

THE NEW AGE

INCORPORATING "CREDIT POWER."

A WEEKLY REVIEW OF POLITICS, LITERATURE AND ART

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NOTES OF THE WEEK.

In the *Evening Standard* of February 17 is a paragraph headed "Income Tax and Borrowing"—probably in the "Londoner's Diary" (we have only seen the cutting):

"He [a correspondent] found himself unable to pay and asked for time. In reply he was asked whether he had exhausted all possibilities of raising money and in particular whether he had yet raised a loan on his life insurance policy. And, if not, why not?"

"It seems to me that we are in a serious position when officials take it as in the ordinary course of things that the citizen should resort to borrowing in order to meet his obligations to the State.

The "officials" can be left out. As we said when we were reviewing Lord Hewart's book, *The New Despotism*, these men are servants and have to do their job, which, in the present case, is to collect so much money in so much time. For a taxpayer to ask for time is to ask the servant to fall short of his duty and prejudice his position as a salaried functionary. To indict him for harshness is to divert public attention from the real culprits—the financial interests who have set him his difficult and distasteful task. As a matter of fact, insistent as assessors and collectors of taxes appear to be in screwing the last farthing out of the private citizen, there is still a margin of tyranny left, as is evident from the fact that Somerset House has been itching to control their activities. Some time ago it was the assessors—men with knowledge of local circumstances—whose appointment Somerset House wanted to get hold of, who would be men with no knowledge of local circumstances, and therefore men whose efficiency as screw-turners would not be impaired by such human weaknesses as sympathy and understanding. Lately it has been the collectors. According to an article in the *Daily Mail* of February 19, the Treasury is trying to gain control of these men.

... the methods adopted are believed to be so certain of success that it is stated that arrangements have been made for including in the next Finance Bill (the 1931 Budget) a clause transferring the whole of the income-tax collecting-machinery, with the exception of

that operating in the City of London, from the control of the Local Commissioners to that of the Board of Inland Revenue. . . . To appreciate the position it has to be realised that, although in about 95 per cent. of the appointments the positions of collector and assessor are held by one man they are actually two offices, both at the moment in the gift of the Local Commissioners of Income Tax, who are appointed by the Land Tax Commissioners, usually local magistrates.

The writer says that Somerset House has abandoned its attempt to control assessors in favour of the present plan. This is easy to understand because whereas the function of an assessor is to calculate the taxpayer's liability, that of the collector is to see that he discharges the liability. It is self-evident that the assessor is not likely to be influenced by humanitarian considerations in estimating liability; for in the first place there are so many checks on the taxpayer's property and income that the amount of the liability almost fixes itself, and there is practically no margin for modifying it unless the assessor were to transgress clear official regulations and thus connive at deception: and in the second place the hardship visited on the taxpayer does not consist in the assessor's sending in a bill, but entirely in the collector's enforcing payment. A sympathetic assessor could always console himself that however heavy the amount of the Demand Note the collector was still able to exercise some discretion as to the rate at which the taxpayer should pay it off. This discretion, it is now proposed, shall be vested in the Inland Revenue Board—and everybody knows what that will mean.

This new idea of making taxpayers borrow on their life-insurance policies is one more illustration of inner contradictions of financial policy. It is well to repeat once more—and it should always be borne in mind when taxation is in question—that the banker's only real objection to a high rate arises when the tax has to be paid out of business reserves. This has been often explicitly and publicly stated by some of them, and is not merely a deduction of our own. So the meaning of the present ramp is that the reserves of private individuals are to be raided to relieve the pressure on those of business

undertakings. And the contradiction consists in this, that you have first the insurance department of the banking system rousing private citizens with the slogan: "Now then, boys, all get together and pinch for posterity," and then you have the Inland Revenue department of the banking system coming along and pressing them to pinch from posterity. For the reserves represented by life-policies are accumulated by policy-holders under a contract that they will be paid out *as money* to be used for the maintenance of their wives and children. whereas business reserves are practically never distributed as money to any individual. What now becomes of the familiar exhortation of the insurance companies:—"Think of the welfare of those who shall come after you"? Their welfare is to be sacrificed in order to balance to-day's Budget. Presumably the authorities would say that the policy-holder is able to discharge his loan on his policy in course of time. But the answer is (a) that insurance companies generally refuse to accept repayment by instalments, insisting on receiving the whole sum or nothing; (b) that the effect of one's borrowing, say, £50 at, say, 4 per cent., on a policy, on which the premium is, say, £20 per annum, means that the policy-holder has henceforth to pay £22 per annum. Moreover, the increased annual payment covers him for £50 less than before. He can, of course, take out a new policy for £50 to bring his cover up to the original amount, but the premium on it will add to his expenditure; and the rate of premium will be so much higher than the original rate according to how many years have elapsed since the original policy was taken out. His position might well be as follows:—

Before borrowing.			
	£		£
Policy dated 1920	1,000	Premium	20
After borrowing £50.			
	£		£
Policy dated 1920	950	Premium and interest	22
Policy dated 1931	50	Premium	2
Total	£1,000	Total	£24

Ask the authorities where he is going to find this extra £4 per annum for life, and they will presumably talk vaguely about the restoration of prosperity likely to ensue from their present policy. But prosperity, to the individual must mean either that his income will increase while prices stay still, or will be maintained while prices fall. Is there the slightest prospect of this happening? Why, at this very moment the City is trying to force British railway workers and Australian labour to take lower wages so that prices *shall come down*, and at the same time is imposing a reduction in British Civil Servants' incomes *because prices have come down!* What other prospect, then, lies before the borrowing taxpayer of 1931 but that of having to go on borrowing year by year in perpetuity? None at all so long as the banks run the country.

Speaking of Civil Servants, Mr. W. J. Brown's speech in the House on February 11, included the following passage:

"Contrast that [examples of wage reductions] with the treatment which is extended to the bondholders in this country. The bondholders and the banks are still being paid the same nominal rate of interest, but in pounds; it is worth 60 per cent. more than the pounds which the country borrowed from them during the war. . . . There is a sense in which the great struggle of to-day is not so much between the workman and the industrialist, but between the pair of them and the bondholders. There is a tremendous sense in which both the entrepreneur and the workman are alike in pawn to the bankers and money-merchants."

Whereas the total income of the Civil Service is at present between £50 and £60 millions the total

annual interest on War Loan is £400,000,000. But Mr. Brown rather narrows his argument. He omits to emphasise that whereas the bulk of the Civil Service incomes flow through the consumption market, and so contribute to the stability of home industries, probably an overwhelming proportion of the £400,000,000 falls into the hands of organisations which do not patronise the consumption market at all. We suggest that in future the word "bondholders" should be omitted from his criticisms, and that the word "bankers" should be exclusively used instead. The reason is that the public have a notion that War-Loan interest is distributed to people who depend upon it for their means of life, a notion which the banks carefully foster to the extent of insinuating that the bondholders in question are widows and orphans. This notion was put about in the Australian Press when the question of reducing the interest on Government debt was raised. But happily the Australian sponsors of interest-reduction seem to have included some publicists with a little more sense or courage than we see displayed in this country; for they included a provision in their proposals for looking after any holders who could prove personal hardship from the reduction. It was quite a safe thing to undertake. Probably only a fraction of one per cent. of the saved interest would have had to be returned under that provision. And there is every reason to suppose that the same situation holds in this country.

Mr. Brown's statement that the "pounds" received as War Loan interest are worth 60 per cent. more now than when they were borrowed is true enough, but it would only be of practical value if the "pounds" were spent on getting the "60 per cent. more." That is to say, if the £400,000,000 came into the consumption market to draw goods at the present reduced prices, then he would have a just complaint that the increased drawing of goods by his "bondholders" was made possible in part by the decreased drawing of goods by Civil Servants. But as a matter of fact nothing approaching this takes place. It would indeed be better from an economic point of view if it were taking place, because British industries would at least have the opportunity of collecting the £400,000,000 in the consumption market (the only market where industry can collect revenue and defray costs at all). Mr. Brown's best policy is to treat the War-Loan interest-burden as a general, not a particular injury, and to formulate the alignment of what he calls the "great struggle" as being "not so much between" the Civil Service and the taxpaying industries (masters and men alike) as between "the pair of them" and the banks.

On Monday, February 24, the Court of Appeal (Lord Justice Scrutton, Lord Justice Greer and Lord Justice Slesser) began the hearing of Messrs. Waterlow and Sons' appeal from the judgment of Mr. Justice Wright allowing the Bank of Portugal damages of £569,421 with costs against them in connection with the Marang bank-note swindle. The hearing has continued all the week and is still proceeding at the time of writing. Sir John Simon and Mr. H. Bensley. (The quotations to follow are all taken from issues of *The Times*.) In his opening speech Sir John Simon said that Messrs. Waterlow and Sons presented two main objections; firstly that the damage was the voluntary act of the bank and secondly—an objection that "struck at the root of the enormous sum which at present stood in judgment" against them—

"... that the damage suffered by the bank could not be measured by treating the additional notes which were issued by the bank after the discovery of the frauds as though that additional issue was a loss of the bank to

evaluated at the rate of exchange which had been agreed between the parties."

As a consequence of the frauds the total issue of paper currency in Portugal rose from 1,700 million to 1,800 million escudos or, in sterling equivalent, from £17 million to £18 million.

"The main question in the appeal was whether, when the circumstances in which the Bank of Portugal issued paper money were understood, it was correct to say that the bank had suffered a money loss which was to be ascertained by taking the difference between the sums issued and transforming it into sterling."

In a word, did the bank, by issuing an extra 100 millions of escudo currency, lose £1,000,000? In England, Sir John said, "the holder of a bank note could demand gold in exchange for his notes, but in Portugal, for 40 years, there had been a régime of inconvertibility."

At the second day's hearing Sir John continued (*Times*, February 25)—

"Dealing with the question whether what the bank had done in consequence of the Marang frauds had inflicted any loss on the bank Sir John said that no doubt the inflation inflicted loss on members of the public who held the notes which were already in circulation, because, if the amount of paper in circulation were doubled, the value to the holder of each note would be halved."

This is true only in the case where the doubling of the "paper" (i.e. notes) is accompanied by the doubling of all other forms of money comprised chiefly in bank credit circulating by cheques. We do not know what the proportions are in Portugal, but in Britain the notes in circulation are, say, £400 million while current and other accounts at the banks are, say, £2,000 millions. If the Bank of England were to double its issue of notes to £800 millions there would be a rise in *total* money from £2,400 millions to £2,800 millions, i.e. an expansion of 100 per cent. but of nearer 16 per cent.; and that percentage would measure the fall in the value of the pound—not of the pound note alone but any cheque or other money token of the face value of £1. For inflation to reach 100 per cent. the Big Five banks would have to issue another £2,000 millions of credit on the basis of the extra £400 millions of notes. But this need not happen. While the possession of the extra of currency would entitle the banks to issue extra credit, it would not *compel* them to do so. Banks are not under compulsion to lend at all. (For an elaboration of this truth and its implications readers are referred to our Notes on January 1.) However, this point is merely incidental, for Sir John's above remarks proceeded immediately as follows:

"That, however, did not inflict a loss on the bank of issue. If the reverse happened and a number of the notes in circulation were reduced, could it be said that the bank had gained any advantage? Where the holder of a note could not present it at the issuing bank and demand gold in exchange, the bank did not suffer any loss through an increase in its note circulation. Mr. Justice Wright had misconceived the basis on which the damages in the present case were to be assessed."

"The expansion of currency . . . did not represent any loss of value to the bank in the sense that each note could be taken and changed into sterling by reference to the appropriate rate of exchange. The bank, with the authority of the State, merely increased the sum total of the paper currency of the country."

On what the dimensions of the damages should be Sir John said:

"The bank was, of course, entitled to recover from Messrs. Waterlows the cost of printing new notes, and damages in respect of the waste of the Vasco da Gama notes, but £10,000 would cover these damages."

"Mr. Justice Wright had proceeded on the basis that every time one of the Marang notes was taken by the bank and an equivalent note was given for it over the

counter the bank lost £5. If unissued notes in the coffers of the bank had been burned in a fire the bank could not have recovered £5 for each note which was destroyed.

"It was preposterous to suggest that a bank which issued paper money that they need not redeem in gold lost anything by an increase in the note circulation except the cost of printing and paper."

Moreover, added Sir John, the Government of Portugal had played a part in the matter by authorising the bank to issue the extra notes, and this helped it to meet the situation created by the frauds.

At Wednesday's hearing (*Times*, February 26) Sir John said that—

"the effect of the issue by a bank of an increased number of inconvertible notes was to increase the value of all the real assets of the bank. In the present case everything the value of which was measured in escudos, such as a bar of gold in the bank's vaults, or the bank buildings, would increase."

This is a particular application of the general truth that, given inflation in prices, the nominal value of all real property increases. Coming back to the part played by the Portuguese Government—

"it interested itself closely in the matter from beginning to end. The Government ordered the exchange of notes to cease on December 26. The Bank of Portugal, therefore, acted as agents or partners of the Portuguese Government in issuing notes in exchange for the Marang notes. The Government enlarged the bank's powers to issue notes . . . those powers were given to the bank to compensate them for their loss in connection with the frauds."

"The position of the bank was that the reserve contents of their water-tank had been exhausted in washing away, at the direction of the Government, the Marang notes, but the Government had refilled the tank."

Speaking of the bank's complaint that Messrs. Waterlows delayed giving information about how to identify the fraudulent notes, to which Messrs. Waterlows had replied by pointing out that they had given elaborate information to the representative of the Portuguese Embassy who visited them in London, Sir John said that

"It seemed inconceivable that the Embassy should not communicate that information to the bank, but at the trial the directors of the bank took up the position that they had never been made aware of it because there was a wall between the Government of Portugal and the Bank of Portugal."

The reply for the bank was opened on the following day by Mr. Stuart Bevan, but as his speech on that and the next day was addressed to the question of Messrs. Waterlow and Sons' responsibility for what happened and not to the question of the amount of damages, there are no points of particular interest to report so far.

"IDLE MONEY"

The *Daily Express*, of February 10, says: "A striking illustration of the millions of money at present lying idle in the banks awaiting sound investment was provided by the immediate success of the £12,000,000 India Loan yesterday. Lists closed at 11.15 a.m. on account of over-subscription." This can be re-written thus: "A striking illustration of the power of the bankers to create and issue new credits to approved borrowers was provided by the immediate provision of £12,000,000 for India without drawing upon the money now lying idle in the banks." For all the proof there is the second version is antecedently as credible as the first. And as to the actual truth, does anybody suppose that the ordinary investing public rushed like this to finance a country seething with unrest? On a point of detail, the *Daily Express* omits to mention that applicants for bonds do not have to send more than a fraction of their face value when applying for allotments. We invite the *Daily Express* to inquire where the idle money was which bought £7,000,000,000 of War Loan in 1914-18, and where it is lying now.

Current Political Economy.

In the last two issues of "The Listener" Mr. Herbert Read has reviewed the architectural values of Corbusier with great enthusiasm.

"Perhaps Corbusier is the greatest poet of our time." To realise the visions of the greatest poet of our time ought to be worth much reflection and action by the intelligent critics, of whom Mr. Read is one, of our time. Corbusier wants to plan the city of the future, governmental, mercantile, and domestic, in accordance with the principles of the civilisation of the future. These he takes somewhat for granted, but they are nevertheless there. He realises that the principles of all construction which receives universal acknowledgment are order, harmony, and beauty of straight line. He perceives, in addition, that if we consider the modern town as a unit, not as a mass of country dwellings for isolated families, building must be conditioned by the saving of space in order to give room and light. The implications are that all towns, from New York to Wigan, require to be designed afresh, to be converted into soaring, but widely spaced, monoliths, each housing thousands of persons, with the internal economy of a liner, giving light and room, garden and aeroplane garage, for everybody.

There are several angles from which Corbusier and his advocate may be considered. The communal solution of the servant, creche, food, and other problems, is one to which only Russia has given explicit approval, and to which only admirers of the Russian solution have given explicit approval in other countries, although in several the wealthy have given practical, but unconscious, approval. Corbusier is not the only planner of the future city. German Utopians rest from the contemplation of the present chaos of petrol-choked streets, and country-houses among banks, by designing Utopian cities. In some German cities—Mr. Read mentions Karlsruhe—definite town-planning on futurist lines has already been in hand since the war. But the argument as to whether, individually, we want in England cities designed by a Corbusier or cities and villages designed by English architects, is a question which for the moment has to give precedence to another. Mr. Read ends a panegyric to Corbusier as follows:

"This is not a poet's vision; it is a practical scheme for which Corbusier can give you the working-drawing, and the estimated cost. The cost is an immense economy. Why, then, not begin right now?
L'académisme crie: Non!"

Is it, really, Mr. Read, *l'académisme* which cries *Non!* Is it, really, a generalisation endowed with a personality, an animisation of an abstraction, that prevents London and Manchester, Paris and Rouen, from being re-built to fit future civilisation, instead of being left to mark a mediaeval one in some places, and a termite one gone wrong in others? Let us put a proposition to Mr. Read based on the estimated cost and working drawings which Corbusier can supply. Presumably the cost comes first and the immense economy later. If Mr. Read will get the credit required to meet the cost, we will dispose of the objections of *l'académisme*. Possibly Mr. Read sees quite clearly what we are driving at. Possibly, as he is a B.B.C. lecturer, it is as well that no more should be said about the matter.

More bunk is spoken by art-critics of every kind than by any other class of people, and artists are completely misled by the critics. These critics invariably forget at vital moments the social principles by which the output of art is encouraged, regulated, or suppressed. A few weeks ago Mr. Granville-Barker made a very wise speech at the annual dinner

of the Author's Society. Literary publication, he said, was not only nowadays mass-production; it was also the preparation of the masses for the receipt of the mass-produced product. Weeks before a novel, say, by Mr. Priestley or Mr. Bennett, comes out, the gossip-columns, tittle-tattle columns, news columns, columns of confidential hints as to what is about to happen, put the public into an anticipatory state of mind, into having the money ready on the day of publication so as to be ready to converse up-to-date the day after. The book succeeds whether good or bad. The small book, said Mr. Granville-Barker, the book with years of effort, even research, with original culture in it, is becoming more and more difficult to publish. Get the public into that state of anticipation about anything, it has to be very bad indeed for them not to enjoy it. There is more than one successful illustration of this in the London theatres at the present moment. There have been examples of the other proposition during the last year. When a new building is erected its design is primarily, it is the work of an architect trying to please the body of people who can remunerate him, who can turn on the credit-tap which will cause the design to be realised. Fundamentally, therefore, the new building is what the persons capable of paying for the new building select from the designs available. In short, the artist is just one of a queue of labourers outside the dock-gates, from whom the financial foreman chooses one. A country's architecture is no standard for revealing what a country's architects could do. The persons who cry that cities shall not be intelligently rebuilt are the same as those who say that the country cannot afford to maintain the unemployed. They are the same persons as those who instruct Mr. Snowden to keep up the deflation of everything until civilisation has retired into the egg from which it grew; until naked mankind starves to death on the ruins of the world because the medium of distribution was deflated out of existence. If Mr. Read would serve Corbusier as well as acknowledge him to be, "perhaps, the greatest poet of our time," his way is not to cry "yah!" to *l'académisme*. It is to join in securing an intelligent economic basis for the art, the birth of which that and only that can facilitate.

A writer in "The Listener," Barbara Wootton, says that Mr. J. M. Keynes has

"undoubtedly written the most important book of this generation on the equally important subject of money." So she reviews it in less than a column in that non-committal style which can only be called Garden-Suburb drawing-room.

"We must not blame the directors of the world's banking systems if they had not the advantage of the lights of Mr. Keynes, now revealed for the first time."
"No doubt they (the directors of the world's banking systems) have done their best according to their lights." Mr. Keynes ought to be flattered by the choice of his reviewer for the B.B.C. circulation.

BEN WILSON.

"Let us bear in mind three things. First, everybody to-day can read. Second, practically every adult has a vote. Thirdly, the chief reading of the overwhelming majority of the people is the newspaper. Perhaps a fourth thing that one ought to bear in mind is that the Press is becoming more thoroughly syndicalised every year, so that one may visualise in the not very distant future, perhaps two syndicates controlling the Press of the country, and so bringing up their millions of followers to think certain things and certain things only.—Chapman Cohen, in the *Freethinker*, February 15.

On Preaching Peace.

By F. Le Gros Clark.

Politically one cannot be negative. It is a pity—but it is true. We are political creatures; and therefore every act we perform has some political significance. Usually we cannot afford to note its significance. Occasionally it is well to analyse it with some care—in case we are desiring the good and unwittingly forwarding the ill.

Take, for example, this matter of War. If a War were a lonely phenomenon, dissociated from every other series of economic and political events, we could do nothing else than either approve of it or disapprove of it. But a War is *not* so removed from the sequence of events. It has its train of causes in the economic system under which we live; and this train of causes has about it a certain character of inevitability. Therefore to disapprove of War without at the same time disapproving of a system that inevitably results in wars, is obviously absurd. It cannot, in fact, be done. He who attempts to do it is deceiving himself and is all the time tacitly approving of that which he appears to condemn. He is thus worse than the pure militarist; for he distracts from clear thinking those who might otherwise have been engaged in a serious and fundamental attack on the War problem.

They say that they are beginning—in real earnest—to preach disarmament. Let us give them a few hints. For there is a logical way of doing it—and an illogical way that will only entangle mankind more hopelessly in the sequence of causes.

Of whom, then, should we beware?
(1) Of the man who says it can only be done by international agreement. This reference of every evil to "World causes" is an old trick. It is no excuse either in the economic or in the armament field. There exists no responsible World control; and therefore the people of each distinct nation must urge forward their own reforms to the extreme limit—regardless of delay and hesitation elsewhere. It is better and occasionally safer to be a pioneer. Peace propaganda in each country must apply to that country and to the effective chances of reform in that country.

(2) Of those who appeal vaguely for diminution of armaments without specifying *what* type of weapon shall be curtailed.

It is easy enough to make a display of scrapping a certain kind of battleship, when the Admiralties have already privately decided that they are no longer suitable in modern warfare.

It is easy to scrap cavalry when you have decided to concentrate on tanks. When a Government professes well to scrutinize the list from the viewpoint of the latest theory of warfare. Correspondingly, if public pressure is to be mobilized for disarmament, the precise type of weapon *must* be specified—i.e., not economy in gas and aeroplanes in general, but of gas and certain types of war-plane. Otherwise the Government in question will use the loophole.

(3) Of those who conceal their real intention of effecting nothing, by making Utopian demands and using idealistic phrases. Let us distinguish. The people who do this are usually the very same that do assure us of their reasonableness and moderation. They are always anxious to tell us that education comes first—that when folk have the "peace mind," the rest will follow.

That is nonsense. As Goethe says—"In the beginning was the *Act*." The way to get a change of mind is not to think about it, but to do something. I shall be told that a campaign to scrap all the experimental gas-stations in this country would not stop War. No—but it would go a measurable distance

towards it. Propaganda, on the other hand, takes us no way at all. The test is to observe what really annoys the various Ministries concerned. They do not object to peace propaganda; they like it. What they *would* dislike is to be told that no more submarines or aeroplanes of such and such a type must be built—and that no money will be forthcoming for the purpose.

He, therefore, who takes up propaganda for disarmament, must first be aware that his *fundamental* demand cannot be for anything less than the transformation of the whole economic system that produces wars. This in itself involves an effort of human understanding, although, as readers of *THE NEW AGE* at any rate are aware, the actual factors of provocation are simple enough. They can be compressed into the statement that the fight for export markets is, under the present financial system, a life and death struggle.

But the complicated misdirection of economic forces in such a way as to produce the maximum friction between peoples, is not grasped without considerable knowledge of Finance and Industry. The nature of the essential economic changes must be at least apprehended by the propagandist for disarmament if he is to carry any real weight in his attack upon military war preparations, which are, after all, only the acute form of the war which is always proceeding in the economic sphere.

With knowledge of the economic pressure always in mind, he can then concentrate in his anti-military propaganda, on certain positive demands, the attainment of which would result—if not in sterilising the military arm completely—at least in so checking and obstructing it, that attention to the economic pressure behind would be unavoidable. This would be in the truest sense constructive criticism.

The peace campaign may be international in scope, but must be national in its direction. The demand must be for the abolition of precisely those lethal weapons that are most dear to the heart of the theorists of the moment; and the demand must be an encroaching one, adapted to every change in technique from year to year, so that the Ministries are permanently crippled. The demand must be precise and not capable of more than one interpretation.

I shall be told that the demand would never be attained—that the Government would see to that. I answer that, if this is so, at any rate we should have had a real peace campaign and not a sham one; and that a definite section of the public would have been, meanwhile, enlightened and mobilised, instead of being lulled by the usual talk of "Disarmament Conferences." With a public so mobilised and well led, much might be achieved.

He, who preaches peace in any other way, is guilty of deception. He is playing into the hands of the system. Can anything be done with the League? Possibly it can; but not while the League is used as an excuse for taking no action nationally—and as a camouflage behind which the politicians can still carry on their diplomatic manoeuvrings. As such, the League is not a help, but a danger to the cause of peace. The vague idealistic propaganda will still go on. There are, unfortunately, only too many charming and deluded souls who believe that they are doing some good thereby. But he, who is conscious, can no longer so commit himself. He is forced either to find a way in which true and effective work can be done—or to drop this sort of publicity altogether.

THE "NEW AGE" DINNER.

This has been fixed for Saturday, March 21, at Restaurant Frascati. Tickets, 10s. 6d. Other particulars later.

Drama.

Money! Money!: Royalty.

The English title of Luigi Chiarelli's "Fuochi d'Artificio" is a bad one, since it cannot easily be said. "Have you seen 'Money! Money!'" is an impossible question. A perfect title is never easy to find, but better than the one chosen come easily to mind, "Cash in Hand," "Cash in Bank," "Faith is Credit," and "The Money Makers," being four at random to choose from. The play opens with the return of the Count de Jersey to Rome, from, presumably, New York. With him, or rather in command of him is Scaramanzia, that eternal Italian combination of Punchinello, Harlequin, Don Quixote, and Sancho Panza. They are absolutely penniless, but, as Scaramanzia says, one of them has faith, brains, and opportunism, for which the other's birth, charm, and presence will be sure to make opportunity. They order dinner, cigars, and wine, until the room looks like a banquet-hall in a prohibition-country. Members of the Count's old set call upon them, and behind the Count's back they pump Scaramanzia as to the origin of all this munificence; and they deduce from the nods and sly winks with which Scaramanzia replies that the Count has made a fortune in the city where fortunes are made. By morning all the town is coming to him with its troubles, seeking tips and giving information. The penniless adventurers are invited to dine with bankers and high officials. They know who wants to bring ships and who wants to sell before the buyers know one another. They can depress any shares they dislike by selling, help any they like by buying, all without a gold or currency basis of a single crown. Throughout the Count protests in bewilderment. He understands nothing of what is going on. All he sees is that the people he meets appear irrationally pleased or displeased. But Scaramanzia invariably turns up in time to save the situation, which he does even after the Count has made a scene and denied the possession of a shilling. By bank-closing time they are actually millionaires, whereupon Scaramanzia, like Harlequin and Candida, philosophises a little and goes out into the night. The philosophy is required to persuade the Count's mistress to give him up, so that he may marry the lithping, unthpoiled, daughter of the Prince de Broni, who, at Scaramanzia's suggestion, and in order to win the Count, had pretended to her father that she had been thpoiled.

At the end of the first act I felt that everything had moved except the play. Setting and production had given a kaleidoscopic effect which strongly recalled Mr. Lion's production of "This Way to Paradise"; and I wondered whether Mr. Lion was deliberately trying to create this effect, or whether it was due to the work of Mr. Campbell Dixon in the adaptation of both plays. I was also in a mood of strong protest against the number of Continental plays and stories, Russian, German, French, and Italian, which present the consequences of a false rumour receiving the complete faith of the town. Actually such a rumour does not go far before sceptics demand more substantial evidence than a story. As Scaramanzia, Mr. Leon M. Lion made leonine efforts to make the first act move; but it would not. However, the first act over, the foundations laid and the promises given, the play awoke to life as a dramatic comedy on the elements of faith and credit; and the result that "We are rich because people believed us rich" comes much more convincingly from Chiarelli than it would from Pirandello, as financial demonstration is more convincing than metaphysical.

Not knowing what was to come, I felt at the end of Act I. that Mr. Lion had run about too much;

long before the end it was plain that he had had an object in view. His Scaramanzia, as a whole, is a piece of intelligent theatre creation. It is truly, in a tradition much more real than realism, at least, in the theatre, namely, the harlequinade. The part of the Count de Jersey appeared to cramp Hugh Wakefield's style. He should probably not have shared in the direction of the play, but have concentrated entirely, with directors' assistance, on putting over bewilderment very little helped by the lines. Brember Wills, as the Prince de Broni, and Jeanne de Casalis, as Dessa d'Elsing, the Count's mistress, were both performances reflecting both technique and understanding. Heather Angel's performance as Elena, the Count's future wife, compels the raising of the eternal subject of diction. A lisp on the stage is permissible only for the caricature of types intended to be ridiculed. The reason is, as Wilde, and Shaw in the "Dark Lady of the Sonnets," agreed, that Nature imitates art. When an actress in a part intended for endearment bath lithp and thpeaks Kenthington vaolth it ith taimte to pwaotetht.

The Venetian: Little.

"There is very little fiction," says the programme note, "in the events of this play." This does not mean that Mr. Clifford Bax's "The Venetian" is a realistic re-creation of the Medici period. In realism we do not seem able to go further back in time than 1914-18, and the realistic re-creation of the middle of the sixteenth century is still to be done, probably, if ever, with the help of Mr. Hilderic Cousens. Mr. Clifford Bax views history aesthetically; as a pageant of manners, not as the mangling of souls; and "The Venetian," accordingly, although containing next to no fiction, is just a little of the whipped cream of history. Nevertheless, the play is a thing of beauty, which nearly rises to tragic grandeur. Its seven scenes present Bianca Cappello eloping with a plebeian, whose life is spared in spite of political complications, because Francesco de Medici, the judge, a man weary of life, admires Bianca's life-loving beauty. Although, for gratitude and ambition's sake together, the husband is willing to lend Bianca to Francesco for a time, they hold themselves, in spite of being in love, and in spite of gossip to the contrary, at a chaste distance. When hindrances are removed Bianca becomes Francesco's wife, Grand Duchess of Tuscany. To forestall Cardinal Ferdinando, her husband's boy-child, she prepares poison for the Cardinal, which her husband, as a protest against suspicion, and then she, drink. The play contains beautiful passages, and Mr. Bax does not attempt any archaism of speech in the hope of creating sixteenth-century atmosphere. The idiom is almost that of the present, sometimes too much so, as when Bianca's husband tells her to "come off the high horse." If we are to have it at all, the phrase is "come off it," which, by rejecting, itself, rejects the longer form. But Mr. Bax was right to compose the play in an idiom at present intelligible for the living English theatre. Excellently set by Mr. Peter Bax, and beautifully lighted and produced, the work is one of the signs that the English little theatre is developing, that native material furnished by the Continentals. The producer, Miss Ellen van Volkenburg, has obtained beautiful teamwork acting from a large cast, none of whom is a household word, and with only the diction of one of them can serious complaint be made. Margaret Rawlings, who played Bianca, has a good figure and deportment, a rich voice and a good, though not perfect, diction. Perhaps her apparent self-consciousness means that she is striving all the

time after perfect diction. May she succeed, and may a theatre exist for it. It is already so good as to be pleasurable by contrast with most people's. Wilfrid Walter, as the Grand Duke, also spoke well, but Alastair Sim, as the Cardinal, spoke badly, definitely badly. I have not heard a Cardinal of the sixteenth-century speak either English or Italian. But I did hear O. B. Clarence speak the inquisitor's speech in "Saint Joan," roundly, purely, as a thing to be cherished in the memory. Cardinal Ferdinando de Medici, in this play, twisted and flattened everything he uttered, until it was painful to hear. It is not improbable that the actor did it purposely; it was no more pleasant whether or not.

PAUL BANKS.

The Films.

City of Song: New Gallery.

If greater care had been taken in casting this film—a weak point with English studios—the result might have been a magnificent picture. Carmine Gallone's direction is admirable; nothing better in the way of décor has ever been done in England; the Asfi-Tobis sound recording is perfect; and the photography, by Curt Courant, is superb. Indeed, save for an occasional slight over-insistence on using an out-of-focus camera to obtain softness, Mr. Courant's work is equal to that of his most distinguished Russian confrères. But with all these factors in its favour, "City of Song" is spoilt by the unsuitability for their roles of the two principal players, Jan Kiepura and Betty Stockfield.

Mr. Kiepura has a Continental reputation as an operatic singer, but, as is the case with most operatic singers, acting is not his strong point. His impersonation is unsympathetic, which may have been the intention of the author and the director, and he provides further proof that when a professional singer is cast to play on the screen the same role that he plays in life the result is usually unconvincing. Here make-belief is stronger than truth, as can be seen by a comparison of Greta Garbo in "Romance" with Grace Moore in "Jenny Lind." I am not fitted to assess Mr. Kiepura's musical quality, but I may be permitted to say that I am heartily tired of the theme song, and still more tired of "La Dona e Mobile."

Miss Stockfield is a newcomer to the screen. She has the assets of youth and good looks, and is a competent actress, but lacks the personality necessary for the role, which demands an outstanding personality. Although her selection has made her box-office reputation, it was really unkind to her artistic reputation. In the German version of this film, the part is played by Brigitte Helm, and I find it difficult to understand why she was not also cast for the English presentation. Miss Helm has not much English, but speaks it charmingly, and could, one imagines, have memorised her part easily enough. She, certainly, has the requisite personality.

A charming and natural performance is given by Heather Angel, the most sympathetic of the younger English film actresses. She recalls Janet Gaynor—her pre-talkie days—and I hope we shall see and hear more of her. Miles Malleon, who wrote the dialogue, also contributes a juicy study of a stage doorkeeper.

I have mentioned the décor. In addition to being excellent, this must have cost a good deal of money—I believe that nearly £90,000 was spent on the picture, which is a large amount by English standards. It is a pity that a little more was not spent on the dresses of the small part woman players, who contrive to bring an atmosphere of dowdiness into a smart night club. Film "extras" earn too little, and their job is too precarious, to be able to spend

much money on clothes, and their costume should be the responsibility of their employers. Until that responsibility is shouldered, the majority of British film actresses will continue to be badly dressed, despite Dodo Watts's indignant assertions to the contrary.

"City of Song" is the first picture made by Associated Sound Film Industries. If they will exercise a little more care in casting, they should make excellent films, while the "Asfi" undertaking has already proved that it is to be counted with in British production. As an initial effort, "City of Song," which is good entertainment and worth seeing for its photography alone, is most creditable. I regret that I should have been compelled to call attention to its shortcomings.

Films Worth Seeing.

Three outstanding films, of the most differing nature, are to be seen in London this week. These are "General Line," at the Stratford Palladium, "Min and Bill" at the New Victoria, and "King of Jazz" at Tussaud's. Here is something to suit all tastes. The wise filmgoer, if he has not already seen them, should see all three, even if for no other reason than that the contrast will afford him a remarkable demonstration of the catholic scope and limitless possibilities of the screen.

DAVID OCKHAM.

H. G. Wells.

Mr. Wells's activities, as described in his recent biography,* have been so varied that it will be necessary to neglect the purely literary aspects of his writings, his abstract contributions to biological and historical science, to education, philosophy, and religious mysticism, his three kinema films, and his improvements of indoor and outdoor sports, and to deal only with his function as a "human implement," his attempts to influence the course of events and the conduct of human affairs.

The psycho-analytically inclined will attach importance to his overshadowing by a more energetic elder brother, and to the determination of his mother to get him into "the drapery." At any rate, Wells early showed the rebellion against convention and accepted standards that has marked his whole career. At London University these expressed themselves in a worship of Huxley as a militant agnostic, in an idealistic socialism, in membership of the debating society, and in writings in the college magazine. A breakdown in health, the result of a football accident, led him from teaching to free-lance journalism and thence to authorship.

Even in his early fantastic romances can be traced "a new system of ideas—'thought' and a certain purposeness." These crystallised out as *Anticipations* "designed to undermine and destroy monogamy and respectability—and the British Empire." In this appears the idea, so fantastic then and so obvious to-day, of an "open conspiracy" of public-spirited persons to seize effective government. Meantime his imaginative works passed from scientific fantasy to the staid novel. The best of these, *Tono-Bungay*, is an elaborate analysis, in fiction form, of society and business method.

Anticipations led Mr. Wells, under the influence of the Webbs, to join the Fabian Society. Soon, however, he found himself at loggerheads with the Society. "That was the issue, the 'practical' policy of permeation versus the adventure of open propaganda." He was defeated by the brilliant eloquence of Shaw, and "thenceforward emerged only rarely and with protest from the back seat he

* "H. G. Wells: A Sketch for a Portrait." By Geoffrey West. (Howe, 10s. 6d.)

had voluntarily adopted." However, his "text-book for middle-class propaganda," *New Worlds for Old*, was sponsored by the Society. Then, when at a three-cornered by-election Wells advised Socialists to vote for the Liberal (Winston Churchill, of all people!) instead of for the Social Democrat, who stood no chance, so as to avoid splitting the progressive vote, the difference between the Society and himself became acute. "He conceived the only hope for socialism to lie in a synthesis of the constructive elements of all parties; to identify it with Labour would mean, he held, the death of socialistic legislation for the next thirty years"; and, as Mr. West remarks, "A Labour Government has yet to prove him mistaken." As a result of this controversy, Wells left the Fabians.

Relieved from this organisational entanglement, he was able to concentrate on his writing. Soon from being "the novelist of Life" (for example, *Mr. Polly*) he became "The Novelist of Ideas." *Ann Veronica* and *The New Machiavelli* roused a storm of prejudice, expressing itself in fruitless attempts to boycott his work and in personal attacks on himself which led, as nothing else could have done, to his becoming "the outstanding champion of the younger generation." His novels became studies of problems—the problem of sex and the quest for a purpose—and culminated in a partial return to the scientific romance as the form for constructive idealism, in *The World Set Free*.

Then came the war; and Wells, seeing in Germany the last enemy of the constructive World State (!) and in the conflict against Germany "the war to end war," became intensely patriotic and combative, denouncing pacifism and writing sometimes in a style "worthy of Horatio Bottomley." His growing disillusionment is described in *Mr. Britling Sees It Through*, "as near to greatness in its deep humanity as any book of the period." During the war he became a member of the Civil Air Transport Committee, and later of the Executive and Research Committees of the League of Nations Union, only to resign somewhat dramatically from the latter body.

His work with the Union convinced him that a new body of ideas was necessary for the World State, and he set to work to provide them by writing the *Outline of History* (followed later by the *Science of Life*). He now became first and foremost a propagandist for the "World State gospel," even joining the Labour Party "as alone in politics possessing any creative will"—only to drop it again hastily "when it exhibited its quality in office."

Wells was now returning to his old vision of a "voluntary nobility" as developed in *Democracy Under Revision* and *The Open Conspiracy*—"now no longer the idle dream of a literary man, but . . . tentatively working, and effective despite a reprehensible narrowness, in China, Russia, and Italy." To this period belong *Clissold*, *The King Who Was a King*, and *Blettsworthy*. Best of all, however, is *Mr. Parham*, in which Wells characteristically pokes fun at the absurdities of the self-appointed superman. "The sting is where it should be, in the tale." This latest form, satire, Mr. West regards as Wells' final form; "it precludes Pollys . . . but it is undeniably effective."

It will be noticed that Wells has never attempted to form any organised group to carry out his *Open Conspiracy*. Here he is wise. It is evident that he does not work well with any group. While it has truly been said that "it must be obvious that ten men can pull a cart which could not be moved by one man alone," it is none the less true that "he travels fastest who travels alone." It is a pity that Wells is not more definite on questions of finance; one can only hope that his advocacy of enterprising thought on social matters may indirectly help the purely economic technician.

I. O. EVANS.

Verse.

By Andrew Bonella.

One's first impulse on picking up a new anthology is to discover the compiler's motive. Anthologies and examinations are necessary evils, but neither of them have intrinsic value; they can only be useful as means to an end. The catholicity of such collections as the "Oxford Books" makes them indispensable to many of us, in default of larger libraries than we can afford; and since we have neither means nor inclination to buy the published works of many contemporary poets, we must depend to some extent on anthologies for our choice of the few that are really worth having on our shelves. Again, there are such specialised collections as the late Poet Laureate's "The Spirit of Man," which help us to extend our knowledge in some particular direction. But I can find none of these virtues in Mr. Powley's new collection. (1)

So far as one can gather from the preface his idea was to bring "The Golden Treasury" up to date, and at the same time to strike a blow for correct taste in verse by rigorous exclusion of the typical production of modern "undisciplined mind and lazy application." But the hundred years which the book covers are only represented by just over a hundred poems, so that the reader is very much dependent on Mr. Powley's judgment, which may be fairly represented by the following passage: "Less than three years ago, one of the very greatest figures in our Literature, Thomas Hardy, died; Mr. Kipling, Mr. de la Mare, Mr. Masefield, Sir Henry Newbolt are with us. By them and by younger aspirants Poetry of the right sort has been and is being written." The high road of English Poetry is wide, I know, but is it wide enough for that odd quartette to walk along it arm-in-arm?

Still, the book may be useful to foreigners, or in schools and places where Literature, save the mark, is taught. Mr. Powley's potted biographies will be welcomed by tired teachers; what a pleasant relief from mental effort to be able to dictate to a yawning class such ready-made bits of information as that Hardy is perhaps the greatest of our novelists, that Newbolt's verse is stirring and patriotic, that Browning's optimism is pronounced! Nor would the class protest if we took Mr. Powley's word for it that Rossetti was the founder of Pre-Raphaelitism—what do they care who founded it so long as they can spell the beastly word?

Speaking of anthologies, the otherwise admirable "Oxford Book of English Verse" has one grave defect which might be set right in later editions. "I have often," says the Editor, "Q," "excised weak or superfluous stanzas when sure that excision would improve; and have not hesitated to extract a few stanzas from a long poem when persuaded that they could stand alone as a lyric. The apology for such experiments can only lie in their success: but the risk is one which, in my judgment, the anthologist ought to take." It is a reasonable compromise to print in such a collection a series of stanzas from Omar Khayyam; the book would be complete with none of it but overburdened with the whole. But take the case of Donne's magnificent poem, *The Ecstasy*, which has seventy-six lines in the original: what right had "Q" to print under the same title the first twenty lines only? If the whole was found too long, why not give the lines as from *The Ecstasy*? Or are we to understand that the remaining fifty-six lines are either weak or superfluous? The Oxford Book has deservedly come to be regarded as a standard collection: why should

(1) *A Hundred Years of English Poetry*.
Edward B. Powley. Cambridge. 4s. 6d.

Selected by

one be forced to check every passage back to the original before quoting from it?
I must be excused from reviewing a book (2) which contains this sort of stuff:

There is a club for boys where they
By night can congregate,
Where many are the games they play,
And each one meets his mate.
They are a rather rowdy crew,
Rough diamonds at the best:
But those in charge will trust the few
To influence the rest.

Which reminds one of Dr. Johnson's little rhyme:

I put my hat upon my head
And walked into the Strand.
And there I met another man,
Whose hat was in his hand.

Inflation.

The technical possibility of expanding credit indefinitely is admitted by bankers, whether always explicitly or not. Mr. McKenna has declared that banks create credit by the act of granting loans; and even the late Dr. Walter Leaf agreed that credit was created, though he said that it was the borrower who created it. Both of them confirm the fact that new credit can be brought into existence in any quantity. There is no technical limit. And as for all other banking authorities, they, too, implicitly concede the case when they issue warnings about the dangerous effects of excessive credit-expansion—for why warn people of the consequences of something that cannot happen? It should be unnecessary to set this argument out, seeing that the history of the war period affords examples of unprecedented expansion of credit in every country in the world; but so difficult is it to enlighten the mind of the public on this subject that no kind of evidence, however superfluous it may appear to the student, should be omitted in establishing the proposition that credit is indefinitely expandable.

This done, we can concentrate on the bankers' proposition that credit ought not to be indefinitely expanded. This "ought not" is sustained on two grounds; the one, technical—that the expansion will not produce the results expected by expansionists; the other, moral—that the results expected by the expansionists are undesirable. Viewed in conjunction these two lines of argument will be at once seen to give the bankers' case away. For together they amount to saying that expansion will not produce undesirable results! So the bankers take care not to present them conjointly, but to present the one or the other according to its suitability to the occasion. And to cover their position the more effectively they adopt methods of presentation which insinuate rather than formulate the conclusions which they wish the public to draw.

Especially have they to tread carefully in respect of the moral "ought not"; for the question whether personal affluence supported by dividends is an undesirable alternative to personal penury supported by wages is one on which the opinion of a banker is entitled to no more respect than that of a man on the dole—if so much. And even supposing that the decision were generally agreed to be a matter for some authoritarian body to decide, the majority of people would regard the leaders of religious, ethical, or sociological bodies as having a far better right to make it than the bankers. In our own view the bankers have the least claim of all to pronounce judgment on how people shall live their lives, because, of all sections of the community, they are the most remote from the actualities of communal life, not to mention the fact that numerically they are a negligible fraction of the community.

When we come to the other aspect of the question, namely, the alleged technical snag in expansionism, the bankers' opinions will be allowed more weight by the public. And naturally so, because since they preside over the whole national economy they should be in the best position to know where the snag is and to explain what it is. But the degree of boldness they display in claiming this knowledge is exceeded by the shyness they display in offering the explanation. They could plausibly submit that if they fail to understand it, and we should grant them the point. But it is quite another proposition when they take up the

(2) *Cameos of Boyhood*. By S. E. Cottam, M.A. Arthur H. Stockwell.

attitude—as they do—that there is no intelligence outside their own circle capable of comprehending the explanation. This is so patently absurd that all reasoning men will conclude that their policy of secretiveness arises from their knowledge that directly they're frank they're finished.

Events however are rapidly driving them into a corner; and a symptom of this is to be seen in their increased public volubility during the past year. Their chatter is unintelligible, and is meant to be so, and will continue to be so as long as they contrive to remain immune from cross-examination. Nevertheless, everything they say is being taken down and will be used in evidence against them sooner or later. Our general impression from extensive reading of their utterances suggests that their present policy is to heap all their emphasis on the contention that they are constrained to break their own sound laws of finance by reason of the habits and acts of different classes in the community. "We have a perfect system," runs their suggestion, "but you won't let us work it." This is an adroit move, because, if the public accept the statement, the bankers are spared the necessity of discussing the merits of any alternative system. They can say, for instance, "granting that our system is not perfect, what is the use of trying to substitute a perfect one while human nature is so imperfect?" Or, to be more precise: "How can any system of production and consumption be administered properly when everybody is trying to get more than his share?"

This line of reasoning underlies the bankers' unceasing insistence on identifying expansionism with inflationism. The rising of price-levels is not an automatic consequence of the expansion of credit. For instance, a penny-in-the-slot machine will deliver the same sized slab of chocolate irrespective of how many pennies are in circulation. It needs a human being to adjust prices up to "what the goods will fetch." So the reason why inflation follows expansion is because the expansion provides sellers with the opportunity to collect more money from the public. And the reason why they invariably make the most of the opportunity is that they want to get the highest possible return for the least possible effort. Let us grant that this is an imperfection; yet it is one equally shared by the rest of the community, whether considered as workers trying to get the highest wages for the shortest hours, or as shoppers trying to get the most goods for the least money. Now, it is clear that if all these various impulses to get the most for the least were blind impulses, no peaceful system of rationing the distribution of supplies could work smoothly, and would probably not work at all. But these impulses are not blind; and because they are not blind they are not ungovernable. For example, sellers of goods, even if they were combined in a single monopoly, would not refuse to sell these goods for the most money that was available in the market simply because of their impulse to get more. If the sum of money available were sufficient to enable them to carry on they would not shut up shop just because it was not more. They would not demand impossibilities—they would not say: "The price of our goods is more than they will fetch"—they would bow to circumstances.

Now, the bankers' declaration that expansion and inflation are one and the same thing stands or falls on the question whether it is possible to modify the conditions under which sellers at present fix their prices. If it is impossible, then we must accept the conclusion that the more money there is about, the more prices will rise—for that is what has always happened under the existing conditions.

But the onus of proof is on the bankers. To establish their case they must show that when credit is expanded by their case they must show that when credit is expanded by any given sum the whole of that extra sum must inevitably be sponged up by sellers in the form of expanded prices. We have shown that there is no difficulty in getting sellers to accept lower prices than they would like, when such lower prices are the highest that they find they can get—provided there is sufficient profit to keep them in business. They are doing that every day, and have always done it. They are open for any deal that yields them a profit; and what is more, they are open to consider any new kind of deal that will do so. So, in the case where extra credit is put into circulation, they are ready to consider the terms under which they can get hold of it, even if those terms require them to reduce prices. Even under the present system they are accustomed to forgo part of their hoped-for profit when this will secure business which they otherwise would not get. The more one analyses the psychology of sellers the more plain it becomes that the bankers' insinuations against them have no substance—that far from being an emotional, intractable set of people who are congenitally incapable of co-operating in a sound economic system, they possess and exhibit all the qualities necessary for experimental enterprise and co-operation. The reason why the

system has broken down is because *sellers are not guaranteed a market.*

Take an illustration. A business man is making 100 articles a day and selling them for £100. He could make an extra hundred a day under the same fixed charges, and could afford to sell these for £25. Assume his profit to be 10 per cent. of price. If he were to make and sell the 200 articles he would get £125 and make £12 10s. At present he gets £100 and makes £10. But it is no use proposing to him that he shall make 200 articles and offer them at 12s. 6d. each unless you can guarantee him that extra £25. If you cannot do so you are asking him to stake an extra £22 10s. costs on the chance of winning an extra £2 10s. Of course he won't do it. He will reflect that he is already running sufficient risk in making the 100 articles, since he cannot rely on even collecting £100 for them—for markets have a knack rather of contracting than expanding.

But guarantee him his £125 of revenue and he will look at the proposition in an entirely new way. In the first place his profit will go up from £10 to £12 10s., and in the second the unit purchasing-power of his expanded profit will go up as well. Instead of getting £10—worth 10 of his articles, he will get £12 10s.—worth 20 of his articles. His financial income will go up 25 per cent., and his real income 100 per cent. Is any banker going to have the insolence to maintain openly that business men are incapable of appreciating an offer of this nature? Because that is what is being implied in every authoritative warning against "inflation." No; the inevitability of inflation accompanying expansion, is solely due to the fact that the bankers are using their control of publicity-channels to prevent the business man from knowing of the possibility of this alternative offer; and on the contrary, are wantonly encouraging him to exploit the expansion by raising his prices as he has always done in the past—robbing himself as well as his customers. As for his customers, there is no need to enquire whether their psychology is resistant to a deal which would raise their consumption from 90 articles to 180.

Our readers are as well able as we are to develop and elaborate this exposure; and we should say that their time would be well spent in doing so at the present juncture.

Leisure Without Fears.

By Mary Culpin.

II.

My dictionary gives "not occupied with business" as one of its definitions for "leisure." And Social Creditors, in that they wish to give to each individual an individual income, are thereby preparing for a time when we shall all of us have many hours which are "not occupied with business."

Now, certain sections of society in the world of to-day, do have this leisure; but it is a leisure tinged with misgivings; and therefore it does not yield up its full enjoyment to those in the position to command it. Wherefore, although, as I mentioned in another article, teachers of movement, music, decorative arts and so on, suggest to us at the present day how to spend our hours of recreation in a way which is "sinnvoll," it is rather to the post social-credit period, when we shall all enjoy free time without the uncomfortable feeling that we are exploiting a fellow being—it is towards this period that music, dance, dramatic enthusiasts are moving.

Musicians, for instance, are paying far more attention to what one might refer to as the consumer side of their Art. Systems are being gradually worked out, and correlated, to develop in the listener an amount of musicality which would make quite an appreciable contribution towards the equipment, say, of an efficient conductor.

Teachers are being turned out by schools and colleges eager to engage on this type of work; the fostering of appreciation in the listener. It is uphill work, yet Aural training is steadily gaining a place on school time-tables and teachers of other subjects "like" to take over a class for the period succeeding an "ear-training" lesson. For "listening," "imitating," "improvising" induces in the pupils a pleasantly balanced condition of concentration and relaxation. And with this growing recognition of the value of Aural Culture music lovers are pleased.

But what about the non-music lovers? The people who remain unmoved as to the development or non-development of music around them? The people who rather parade statements such as "I have no ear"; "all tunes sound alike to me"! It is to these very people that progressive music teachers throw a challenge. They declare that the condition of non-musicality is one which need no longer be accepted with resignation. Lack of musical enjoyment may be an indication of smothered musical

interests, or it may betoken that one's contacts with the production side of music have been unlucky. And indeed in a country which relegates so much of its emotionally sound-making desires to choir boys this may well be the case. Also, one must recognise that just as our present-day environment produces an unsatisfactory type of survivor, so also the present-day commercialised concert conditions frequently produce an unsatisfactory type of artist. Therefore to say that one does not like concerts is not in any way a declaration of musical inadequacy.

Nevertheless, one objection to the encouragement of music might be summed up in the feeling that present-day life is noisy enough; is it wise to help towards the production of further performers? To which question an adaptation of a statement from "Economic Democracy" may be used as answer: "The necessities of life . . . are quite approximately constant in quantity per head of the population."

It is probable that the number of performers would remain approximately constant. Your good violinist, singer, etc., is generally born so. That is to say, they are born with aptitude which has to be nurtured with perseverance, and no perceptibly greater number of performers will undertake the task of preparing to face the more exacting demands of an intelligently critical audience.

And so I suggest that the man who does not like music in any form is disheartened. I would say to such a one: Begin to direct your attention towards sounds, for through interest liking is born.

Do you enjoy such varied sounds as "the swish of grass being cut at haymaking time," "the crackle of dry snow underfoot," "flames licking at firewood"? If so, you are appreciating sounds of different quality, and part of the desire of a symphony writer is to produce sounds of different quality.

Put at its simplest, your composer takes a sound (or a clump of sounds) and associates it with another sound, which again moves on towards association with another sound, the whole procedure being made capable of production by voice or instrument. And your listener begins by learning to place one sound in relationship to another (tonality), or, with the help of a tuning fork, one sound of a definite pitch in relationship to another sound of definite pitch (key).

At first sight, to discover that the tunes of "Oh, no, John," "The Red Flag," "The Vicar of Bray" all begin with the same interval seems to be information of inconspicuously little value: yet, out of such slight discoveries grows a recognition of the make-up of tunes and chords. As Thomas Mace said in 1676: "But thus much I do affirm, and shall be ready to prove, by Demonstration (to any Person Intelligible) that Musick is as a Language and has Its significations, as words have (if not more strongly) only. The position of one note to another note, in a scale or mode, is the alphabet of this language; and with a tuning-fork (New Phil. 522) in one's pocket, one may not have the baton of a Furtwangler, but one has the key to the twelve-tone system of sounds on which European music is founded.

Part of the dynamic of Social Credit comes from its objection to WASTE. How much music is wasted, because we have neither performers capable of performing it, nor audiences capable of appreciating it? For a performer's education stops too often at the minimum stage of commercial return, and audiences have not yet found their waste.

Let us encourage ourselves to become aware of this waste. We are to have more time released to us by machines, and by the doing away with of superfluous keeping of books and checking of accounts. Why not get busy with music, and make "real" some of its potential wealth?

"The newspaper policy of telling its readers what it must believe in short paragraphs and staring headlines, and suppressing all that would enable its readers to have a really informed opinion on any subject—except, say, sport or murder trials—will secure their being ready dupes to the policy of the largest circulation and the taste for serious reading, or the capacity for digesting it."—Chapman Cohen, in the *Freethinker*, February 15.

"The stunt Press caters for a doped public. That it forces writers who do not believe in what they write to turn out so much 'tosh' is only a further example of the thoroughness of its rôle. It is true that we cannot do without the Press, but it is an important sociological problem as to what we are going to do with it."—Chapman Cohen, in the *Freethinker*, February 15.

LETTERS TO THE EDITOR.

MAJOR DOUGLAS AND THE "SUNDAY EXPRESS."

Sir,—I enclose herewith a copy of a letter which I have addressed to the Editor of the "Sunday Express," which may possibly be of interest to your readers.

C. H. DOUGLAS.

8, Fig Tree-court, Temple, E.C.4.
24th February, 1931.

Editor, "Sunday Express," 6, Shoe-lane, E.C.4.
Dear Sir,—In an interview with Mr. Charles Chaplin by Mr. Hannen Swaffer in your issue of February 22, certain statements are made in regard to my own activities which are not correct, and which might be open to misconception.

I do not know Mr. Chaplin, except in the sense in which we all know and admire him. Neither Mr. Chaplin nor anyone else has at any time, even to the smallest extent, financed these activities.

While I cannot claim that they have received the approval of bankers, as stated, it is also not quite true to state that they have been ignored, except by the London Press.

I feel sure that you will give this letter the publicity accorded to the article in question.

Yours faithfully,

C. H. DOUGLAS.

LORD TAVISTOCK AND THE "NEWS-CHRONICLE."

Sir,—I may be naïve, but I should like to assure "Ken" that my naïveté does not extend so far that I suppose the suppression and curtailment of vital information is not a normal feature in the policy of the majority of daily papers. The trouble is that there are so many people so much more naïve, even than I, that they believe most of what those journals desire them to believe!

TAVISTOCK.

COOKING HISTORY.

Sir,—Your correspondent B. in THE NEW AGE for February 26 raises the question of the alleged exhuming of the bodies of the American war dead for return and reburial in America. The only reference to this affair I have seen in print is the description given by Stephen Graham in his "Challenge of the Dead" (pages 114-116 of Benn's 3s. 6d. "Essex Library" edition). He discusses it as an accomplished fact, that gives "the impression of a slur on the honour of lying in France," and suggests that it is really "an aspect of the Treaty of Versailles." "Had Wilson carried his great programme there had been no estrangement, no exhuming of the American dead. America would have gloried in her European shrines." The decision to remove these cadavers "is said to be due in part to the commercial enterprise of American undertakers; but it is more due to the sentiment of mothers and wives and provincial pastors in America." Graham is noted as a sincere and well-informed writer and a penetrative thinker (his readers will remember how he was attacked in Parliament, long ere Remarque put pen to paper, for his fearless exposure of army brutality), and his "Challenge of the Dead" first appeared as early as 1921. The evidence, then, for the disinterment and reburial of the American dead appears to be sufficient.

I. O. EVANS.

Sir,—One summer's evening away back in 1921, I was out for a tramp with a friend in the neighbourhood of Blundellsands, about six miles north of Liverpool. After wandering about the sand hills we suddenly came across what looked to be an old disused fort or redoubt, probably belonging at one time to the Mersey defences. Army huts now occupied the lonely site, and it was evident that the situation had been of some use during the late war. Soldiers were on guard, and notices were stuck up to the effect that trespassers were forbidden to approach.

Being of a curious disposition, we proceeded to "nose about" and eventually had a chat with the soldiers. My friend, like myself, was an ex-Serviceman, so we had something in common to keep the conversation going. We were informed that the huts were now used as a temporary mortuary for the bodies of U.S. soldiers, awaiting shipment home. No expense was spared with the coffins, so we were told. We were informed that the bodies were brought from France and that certain steamers going to the U.S. took them away each week. We were very interested and pondered long over what we had heard. Memories of the many pals we had left behind us in France came to our minds. We thought how fitting it was that they should lie in the land where they had fought and fallen. To our simple soldier minds, there was something ghoulish in this digging up of the bodies of warriors and transporting them

all those miles across the Atlantic. We knew that many strange things happen in the U.S., but we stood aghast at the exploitation of the dead and the making of capital out of their poor bones. How different it all was with our own boys!

"But little he'll reck, if they let him sleep on

In the grave where a Briton has laid him."

"TOMMY ATKINS."

THIRD PARTY INSURANCE.

Sir,—May I assure C. E. H. that I would not like any of the things he supposes, though I would point out that I am now lumped in, by the law, with the incompetent and/or indigent, and my insurance premiums are likely to go up in consequence.

I do not think C. E. H. has quite understood my point; may I restate it? I object to being compelled by law to contribute to private and uncontrolled funds. However, I am so compelled, and therefore I ask that those funds shall be under public supervision, and that no part of them shall be used for the profit or for swelling the reserve funds of privately-owned concerns.

ARTHUR WELFORD.

LEISURE WITHOUT FEARS.

Sir,—Mr. Symons is mistaken. I have no objection whatever to the Art of Movement, provided always that its practice is shared with the charwoman (who, as he says, needs it most), and that it is not put forward as a substitute for the constructive work which will be required for years ahead, a share in which will be refused only by parasites upon the community.

To say that I "wish to set everybody to work in the Leisure state" is a perversion of my words.

From Mr. Symons's own writings I have learnt to believe that free, spontaneous, creative art will arise in the Leisure state, which will bear as little resemblance to "set" work as the spontaneous, untrammelled movements of perfect health and freedom will bear to the carefully-cultivated posturings of the schools, or the glow of health to the painted cheek.

To return to the charwoman. If Mr. Symons really believes that scrubbing boards, moving heavy furniture, cleaning doorsteps in an east wind, or bending over a steaming wash-tub is work which is "actually good," and that the heaviness and premature decay which accompany it are not attributable to bad economic conditions but to the "selfishness" of the charwoman whose inartistic posture offends his eyes, we must leave him to think so. It is a comforting doctrine for the thoroughly comfortable, but for Mr. Symons's sake we will hope that his words have not been noted by the Citoyenne Defarge of the next revolution.

L. C. SMITH.

POINTS FROM CORRESPONDENCE.

I hope the bulk of your subscribers are not Civil Servants. Recent savage cuts in our bonuses have been so crippling that a friend who shared this paper with me says he must cut away everything but necessities. I can't blame him, but I'm going to carry on by myself and lend him the copies. It would be intolerable that the enemy should be able by the same stroke to drive us to the destitution level and to damage the only journal that ever says a good word for us.

W. J. C.

SWAFFER AND CHAPLIN.

" . . . he sat down quietly, and immediately talked about Arthur Kitson. What was he like. Did I know him?"

"I knew that Arthur Kitson, the economist, had written *Unemployment—Its Cause and Remedy*."

"Yes, I have read it," he said. "I would like to meet him. Do you know Douglas?"

"No. He did not mean my colleague, James."

"He writes on credits," he added, in case I did not know.

"Then I remembered how, when he was returning from a visit to H. G. Wells, at Dunmow, ten years ago, Charlie met in the train Reg. Pearson, who told him all about Douglas, how he lived in the Temple, working on a scheme for rearranging the credit system of the world, how he argued that using credits instead of money would re-establish trade and re-establish employment."

"I remembered, too, how Chaplin had actually helped to finance the scheme, but that, although it had been approved by bankers, both here and in America, it had been ignored."

[Hannen Swaffer on Charlie Chaplin, *Sunday Express*, February 22.]

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