Gaynor, who is partnered with Charles Farrell, demonstrated in "Lucky Star" that it was a crime to destroy the illusion of her finished acting by allowing her to speak. "Seventh Heaven" is, however, more than a film of charm; while its theme is cloyingly sentimental to the point of mawkishness, it is so admirably directed that never for a moment becomes saccharine. This result is achieved by some sort of undefinable miracle; by all the rules "Seventh Heaven" ought to be the stickiest barley sugar, while it actually is a work of art. I do not profess to understand how this is done, but merely record the fact that it is. This film represents the American screen play at its highest stage of development before the coming of the "screeamie." It is admirably acted, and is keyed throughout in the right atmospheric note. I cordially recommend it, not merely as the film of

the week most worth while seeing, but as one of the best films the public is likely to have the opportunity of seeing this year.

The Mixture as Before.

It is an illuminating commentary on the new and original themes promised us by the Hollywood motion picture makers as the result of the sound film, that most of the talkies now receiving their first public presentation in England are either of the musical comedy or the revue type. There is no reason why these forms of entertainment should not be adapted for the screen, which was, in fact, recognised from the outset as affording them immense possibilities. But there is every reason why we should not have a surfeit and a virtual monopoly of leg-shows, and why players unsuited to the peculiar demands of revue should be thrust into it. Still, as some of these productions are extremely good of their kind, I am not prepared to wish for the day when the Conrads cease from Nagging and the Bessies Love no more.

Chasing Rainbows: Empire.

In the good category is "Chasing Rainbows," which is in the "Broadway Melody" tradition, but better than that film, although the music is by no means so good. It is curious that with all the artistic talent and money at its disposal, and with the United States being the home of syncopation, Hollywood seems to find it so extraordinarily difficult to obtain tuneful and more or less original melodies. The cast of "Chasing Rainbows" includes those sterling artists, Bessie Love, Marie Dressler, and Polly Moran, also George K. Arthur and Charles King. Few players are less to my taste than Mr. King, whose methods and personality strike me as undistinguished. However, I have long since ceased to wonder why and on what grounds American film producers select their masculine juvenile leads; the phenomenon appears more interesting than explicable. "Chasing Rainbows" is good entertainment, and reflects credit on Charles Riesner, its director.

Sally: Regal.

Remarkably good is "Sally." I was induced to see it because of the praise bestowed on Marilyn Miller. Concerning this adulation, I have merely to say that at its most enthusiastic part it failed to do her justice. She is one of the most delightful things that has ever happened on the screen. Extremely good to look at, and with a charming personality, she is a finished actress, dances like thistledown (and dances with her whole body), and to complete this tale of perfections, she is an admirable singer. Indeed, I have heard no other voice which records with such perfect fidelity to nature. Presumably this is due to some quality in its timbre, since Alexander Gray, who plays opposite to her, sounds flat in comparison, although he is also a finished vocalist.

"Sally" is quite the best production of its kind I have seen, and is first-class entertainment in every respect. It is particularly well-balanced; Miss Miller by no means carries the show, since she is handsomely supported by a cast mainly recruited from the stage. The whole of the production is in colour, and although none of the sequences has the same beauty as certain scenes in "Gold Diggers of Broadway," the technical results are very good, and a skilful selection of colour tones prevents the usual eyestrain. As used at the Regal, the wide screen is most effective, being employed not for close-ups, but for scenes demanding more space than it is normally possible to accord.

Show of Shows: Tivoli.

Over three score and ten players are engaged in this production. One would expect the result to be indigestible, and many of the stars have been selected without any regard to their suitability for

the medium of a revue, which, incidentally, is an excessively difficult form of entertainment to reproduce satisfactorily on the screen. Apparently, the makers have dimly realised that they have an excess of material, since some of the principal players have been jettisoned for the English production. These include such British favourites as Beatrice Lillie, Lupino Lane, and Jack Buchanan, and their exclusion is an interesting sidelight on the attitude of cynical effrontery adopted by Hollywood towards the British market, on which it depends so largely for its dividends.

DAVID OCKHAM.

The Art of Religion.

By Michael Joyce.

Under a title which in my view hardly does it justice, Mr. Humphreys has produced an admirable introduction to Buddhism. In the space of thirty pages he contrives to present a layman like myself with a living image of the world religion, the only one among the great religions of the world in the name of which no blood was ever shed. The book is worth the layman's reading, if only for the interest of seeing how closely the findings of our modern biology hark back to the intuitive discoveries of a pre-scientific age.

I have neither wish nor qualification to criticise the book as an essay on Buddhism, but it may be worth while discussing the objects with which it was written. Mr. G. E. O. Knight says in his preface: "Mr. C. Humphreys is well qualified to write on Buddhism, and I am looking forward to his efforts in popularising the religion of the Indian Sage being crowned with the success they so well deserve." To popularise a religion in this sense means, I take it, to persuade people of its truth, just as to popularise the works of Shakespeare is to convince people of their other.

Some months ago I reviewed Mr. Middleton Murry's book, "God," in these pages; after praising the book highly I said that it would convince nobody. This has been challenged as inconsistent. If I had said that Shakespeare was a great poet, but that reading his works would not wring poetry out of a Mr. Robinson or a Mr. Jones, the statement would have been accepted as a truism. It would be safe to admit that his works have been an inspiration to many lesser poets; that all the poetry that has in fact been written since would have been the poorer if he had never lived; that any lover of Shakespeare can learn by constant reading to appreciate his work more fully; but it is safer still to say that while you can lead a horse to the water you cannot make him drink, and that the appreciation or practice of art is not born in textbooks or in lectures from Savoy Hill.

Religion is an art; a greater, perhaps, than poetry, but still an art. The great artist in Religion, a Christ, a Buddha, a Socrates, a Lao-tse, has, of course, his effect on the world, but never the direct effect that he or his disciples have hoped for. Socrates, indeed, denied that he had ever taught at all. And where principles of thought or conduct have been laid down by the sages they have been soon cut down to suit the vulgar understanding, hammered into the fabric of the state, or twisted to the advantage of the priesthood. Yet their work is immortal; it has become part a permanent part of man's environment. Just as my writing of this article is affected by the way Chaucer handled English, so my views on ethics are conditioned by the Sermon on the Mount, even if I have never read the Canterbury Tales or the Gospel according to St. Matthew. But then, what would have become of our Literature if no one had ever written other than Chaucer's English: what will become of human thought if it can only hark back to Christ and Buddha? They were moving and we must move, or the race will die. Or, put more precisely, so long as we live we cannot help advancing; and those who would call us back to follow the great ones of the past are not themselves the true disciples of their masters. Every man must make his own religion.

I would not be understood as belittling the great artists of history. There has been no such epic poet since Homer, no such dramatist since Shakespeare, no such man of religion since Christ. In the work of those men are enshrined the eternal principles of their several arts, to be ignorant of which is to be a bad artist. In a sense every dramatist is a follower of Shakespeare, and in the same sense every

* "A Religion for Modern Youth." By Charles Humphreys, M.A., LL.B. Anglo-American Publications, Fetter House, Fetter Lane, E.C.4. 1s.

religious person is a Christian and a Buddhist; but every practitioner in any art has his own personal index, his own line of growth; he cannot be a Homer, he cannot be a Socrates. Why should he wish to be? One Homer is enough.

It may be objected that Religion is common to all, whereas poetry is the art of a few. To answer this I must borrow a recent quotation of Mr. Andrew Bonella's—which, by the way, he or his copyist spoilt by omitting the last clause: "Man," said Hazlitt, "is a poetical animal, and those of us who do not study the principles of poetry act on them all our lives, like Molière's Bourgeois Gentilhomme, who had always spoken prose without knowing it." It is just as true to say that man is a religious animal; but a truly religious person, a practitioner in the art, is almost as rare as a poet. And perhaps this is fortunate; for a world of St. Francis and St. Augustines would be little better than a world of Shelleys and Wordsworths, or of barmen and bookmakers. It needs a Hamlet and a Falstaff to make a world.

LETTERS TO THE EDITOR.

JOHNSON ON FREEWILL.

Sir,—I decided long ago that if one had Boswell's "Johnson" by heart, or had an index good enough, one could find an answer—rough and ready, perhaps, but suited to the needs of a rough and ready world—to every question of importance. Turning from the "unfinal conclusion" of Dr. Driesch's admirable article on Freewill, in last week's issue, I found Johnson's plain pronouncement: "All theory is against the freedom of the will; all experience for it." "I did not," says Bozzie, "push the subject any farther."

M. J.

BANKERS AND THE ECONOMIC PROBLEM.

Sir,—I cannot thank you too warmly for the review of my book, "The Mystery of the Trade Depression." I am deeply impressed by the fine scientific spirit in which you have examined it and the astonishing success with which you have unravelled from the pages of my book my whole outlook on the practical problems of life.

Before I commenced the writing of "The Mystery of the Trade Depression" I made an exhaustive study of Money, and no book of value escaped my hands. Not one of the works of monetary reformers is, however, either in fact or by implication an "indictment" of the Capitalist System.

What is the Capitalist System? It is an economic system under which the economic life of a community is to be maintained upon the basis of the concentration of property in the hands of a tiny minority. What do all the monetary reformers propose to do? To strive to maintain the economic life of a community upon that basis.

I do not close my eyes to the fact that some writers insinuate that monetary reform would effect a redistribution of property. But the redistribution of property is not an economic end. It is only a means to an end. I should have no interest as an economist in the inequitable distribution of property if I were not convinced that it is the sole cause of poverty. The sole issue raised by my book is whether the inequitable distribution of property is or is not the sole cause of the collapse of production.

I have raised what I know is the most dangerous economic issue that any one could raise. I accuse monetary reformers of shrinking from that issue. They lack the moral courage to tackle the Capitalist System at its roots. Therefore, they have sought to assuage the horrors of the Capitalist System by resort to amiable schemes of monetary reform. Quite frankly, I feel that the monetary reformers, by raising a false issue, are the best friends of the Capitalist System, and that the exposure of the fallacies upon which their activities are based is essential to an awakening of the public to the realities of the economic problem.

I am preparing (and hope soon to publish) a book on Money with the suggestive title of "Money Unmasked." In that work I shall show in the style and on the lines of "The Mystery of the Trade Depression" that the Gold Standard and all the ideas of all the monetary reformers alike spring from a fundamental misunderstanding of realities. I shall also present proposals for a monetary system based upon realities. It will ensure the only attainable degree of stability in prices, perpetual and unshakable exchange stability, and all the credit that any community can need, so long as the purpose of credit is not supposed to be to help one economically to stand on one's head.

The present monetary system has, however, nothing whatever to do with the hold-up of production to-day or with the poverty which has persisted through the centuries. It was not a defective or unscientific monetary system which was responsible either for the building of Pyramids above the deserts of Egypt or for the building of railways across

the deserts of Australia. If this country perpetrates the supreme economic folly of building the Channel Tunnel, "in order to solve the problem of unemployment," it will not be the Governor of the Bank of England who will be the villain of the piece. I defy Mr. Montagu Norman to use his power to prevent the execution of the monstrous project. He is more powerless than poor me.

If rates of interest have any connection with prosperity, the *diminuendo* of bank rate ought to have automatically given rise to a *crescendo* of production and the distribution of production. But the curve of unemployment rises as fast as the curve of bank rate falls! Mr. Thomas has blamed the high bank rate for his failure to solve the unemployment problem, and is now raising hopes upon the low bank rate. Within two months he will have to explain why unemployment had increased while the bank rate was low. This country is rushing headlong to disaster, and in the autumn we shall have at least three million unemployed. Mr. Snowden's Budget estimates for 1930-31 will be falsified far more than Mr. Churchill's estimates for 1929-30.

Many people interested in monetary reform have written in terms of warm admiration of my book, but have added that I should have used the words "monetary system" where I have used the words "capitalist system." Nothing that I have read since the publication of my book has amazed me more. I can hardly believe that the writers have any understanding at all of economic realities or have understood a page of my book. The monetary system is, at best, only a part of the whole.

I join issue with you when you say, "At the present time the State is unable to adopt any measures to which the Governor bankers take definite exception." Neither the Governor of the Bank of England nor the whole banking community of the Bank of England or "the State" or any is "an obstacle" of any kind either to "the State" or one within "the State." If you will permit the figure of speech, I should say that if I were the Chancellor of the Exchequer, I should have as much interest in the Governor of the Bank of England as in the curator of a museum.

If to-day the State is not doing anything that it ought to be doing, it is because the eminent people who wield the authority of the State know nothing of the economic problem with which they are faced. It is the complete economic ignorance of his Majesty's Ministers and of Parliament, not the machinations of the bankers, which is responsible for the deplorable condition of the nation. Is it the bankers who are to be blamed for Mr. Thomas's visit to Canada, Mr. Graham's mission to Geneva, or the Coal Bill? Mr. Thomas showed the abysmal ignorance of his economic advisers when he stated in the House of Commons that the fall in the price of silver was one cause of the increased unemployment. Presumably, it is the dropping of the mercury to freezing-point which makes the air cold.

By denunciations of bankers as the arch-criminals of the Capitalist System, monetary reformers have given to the bankers an importance which does not belong to them. As soon as the futility of all that has been said and written about money has been demonstrated, there will be no one poor enough to do honour to a banker, and the supposed power of the Central Banks will be recognised to be—what it is—a myth. The Presidents of the Central Banks are the modern bogey men.

I am prepared to discuss the money issue without asking for or giving quarter. We must enter into controversy on economic issues with the resolve to devour or be devoured, because there is no halfway house between right and wrong in the economic sphere. As far as I can make out, the ideas of Major Douglas have no more relation to the realities of money and price than chalk has to cheese. Given the opportunity, I am willing to bring forward the proofs of my proposition. If you show me to be wrong, I shall admit and proclaim my error and dutifully enrol myself under your banner.—Yours faithfully,

FREDERIC E. HOLSINGER.

P.S.—The first edition of 1910 copies of "The Mystery of the Trade Depression" has been sold or distributed except for a few dozen copies in my possession. Hence the disappearance of the book from the bookshops. [We appreciate Mr. Holsinger's acknowledgment of our "scientific spirit." We print his letter only because after what we have said about his book we think that credit reformers will be interested to know how they stand in his estimation. He must excuse our declining to debate Major Douglas's views with him. We should find it as difficult as to debate on the leading article in next Sunday's Observer.—Ed.]

"Everything is possible to industry—given the money; nothing is impossible to finance—given the will."—Joseph O'Neill, in letter to *The Nation*.

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