

THE NEW AGE

INCORPORATING "CREDIT POWER."

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CONTENTS.

	PAGE		PAGE
NOTES OF THE WEEK	241	THE FILMS. By David Ockham	248
Australian politics—parallel between New South Wales in Australia and France in Europe. Major Douglas's scheme for Scotland published in the <i>Glasgow Evening Times</i> .		<i>Hell Divers</i> .	
CURRENT SOCIOLOGY. By Paul Banks	245	THEATRE NOTES. By John Shand	248
Socialist and other recent publications on economics.		Discomforts in Theatres.	
PASTICHE	245	VERSE. By Andrew Bonella	249
An Open Letter to the Employed.		<i>Poets In Brief</i> (Tennyson, Beddoes). Anthologies by F. L. Lucas. <i>I've Quite Forgotten Lucy</i> .	
A MISS IS AS BAD AS A MILE. II. By John Hargrave	247	MUSIC. By Kaikhosru Sorabji	250
<i>The Work, Wealth, and Happiness of Mankind</i> . (H. G. Wells.)		Rachmaninoff. Florence Easton.	
		REVIEWS	250
		<i>International Balance of Trade</i> . (Perry.) <i>The Gold Standard</i> . (Waller.)	
		CORRESPONDENCE	251
		A. Cunliffe, W. Allen Young, A. W. Coleman, T. H. Story, I. O. Evans.	

NOTES OF THE WEEK.

The diagram in the Social-Credit pamphlet, *The Key To World Politics*, might easily be used as a diagram of Australian politics. The Commonwealth Bank corresponds to the "Bank of Europe," whose inauguration we visualised, and which has now appeared under the name of the Bank For International Settlements. The State Premiers' Conference corresponds to the League of Nations Council. Broadly speaking, so does the Federal Cabinet—the Federal Parliament corresponding to the League of Nations Assembly. But narrowly speaking there is this distinction, that members of the Federal Cabinet and Parliament are elected representatives of the Australian people, whereas there is no voting in Europe for members of the League, who are nominated by interests unknown for reasons unavowed. There is no essential difference, as our readers are aware, having regard to the ease with which the mass of the electorate can be stampeded into giving any mandate which financial interests agree to ask for. A stampeded electorate is a disfranchised electorate; and one may truthfully say of the present Federal Government—as of our own National Government—that it is a nominated, not an elected, body. Students of real politics will agree that, supposing the peoples of Europe had voted for members of the League—or supposing they are ever allowed to vote on the matter—the complexion and policy of that body would have been, and would be, no different from what it is.

However, the State Premiers' Conference, though its members are representatives of the people, is not itself a constitutionally accredited body. It is an improvised body, and it meets, or does not meet, according to whether the bankers have a job for it. We can conjoin with it the Loan Council—a similar body, with the same lack of democratic credentials and the same autocratic functions. It can be viewed as corresponding to the Finance Committee of the League of Nations. The two bodies represent respectively the political and financial wings of the Private Financial Autocracy which effectively rules

Australia behind the veil of the Federal Government's nominal rulership. Hereinafter let us refer to it as "The Directorate."

Now, the Directorate rules the States of Australia severally as well as comprehensively. Mr. Lang recently referred to the new policy of State Cabinets of calling newspaper magnates into conference. He pointed out, at a large demonstration of his supporters, that there was not one newspaper which the banks could not shut up if they disapproved its policy. He drew the moral that his supporters should cease to buy such newspapers, for so long as they continued to patronise them they were helping to frustrate their own political plans. No doubt, up to a certain point, and in normal circumstances, a popular boycott of these newspapers could embarrass them; but Mr. Lang seems to have overlooked the fact that the same power which can stop a newspaper can save a newspaper. It is simply a matter of the gravity, from the bankers' point of view, of the issues involved. If any fundamental power or privilege of banking is seriously threatened, there is an illimitable amount of credit ready to be mobilised in every important capital in the world and flung in to support the banks' Australian agents. Seeing that the banks are already nursing practically the whole of the world's mercantile marine, the addition of a tiny little suckling like a group of Australian newspapers would not trouble them. The Old Sow of Finance has a tit for every tout.

These specific affiliations of the Directorate inside the States individually enable it to control the Commonwealth Government with the least appearance of constitutional impropriety. Its plans are assisted by the fact that the political complexion of State Parliaments is not necessarily the same as that of the Federal Parliament at any given time. Up to the last election Labour was in power at Canberra, but not in all the States. So the Directorate was able to exploit political antipathies both ways. That part of Scullin's policy it objected to it could get non-Labour States to agitate against. That part it approved it could get Labour States to agitate for.

It could feed or starve in addition any spontaneous agitations that sprung up according to how its book was made. If Scullin had adopted the Lang policy and had looked like pressing it through, it would have promoted agitations for secession in non-Labour States, and pushed them to the point of recruiting and equipping State armies if necessary. As things were, its actual policy was tentative. The danger coming from Lang, and being resisted by Scullin, the Directorate encouraged the policy of State-partition rather than State secession. (It is called dismemberment in Europe.)

We spoke last week of the banker as the super-militarist, and therefore the first who should come under the Disarmament axe. Australia at the present time presents a vivid object lesson. The Directorate has procured, on the one hand, the apparently spontaneous formation of a sort of "Niemeyer Nazi" Force in New South Wales whose leader, Colonel Campbell, seems to stand in something of the same relation to Mr. Lang as does Hitler to Hindenburg in Germany, namely that of encircling Lang's political policy with a ring of potential physical coercion. Hitler's dark talk on one occasion about "heads rolling in the sand" can be related with "bodies tossing in the sea"—the latter reference being to the rumour which Mr. Willis cabled to Sydney last week that an attempt would be made to throw Mr. Lang off the Sydney Bridge when he attended the opening ceremony. On the other hand the Directorate is inspiring the formation of a Commonwealth "Peace Guard" whose function is to meet what is called the "Communist menace." The significant feature about this is that whereas the Guards will be enrolled in each State for the service of that State, they will not be subject to the civil law of the State. This means that they will be under orders from Canberra, ostensibly issued by the Federal Government, but actually by the Directorate. The situation will best be realised by supposing that the Bank for International Settlements got the League of Nations to procure the enrolment of, let us call them, Geneva Guards, by each of the national Governments in Europe, and proposed to use them for its own ends inside any country it wanted while holding them immune from the law of that country. In view of the alignment of European politics regarding Reparations and debts at present, such a proposal for Europe would be regarded by France as being aimed at her, notwithstanding its formally impartial general application. By similar reasoning Mr. Lang's Government are entitled to regard themselves as the special object of this Peace-Guardianship. As we write, the news comes to hand (*Times*, March 19) that the ceremony of opening the Sydney bridge was marred by the act of a Captain de Groot who, when Mr. Lang was about to cut the ribbon stretched across the road, galloped up and severed it with his sword, declaring the bridge open himself. We see that he was arrested; but hope he will be discharged without a stain on his insanity and given a couple of guineas out of the Poor Box to consult an alienist. It will be seen that the "plot" against Mr. Lang which Mr. Willis said he had reason to consider sufficiently credible to justify his cablegram, was not so incredible as the London Press contrived to suggest in their reports. De Groot is a prominent member of the "New Guard" (as the Niemeyer Nazis are called) and although the Directorate cannot be conceived as being such fools as to have connived at his act or as now to condone it, nevertheless the responsibility for it lies with the Directorate. In law every citizen is held responsible for the "reasonable consequences" of his acts, and the same principle applies to bodies acting in the public interest. The sudden menacing edict published at Perth when the unemployed there began to go in for

drilling shows that the authorities are suspicious of the element of implicit incitement residing in military forms and exercises. So, when the Directorate recruits its Guards it must be presumed to foresee the possibility of outrages of this kind, a possibility which in this case amounts to probability, for the recruitment has been almost explicitly carried out directly to undermine the authority, and obliquely to impeach the integrity, of Mr. Lang and his Government.

The story that this policy of insinuating the twin systems of State and Federal martial law into the system of Australian civil law has been adopted to forestall Communist violence is probably less than half the truth. And insofar as there is a Communist menace as such—i.e., as distinct from Mr. Lang's attitude towards the financial policy of the banks, which has little or nothing to do with Communism—it is the creation of the Directorate, for, by their imposition of the Niemeyer economies on the country which have plunged the workers into intolerable conditions of living, and by their thinly veiled flaunting of force before the eyes of the victims, the Directorate have contrived to manufacture the very evidence on which Communist agitators rely to establish the credibility of the Marxian analysis. "Capitalism's strategy," they have always taught the workers, "is to procure disorder by economic repression, and then to put down the disorder by military force." So far as we have seen Labour generally has not shown clear signs of realising that this "strategy of capitalism" is a de-privatization of the master strategy of the banks. A true modification of the Communists' teaching would be like this: "The strategy of the bankers is to render the survival of any private capitalist enterprise dependent on its success in exploiting the workers; thus 'capitalism' becomes the moral scapegoat when the inevitably resultant order necessitates military intervention." The distinction between Capital as a principal and Capital as an agent is the most important thing to be established, because until that is done both Capital and Labour will continue to be done. The more intensely the workers come to hate the capitalist, the more they will be content merely to see him despoiled without a thought about what becomes of the spoils. It is to the bankers' interest to see such hatred fomented, and insofar as the Communist agitator along traditional lines he is an agent of attributing. Again, the capitalists are deceived into the disaffection of their enterprises to the most contempt of the workers, and naturally even the leaders of them tend to lose their tempers and to welcome some outbreak which lets a lesson. But and order in to "teach the fellows a lesson" every time the banks intervene to teach Labour a lesson Capitalism has to foot the bill for the peace. Their invariable strategy, after a breach of the peace is to embody the lesson of the conflict in some new legislation, or some change in administrative practice, which disguises what is a stage in the disarmament of both employer and employee, the reversion of the armaments going to themselves. Thus, for instance, the man who gets his head broken in the course of violently resisting a wage-cut is subsequently placated by seeing, for example, a cut made in dividends, or perhaps some measure of Government control applied to the industry: "Trust us," say the bankers, "and they speak the truth, pocket what you give up, and that thus the initiative which resides in spending power is withdrawn from individuals and confiscated. Their power to govern 'Capitalist' Governments is due to their success hitherto in this direction; and it may

be added that the reason why this power, and its extent, has not been suspected is because its monetary equivalent is not recorded in their published accounts. Every repayment of a loan to a bank destroys a deposit, as Mr. McKenna has frequently pointed out. What he has not pointed out is that when banks call in loans they receive and destroy a greater or less amount of spare spending power—that is, money which has been accounted into the cost of articles not yet completed for sale—money which should have remained out in the hands of the public in order to complete the sale, or, if not, should be refunded to the public as and when the completed goods are offered for sale. It is this money which the worker thinks the Capitalist is hiding. One cannot blame him, because his wage cuts obviously accrue to the immediate advantage of his employer; but he must, together with his employer, be made to see that the proceeds of the cuts eventually pass across the bankers' counters and constitute to a large extent a consumers' subsidy to the secret reserves of the banking system. Thus there is a system of concealed voluntary default continuously operated by the bankers; and this is the root cause of the public involuntary defaults which Governments frequently have to acknowledge.

The bankers are able to bring back into existence this money which they have put out of existence, and are willing to do so provided it reappears as a new loan, and provided of course that they approve the object of the loan. They realise that, since they use no method of distinguishing what proportion of the enormous inflow of repaid loans ought to be cancelled and what proportion not, but cancel them all indiscriminately, there is bound to be an occasional necessity for putting back a little of the stolen property. They thus proceed on the principle of trial and error, relying on the community to show them when the cumulative effect of the error—the creeping error, as the engineer would say—is such as to threaten economic and social stability. Then they reverse the ramp; for on a general collapse of capitalism under their financial arrangements there would be an immediate attempt to reconstruct it under other financial arrangements. The last remaining confidence in the banking system depends for its precarious life on the ability of the bankers to exhibit some sort of picture of prosperity enjoyed by some people somewhere in the world; and their failure to do that will mean their abdication. But before they relent they insist on making certain that the money they restore to circulation is actually necessary to prevent such a breakdown. In the case of Government deficits, they will only nurse them on being satisfied that the Government has screwed the taxpayers down to the bottom halfpenny.

This brings us to Mr. Lang's default of last year. His attainment to power in New South Wales on a decidedly strong anti-bank programme seems to have influenced the bankers to act with more circumspection in their dealings with him than they would have normally. It will be remembered that when Mr. Lang announced that he did not propose to pay the interest on New South Wales loans due in London, he was secretly approached by Sir Robert Gibson as representing the Commonwealth Bank, who offered to lend him the money to pay with. Here was an occasion on which the banking interests were willing to put up money without insisting on Mr. Lang's previously skinning taxpayers to the bone. They would have preferred for irrefutable evidences to have appeared that Mr. Lang had applied the trial-and-error method of collecting money to the point where it was a manifest impossibility to raise more without precipitating internal disruption. Instead of that Mr. Lang had apparently made up

his own mind as to his fixed policy, and not only declined to impose more immediate taxation than he thought fit, but also declined Sir Robert Gibson's proffered loan, presumably on the ground that by doing so he would, in form, have committed New South Wales taxpayers to the payment of the extra taxation later on—a commitment to which he could be held much more strictly inasmuch as the loan would appear to be derived from Australian investors. From all accounts the loan was intended to be secretly made; and the reason was probably that since Mr. Lang had already been describing his intention to suspend the payment abroad as based on policy, as distinct from being forced on him by necessity, the publication of the fact of the loan being granted him would have set people saying to themselves that, "after all this talk about the banks' slender resources, you see they can fork out the money all right when a strong Premier stands up to them." However, as is now a matter of history, Mr. Lang publicly disclosed the fact of the offer and his refusal of it.

Up to so recently as February 3, when Mr. Lang addressed the demonstration already referred to, he has persistently held to his decision, justifying it in these words (*The Labour Daily*, Sydney, February 4) or variants of them:—

"The Labour Party bases its case for the suspension of overseas interest primarily upon the humanitarian ground that nothing justifies a Government in taking the food of the children to pay the moneylenders' charges."

The rhetorical character of this passage is explained by the fact that an election was proceeding at the time. Incidentally Mr. Lang, alluding to the "main points of criticism" against his Government, cited as the first in order: "That we should not have said we would not pay—we should have said we could not pay." Quite so; Germany has recently said she cannot pay; and the declaration has been received with sympathetic murmurs throughout the English Press. It will be realised upon reflection that the "I won't" constitutes a challenge to the fundamental doctrine of the bankers that credit policy shall be immune from political interference.

It will be remembered that the Commonwealth Government paid the debt in London over Mr. Lang's head. This was of course done on the instructions of the Directorate, who have now instructed the Commonwealth Government to issue a writ against New South Wales to recover the sum of £243,118. Readers will recall that not long after the money was paid in London the British counterpart of the Directorate, who run the Treasury, authorised a suspension of payments due from the Commonwealth Government in respect of an Australian war-loan. From first to last the ramp was simply this: (a) Mr. Montagu Norman created a credit, issued it to pay British holders of N.S.W. Bonds (mostly banks and insurance companies) and debited his Australian partner, Sir Robert Gibson. Then (b) Norman credited Gibson, or authorised Gibson to debit him, with the same sum (with a lot more added). In effect the Bank of England and the Big Five between them created credits as bankers and paid them to themselves as bondholders—an operation which cost them nothing nor gained them anything. They might just as well have done nothing about it at all—and probably they didn't. The consequence in Australia of this concession was to put the Directorate in the position to remit taxation by equivalent sums, or to collect that much less than it would otherwise have done. As we pointed out at the time, in theory this constitutes a relief to the Australian taxpayers for which Mr. Lang may be held to have been the cause, and, for political purposes he would be entitled to claim that his default had temporarily saved

New South Wales taxpayers £243,118 and in addition Australian Commonwealth taxpayers £3,200,000—the amount of the British Government's two-year suspension-concession. If we were Mr. Lang we would counterclaim on the writ for New South Wales's share of the latter sum. The British concession was announced in the House by Mr. J. H. Thomas on April 15 last and discussed in THE NEW AGE of April 23. All the "Notes" in that issue were on Australia, and refer among other matters to the private distribution of firearms, and to the Federal Attorney-General's expressed doubts whether the Army would obey the Scullin Government's orders if they declared a national emergency. The Commonwealth Government, he said, could not make the Army obey "illegal orders"—a statement which means that they could not command obedience of any orders which the Directorate objected to. A Government not in supreme command of national credit is not in supreme command of its fighting forces. Its status is one of conditional sovereignty.

Reverting to our parallel between the politico-military encirclement of France in Europe and that of New South Wales in the Commonwealth, M. Coty, whose articles in *Figaro* we mentioned last week, remarked in one of them that one or two countries which were in diplomatic alliance against France had fewer natural affinities with each other than each had separately with France. He pointed this out in support of his thesis that some interest above them was influencing their policy in the pursuance of an objective not in their consciousness, and one which, if known to them would be seen to be irrelevant, if not injurious to their individual national well-beings. This can be said with even more justification of the policies of the States in Australia. For whereas France's accumulation of (a) gold and (b) armaments—the financial and the physical bases of militarism—can in itself suggest to surrounding nations that their interests are not secure, there is no such parallel suggestiveness about Mr. Lang's financial policy—that is to say, surrounding States and politicians who profess to see danger to themselves are not regarding the policy itself but the construction put upon it by others. They can bring forward an argument of sorts, but it always starts from untested premises and mostly relies on mere assumptions for evidence. Granted that Mr. Lang's policy is novel, and his advocacy of it provocative, yet there is nothing in the actual administrative acts he has so far committed that should engender hostility to the degree signalled by the de Groot episode. He has not, for instance, excused his Party supporters from wage-cuts and other levies at the expense of other citizens of the State. The natural mutual affinities of the States mobilised against New South Wales are certainly no stronger than those of each with New South Wales. In laying down the doctrine that the welfare of the people in the State should take precedence over the rights of people outside it when the two cannot be fulfilled at the same time, he is not weakening the power of any other State to adopt the doctrine if it wishes.

So far so good. But enunciations of acceptable political principles are inadequate weapons with which to allay the suspicions and prejudices created by the agents of the Directorate. That Mr. Lang has the courage to stand to his guns is obvious, but the guns must be of the right calibre, and he must contrive to make every section of the State feel more or less confident that the trajectory of his projectiles will clear everybody's head. Advocates of Social Credit in Sydney have done much valuable work in showing the possibility of substituting co-operation for competition between classes in the

State and between the States themselves. They will be interested to hear that a scheme has been drawn up by Major Douglas and has been published in the *Glasgow Evening Times* (on March 11). The scheme is applicable to Scotland, which is a fact of special interest because the political status of that country is lower than that of any Australian State let alone the Commonwealth. And the publication of the scheme is timely, because there are increasing signs that Scottish aspirations are turning towards self-government. Thirdly the scheme is constructed in such a way as to indicate the first steps which should be taken by a Scottish Government to give Social Credit the most multiform appeal or reassurance possible in the critical initial stages of its actual administration, so that it shall expose the least area of attack to the enemies of the financial principles underlying it, whether operating inside or outside Scotland.

There is by now a sufficiency of exponential literature dealing with the fundamental principles of Social Credit. Enthusiastic new converts who keep telling us that more and more pamphlets on this or that aspect of the Theorem are necessary overlook the fact that many students in the Movement had with no outstanding intellectual capacity had to grasp the subject, and did so, before any pamphlets existed. It was "dogged as done it"—and will continue to be so however many permutations of exposition are served up to contemporary inquirers. Major Douglas's present article breaks fresh ground. It has two attractions for us (a) that it provides a common peg on which Social Credit speakers and writers can hang their expositions; and (b) it enables all classes of the community who encounter it to make up their minds whether they want Social Credit or not as distinct from comprehending it.

His scheme provides for the financial valuation of Scotland's real credit, and indicates existing sources from which the necessary data can be taken to value not only the natural and manufactured assets in the country but also the real-credit of the population as such. Of the grand total arrived at the Government would apply an arbitrary proportion, say, 1 per cent., to the distribution of a "National Dividend" equally to every man, woman and child. He computes the amount of such dividend to be something like £300 per annum per family. Individuals receiving a net income available for personal use from other sources, amounting to four times the sum receivable as national dividend, not to qualify for the dividend. Simultaneously the Government would publish a "Discount Rate" of not less than 25 per cent. (and it could reasonably be more) and invite firms to apply for registration under an "Assisted Price Scheme." Firms on the register would sell at their ordinary prices, and would be provided with special distinguishable bill-forms which, when handed to the purchaser, would be worth 25 per cent. of the amount he had purchased, and could be paid into his banking account in the same way as a cheque. The financing of the National Dividend and the Price Assistance Scheme would be by Scottish Treasury credits created on the basis of the national real credit. The Dividend would be distributed through the Post Office, not through the banks: and the Price Assistance margin would be paid by the Treasury to the banks.

Wage-rates in all organised industries would be reduced by 25 per cent. where the reduction did not exceed 20 per cent. of the sums received by the wage-earner as National Dividend. Trades Unions violating a wage-agreement to render their members

Current Sociology.

A pamphlet entitled "Why Capitalism will not Collapse," issued by the Socialist Party of Great Britain, has been very prominently featured by the Socialist Press of the anti-Communist type; by those Socialists, that is to say, who adhere to Socialism as Calvin to Christianity, and who regard Socialism entirely as a question of grace, and in no degree as one of nature. Prophecies of the collapse of Capitalism, the pamphlet proves by a series of amusing exhibits, are as old as Capitalism, and as sure to be right sooner or later as Mr. Horatio Bottomley's prophecies of the end of the War. William Huskisson, on December 30, 1829, unable to whip up optimism even for the New Year, considered "that some great convulsion must soon take place." Huskisson found nothing but distress on every hand, and was "told that the whole race of London shopkeepers was nearly ruined." Lord Randolph Churchill pointed to "signs of mortal disease in every branch of British industry." In 1876 Mr. Sidney Bourne read a paper to the Royal Statistical Society in which, along with phrases about "Britain's sons" which suggest that the bluntness of Mr. J. H. Thomas may mask the first Shavian Methuselah, alias Sidney Bourne, he deplored the growing unfavourable balance of British trade. Because the Communists, the pamphleteer argues, base their policy on the validity of such perennial but unfulfilled prophecies, they ought now to be convinced of the error of their ways.

There appear to be three possible ways for the establishment of the Socialist Utopia. The custodians and entrepreneurs, financial and industrial, of the Capitalist system might abdicate and invite the Socialists to undertake political and economic responsibility for the community. Alternatively, the Socialists, assisted by the weapon of the General Strike, might bring off a *coup d'état* and set up a dictatorship to manage the country during the period of "transition." Lastly, the mentally emancipated Socialists may continue with their attempt to educate the masses of proletarians into such good Socialists as to be incorruptible by any contrary teaching, or selected for high economic and social advancement. While it can be no more than wish-fulfilment in fantasy to imagine either the first or second as happening, the third is even more hopeless of attainment, if only because the grace of belief in Socialism is not hereditarily transmissible. Education for a Socialism to be established by unanimous or even majority consent is a kind of Messianic delusion, a faith in a second-coming. The War proved, and the Grand National election of 1931 proved again, that only a very small minority can retain their Socialist principles and then only if religiously, even fanatically, held, before the threat of a bogey, and an emotional appeal to patriotism.

England is a remarkably adaptable nation, even when its conduct, judged in the light of consciousness, and of the most up-to-date financial science, is defective. England has what Emerson described as a peculiar "animal sagacity," a capacity for coming through even if she only muddles through—with unnecessary discomfort and suffering. England with her seven thousand millions of National Debt raised to gold parity to prevent the depreciation of a doubtful four thousand millions of foreign invest-

liable to suspension of the national dividend: employers' organisations doing so to be liable to suspension of price-assistance. For five years after the initiation of the scheme any individual failing to accept employment of the sort under which he was classified at the last census, to be liable to suspension of his dividend. (Safeguards against unsatisfactory conditions of employment are provided.) Business undertakings on the register which fail to show a profit after five years' operation to be struck off.

This summarises the part of the scheme which directly affects the conditions and emoluments of trade and employment. Other sections provide for limitations on Government trading on the one hand, and for the reservation of the Government's banking rights on the other—e.g., the postal-order and savings-bank departments of the Post Office shall not be transferred to private enterprise. Hours in Government offices to be reduced, and staffs to be doubled, the newcomers to do the same work as the existing staffs and to enjoy the same status and opportunities of promotion.

We have only the intention to present a general idea of the scheme: readers who are interested are advised to get a copy of the *Glasgow Evening Times* of March 11, for unless Major Douglas's own drafting is examined it is impossible to form a reliable judgment of the merits of the scheme as a balanced whole. Copies can be bought from the London office of the above newspaper, 56, Fleet Street, E.C.4.

Pastiche.

AN OPEN LETTER TO THE EMPLOYED.

Sir,—You are employed. I am not. You are presumably employable, or you would not be employed. But I, too, am employable, though not employed. So you and I share the common qualification of employability. Now I, like you, represent a multitude of different persons with a multitude of different qualifications. That means that somewhere there is an "I" who is able to do the work now being done by a "You." Hence this curious conclusion; that my inability to hire out my services is a proof that industry can dispense with yours. I don't point this out to frighten you, but rather to crack a joke with you. The joke has to do with a third party called "He." It begins like this. "He" collects a little money from you and pays it to me. You naturally don't like parting up; but you probably reflect that this little relief to me insures you against my competition to change places with you becoming too severe.

Now, He has named this payment "the Dole," and has got you to consider it as my *retiring-fee*. But He considers it my *retaining-fee*. This is where the joke comes in. For it is as if you personally came to me with your money and said: "Here, old chap, I'll give you this so that you can keep fit, and hang round to take my job if I get the sack." Of course, what you really would want to say would be the opposite, namely: "I'll give you this if you will go and hide yourself." That is not "His" plan at all. "He" retains me with your money to seek your job. To get the fee I must satisfy him that I have "honestly sought" your work. For there is no available work that is not being done by some "You." So what do we do about "Him"?

Who is "He"? you ask.
"He's" the banker. Cheerio for the present.
"I—M. E.—295."

DINNER AT FRASCATI'S.

At "The New Age" Dinner on April 9th, the guest of the evening will be Mr. A. R. Orage, the previous editor of "The New Age." Apart from his address, it is not intended to have any speeches other than a brief toast, briefly responded to by the present editor. It is hoped thus to provide more opportunities than previously for intercourse among the company present.

The time is 6.30 for 7 p.m. Evening dress. Tickets 10s. 6d., from "The New Age," 70, High Holborn, W.C.1

ments, muddled through somehow. By means of unemployment insurance England staved off certain revolution at much less "financial loss" even than France, which had to write down her debts by 80 per cent. Abandoning the gold parity and adopting tariffs, England, of course, merely follows where other nations have failed. But the possible devices of Capitalist ingenuity in England are by no means exhausted. The mistake, however, in expecting an early collapse of Capitalism in England, seems to be the choice of the word "collapse." In great industrial areas the unemployed exceed one in three of the available labourers; there are considerable areas in which it closely approaches one in two. These victims of an "over-productive" Capitalist system are just holding their bodies—they can no longer be said to have souls—together by means of insurance benefit, and public or private charity. At what percentage of degraded citizens will Capitalism be diagnosed as having collapsed? Millions of tons of shipping lie idle; dockyards are surplus; industrial concerns have to be reorganised or re-constructed; textile machinery is scrapped; a Cunarder, while those who could float it kick their heels, waits unfinished in dry dock; six million people have no more than animal purchasing-power and lack of things which this plant could deliver. Over thirty million people would be glad to have more purchasing-power than they have. When will Capitalism have collapsed? The answer is that it has not collapsed, and will not collapse. It is not breakdown it suffers from, but rapid creeping-paralysis. The remedy is required neither after the final collapse—not of Capitalism but of the community—nor when all the Henry Dubb's in the land are able to pass with honours an examination in *Das Kapital*; if the remedy is to cure, it is required immediately, and it must be a remedy which improves the financial technique of a system of which the productive technique is already miraculous. Capitalism, if it connote the industrialists and investors, apart from the financial system and its special administrators, is a potential liberator of mankind, not to be destroyed, but to be allowed financial elbow-room.

A new quarterly review has been launched by "Rotary International," entitled *Service*. Unfortunately, while the writers have realised that a community consists of more than one person, and that refusal to co-operate is a self-imposed sentence of outlawry, their service is far from being enlightened. The two most interesting articles are contributed by Mr. Geoffrey Mander, M.P., who has useful things to say on the question of industrial administration, and by Mr. Angus Watson on "The Fetish of Rationalisation." Mr. Watson sees quite clearly that rationalisation is a form of administrative mechanisation which comes into existence through the effort to control prices at the producers' point of the financial cycle; and Mr. Watson challenges anyone to point to a single commodity supplied by a rationalised ring which is not supplied at a lower price or of better quality by some personally controlled firm, unless, of course, the ring is in possession of some secret or patent process. Mr. Watson contrasts the impersonal with the personal control of industry in its effects on labour, which the former treats entirely as a commodity while the latter recognises its human embodiment. Nevertheless, Mr. Watson adds, the labour corporations, themselves rationalised and impersonalised, assist in forcing the personal employer into the rings by demanding from him in and out of season, in good times or in bad, the conditions offered by the impersonalised industry to the small proportion of total available labour which it retains. Consequently, Mr. Watson sees ahead only two alternatives: the impersonal trust entirely dominant, charging what it likes and

paying what wages it likes, or as the community's only way of protecting itself. State Socialism.

All this is reasonable within the frame of reference drawn by Karl Marx. Indeed, whether Mr. Watson is aware of the fact or not, it is exceedingly clear Marxianism. But any such logical and deterministic outline of future development is liable to alteration by one factor: the perception of an error in the premises, due to the ascent of conscious intelligence to a fresh level. Such an error, if Mr. Watson will investigate it, has been perceived. "Industry," Mr. Watson writes, "is finally a form of citizenship, and although it is rightly expected to protect its capital, it must also discharge its other task to the community of, as far as possible, providing work for the citizens who need it, and are capable of discharging it competently." If those were the duties of industrialists they have failed lamentably at both. Over the last ten years it is industrial capital far more than finance capital which has been lost. Bank-shares and gilt-edged securities in England maintain their value. Bank-debts, in spite of many industrial defaults, are still well-covered. Industry nearly as a whole, rationalised and personal, becomes insolvent almost as rapidly as it is called upon to liquidate its debts. If it were a duty of industry to provide work for all capable of discharging it competently, the administration of personally controlled firms is as defective as that of the rationalised rings. To fulfil such a duty, industrialists ought to come together and reorganise all their processes in a labour-making direction until all labour was absorbed. What is impossible cannot be a duty. That canon applies to both war and peace. It is impossible for industry ever again to absorb all the available labour, it is equally impossible, without a change in the fundamentals of the method of pricing and of credit issue, for industry to protect the capital invested in it, since its accumulated overhead charges cannot be recovered from purchasing-power issued as future labour costs. The new level of conscious intelligence which resolves these dilemmas perceives that industry, as such, would fail not by failing to provide work but only by failing to provide goods. These it provides in greater abundance than effective purchasing-power can absorb them. The financial system, on the other hand, fails when it fails to provide purchasing-power to transfer industrial output to consumers; when, in other words, incomes are inadequate to buy the total output of industry. The concentration of the new intelligence on this aspect of finance and industry would entirely change the deterministic development foreseen by Marx and chronicled in operation by Mr. Watson. It would establish on a firm foundation that duty of citizenship which industry should fulfil, by causing, for the first time, finance to fulfil its duty of citizenship.

"The £ and the \$ or Gold Debts and Taxes" emerges from the Vendome Press, Paris. The anonymous writer has a vivid and lively manner, which, along with the frequent use of adolescent metaphors that provoke a shudder, make one suppose him to be American. The book is a satirical and statistical exposure of the present commercial and financial lunacy of Europe and America, exceedingly well done. On the constructive side the author proposes a free metal exchange with a varying value for gold and silver based on a commodity index, and also single tax. Thus prices would not be controlled, but would, by being left to supply and demand, and at the mercy of the costing system, result in the same alternations of "overproduction" and "inflation" which have characterised the past history of credit-capitalism.

PAUL BANKS.

A Miss is as Bad as a Mile. WELLS ON WORK, WEALTH AND HAPPINESS.

II.

In Chapter Ten: The Rich, The Poor, and Their Traditional Antagonism, under section 5, entitled, *Do the Modern Rich Want the Poor to be Kept Poor?*, Mr. Wells takes Professor Soddy to task and gives him something of a talking to for being a "bad lad." Mr. Wells says:—

"There is an inspiring riotousness in his style of attack. He is not a solitary phenomenon. He is a pioneer. The banker's parlour, the stockbroker's office, and the board-room are going to be invaded by an increasing number of highly intelligent and highly sceptical enquirers, resenting bluff and mystery, using unflattering words like 'antediluvian' and 'dishonest old fumbler' and such-like phrases with startling readiness, and very resolutely 'wanting to know.'

"We can represent Professor Soddy as saying on behalf of physical science: 'We men of science have abolished toil and people are still toiling; we have created plenty, and everywhere there is want. What has got between us and them?' and then sharply: 'What the devil are you money-fakers up to?' These are not his words, but they manifest his temper." (Page 487.)

"... That the modern rich generally do not feel any strong desire for the poor to be less poor—so long as their poverty does not make them dangerous—is manifestly true. So far we go with Professor Soddy. ... But is it true that there is any strength of will behind these naive products of our present clumsy financial mechanism? That is where we part from Professor Soddy. Let us admit that the modern rich cannot be expected to help in the monetary and financial reconstruction of human affairs. ... They cannot be expected to be very much more than a stupidly consuming and resistant mass. But ... are they likely in any effective and organised form to put up a fight against ... one genuinely conceived economic state of the world?"

"Now there it is we have to join issue with Professor Soddy—and others. ... He hits out and hits round in an ecstasy of indignation. ... To him the world is an exasperating spectacle of reasonable creatures behaving unreasonably and wickedly. ... Let him look at the spectacle again and look at it whole. ...

"He will become less impatient and more constructive. He will give us more explicit plans and fewer scornful witticisms at the expense of—everybody. ... He denounces our banking system. ... he finds ... deliberate plotting of the rich against the poor. ... He finds plots where we find instincts and traditions. He thinks entrepreneurs and bankers are anti-social men. ... He turns, in his passion, to governments to take this, that, and the other profit-making privileges out of the bankers' hands—now. ... He turns to 'democracy' ... and then he shows his bad temper. ... But it is no use for constructive purposes; it has to be controlled.

"... We do not believe that any large proportion of bankers are plotting to keep the world poor. There is a number of honestly perplexed men among them, men who are dismayed and distressed by the turn things are taking. They are often business men unaccustomed as yet to the scientific method of thought, but they are picking it up steadily." (Pp. 489, 490-1.)

For my part I have never believed in a "bankers' plot," any more than I believe in an "open conspiracy" of world enthusiasts. As fish swim in water, so bankers act as they do because they are "in the swim" of banking and finance.

No doubt many of them are charming and cultured people. It seems certain that they are all perplexed, and quite a number of them dismayed and distressed.

Yet the very fact that they are in this state of anxiety, fear, dismay and distress is hardly reassuring. It becomes clear, I think, that we have to deal, not with keenly intelligent and reasonable minds, but with educated, frightened minds.

Moreover, whether Mr. Wells has yet become aware of the fact or not, it can be shown that the

bankers, as the human agents operating the banking system, have placed themselves in the position in which they are responsible for the smooth and efficient working of that system.

If they deny, or ignore, such responsibility, they cannot expect to be permitted to continue. For it is much too dangerous to allow these honestly perplexed, dismayed and distressed business men—so unaccountably unaccustomed to scientific methods of running a Banking Service—to experiment by trial-and-error upon us.

We should never think of putting up with an Institute of Sanitary Engineers that ran our sewage-system in this hopelessly inefficient, perplexed and dismayed manner—with the main sewers stopped up, the pipes broken, and the hospitals crammed with fever patients—and we cannot put up with bankers who do not yet understand their business (which, by the way, and as a reminder to them, is *our* business).

So I am afraid Mr. Wells's apology for the bankers, well meant as I am sure it is, only reveals more glaringly than ever the gross negligence, ignorance, stupidity and utter bewilderment of these men, and underlines the social danger of allowing them to continue their apprenticeship by hit-and-miss methods that are now a positive and immediate menace, not merely to the work, wealth and happiness, but to the very life of each one of us. An inefficient Banking Service is a danger to human life.

Whether the bankers are morally responsible or not—whether or not they are "honestly" or "dishonestly" perplexed—is beside the mark. Of their own free will they have chosen banking as their work in the world. It so happens that every other section of the community, every industry, every human activity whatsoever, depends upon the credit operations of the banking system. Because of this there can be no escape and no excuse for the bankers. *They must be held—and will be held—responsible for the proper and efficient working of the Banking Service.*

If they decline this responsibility, and can do no more than cry out that they are perplexed and dismayed by "the turn things are taking," there is only one course open to them: they must abdicate.

And although, with Mr. Wells, I am sure we should all be happy to see the necessary changes brought about in a reasonable and kindly spirit, I am quite sure that fear-ridden, perplexed, muddled and harassed minds will not—cannot—respond in that way.

Mr. Wells has written this book without collaborators, but he has had "special help from a great number of people." Amongst others he mentions the following: Mrs. G. R. Blanco White, "consulted about certain passages connected with money and banking, upon which subjects she had written various articles and memoranda," and she "took up the matter with so lively and understanding a response, that finally the whole plan was put in her hands and discussed with her, and she became a real collaborator upon the entire work"; Madame Odette Keun, the novelist and descriptive writer; Professor Carr-Saunders; Professor Henry Clay, whose *Economics for the General Reader* "has been a steady hand-book in the writing of several chapters"; Mr. Graham Wallas; Dr. Finer, of the London School of Economics; Lord D'Abernon; Mr. Maynard Keynes; Mr. Thomas Lamont; Lord Oliver; Lady Rhondda; Mr. Thomas Laski; Mr. Kingsley Martin; Mr. Professor Harold Laski; Mr. Kingsley Society; Mr. R. Hyde (of the Industrial Welfare Society); Mr. G. Hawtrey, of the Treasury; Mr. J. Hilton, of the Ministry of Labour; Mr. J. F. Darling, Mr. W. Crick and Mr. Parfitt, of the Midland Bank; Sir Robert Hadfield; Sir Josiah Stamp; Professor T. E. Gregory; Professor Soddy;—"and," says Mr. Wells, "I cannot say how much I owe in the correc-

tion and steadying of my ideas, to the conversation of my friend, Sir Arthur Salter."

Yet, in spite of all this outside help, in spite of so many "steadying hands" laid upon his shoulder during the gigantic task of sorting out the material for this work, Mr. Wells's Kippsian common-sense, working on a wave-length by no means that of the London School of Economics, transmits itself in the quotation at the head of this review, and very nearly blows his whole conception—that of all his friends and helpers—into the limberlost of economic and financial misconceptions to which, alas, so much of it belongs.

JOHN HARGRAVE.

(Conclusion.)

The Films.

Hell Divers: Empire.

One of Hollywood's major beliefs is that nothing succeeds like repetition; the result is that every good film with a touch of novelty in subject, treatment, or angle is followed by a dozen or more devised on the same formula, but more or less lacking in the spirit or sincerity of the original. "Hell's Angels" might have been accepted as literally the last word in spectacular air pictures—although its producer apparently thinks otherwise—and "Hell Divers" cannot escape the label of synthetic. But technically it is interesting as exemplifying the virtues of Hollywood as well as its defects. It is lavishly conceived and executed, well acted and well cast, magnificently photographed, and superbly cut. And, despite its one hundred and eight minutes, which is too much for any film to run, it holds the interest almost continuously. Certainly, it is extremely good entertainment.

The film is frankly a glorification of the United States Air Service, and is none the worse for that. Even if the formation flying, including some perfectly marvellous landings on the mother ship "Saratoga," were specially rehearsed effects, I take off my hat to such consummate skill. I shall no doubt be told that our own Air Service can do just as well, if not better, which I am perfectly prepared to believe, but until the British Admiralty embarks on the same whole-hearted co-operation with British film producers, our cinema-goers may be pardoned for believing that Columbia rules the air.

"Hell Divers" would be a better film if its producers had not troubled to saddle it with a story. The narrative theme is frankly banal, although in justice I must admit that the ending departs so far from the conventional that Wallace Beery is killed, while the spectator is left to imagine the reunion of Clark Gable with his lady love, from whom he has been estranged through a species of misunderstanding possible only on the screen, and then not the plane's the thing. The excellent cast, in addition to Messrs. Beery and Gable, includes Conrad Nagel, Marie Prevost, Marjorie Rambeau, John Miljan, and Cliff Edwards ("Ukelele Ike"). George Hill directed.

This Week's Films.

"A Nous la Liberté" and "Kameradschaft" appear to be immovable from the Rialto and Academy, respectively. "Sporting Blood," with Clark Gable, is at Tussaud's and the Stoll, and "A Dangerous Affair" at the Dominion. "The Water Gipsies," privately shown on Monday, which is based on A. P. Herbert's best-seller, I hope to review next week.

DAVID OCKHAM.

Theatre Notes.

By John Shand.

The discomforts of playgoing in central London theatres is a theme upon which I feel I can be eloquent. One night last week I paid about five shillings for an upper circle seat at the Strand Theatre to see Mr. Leslie Henson and Mr. Sydney Howard disport themselves in their latest farce, "It's a Girl." The box-office took the money without any apparent twinge of conscience, and yet when I had ascended the necessary amount of stairs and got to my seat I found I had an excellent view of the audience in the central block of the upper circle. In short, I was at the extreme end of a horse-shoe-shaped auditorium, and therefore at a right-angle with the proscenium. I leant back and cursed heartily (to myself). In front of me, on a level with my eyes, was a strong brass railing which was doubtless put there to prevent me throwing myself over in the excitement of not seeing the play. Putting my face against the cold metal and leaning on the extreme edge of the seat, I got a fine vertical view of the heads and shoulders of those in the stalls and of very nearly half the stage. But the actors would keep moving on to the invisible portion, from whence they made all their best jokes. At least, I give them that much on credit, for whenever they came into my view and hearing, they looked about as funny as Cleopatra's Needle, and were cracking witticisms considerably older than that monument. I leant back in my seat and the stage being then completely out of sight, I observed the more fortunate holders of upper-circle seats begin to laugh uproariously at the (alleged) funny-men down below. It is a somewhat melancholy occupation watching other people laugh, and it occurred to me to fold my overcoat as a cushion on which to raise myself a few inches. This was a vast improvement to my line of sight, if not to my overcoat. Seated thus, with my head right over the brass rail and turned at a somewhat uncomfortable angle, I was able to get what I understood I had paid for—a clear view of the stage. Perhaps I was too uncomfortable or too annoyed to laugh; but I certainly found the farce a most depressing one, and in a short while I retired to the bar for consolation. There I was told a story that had reached more laughable than anything that had reached me over the footlights, so I left the theatre without telling the box office keeper my opinion of a management which allows such a seat as the one I had to be sold without a warning to the playgoer.

The other evening I decided to sample "Below the Surface" at the Prince of Wales' Theatre, a play about those who go down under the sea in submarines. I paid three and sixpence for a seat in the pit. The only available seat at that performance was at the end of the back row nearest the door. This swing door is only a few yards from the street outside. There was a bitter wind blowing, and it came whistling through that door like an errand boy. I turned up the collar of my invaluable overcoat and tried to watch the play without bothering about my rapidly freezing extremities. But some people on the street side of the door were having a most excited conversation about the probable winner of the Grand National, and I found myself getting so mixed up trying both to overhear the actors and to get a good tip for the race that I got a sort of bewildered notion that the play was not about seamen but sea-horses. Meanwhile the cold wind blew and the piece progressed. And when the actors began to pretend they were in a submarine that was sinking out of all control to the bottom of the sea, I began to shiver, not in apprehension of their plight, but in commiseration for my own. So I went and stood at the other side of

the pit to see them safely to the surface, and then retired to the bar for the rest of the evening. Rum seemed the appropriate drink for the occasion, and as my circulation began to work properly again I realised why it is that sailors don't care. But why should not the management of the Prince of Wales' Theatre care for future shillings from me? After all, it would not cost them a great deal to put some heavy curtains over the entrance to the pit and make it draught-proof, or even to add a second door somewhere in that passage to make it sound-proof as well.

A third evening I paid five shillings for a dress circle seat at the new Westminster Theatre to see Mr. Henry Ainley in "Tobias and the Angel," by Mr. James Bridie. As I sat down in the luxuriously-upholstered seat in the fifth row of the centre block I felt that I was going to have a pleasant evening, for Mr. Bridie is a dramatist I admire. To my horror I observed that unless I sat forward and bolt upright, the parapet of the circle obscured the forepart of the stage. And when the front row of seats were filled and the curtain rose I found that the heads of those in the front row were level with the bottom half of the back scene, so that I could only see the actors as they appeared in the spaces between the heads! This is a new theatre, as I said before, and yet one of the cardinal points of theatre-building had been ignored: the sight lines had not been properly planned. It was enough to make even Tobit's archangel weep.

The next day I had the pleasure of taking a young lady to a show. Did I risk taking her to a theatre? As Shaw's Miss Doolittle remarked on a famous occasion, "Not b—y likely!" Take note, O Association of West End Theatre Managers, take note! We went to a cinema. At the price of five shillings for the two of us we entered the magnificently vulgar foyer, walked along corridors of (imitation) marble which were cheerfully lighted, comfortably warmed, softly carpeted. Far removed from the cold and noise of the streets we arrived in the darkened auditorium where uniformed slaves attended us to our seats, lighting our path with electric torches, and offering us chocolates and cigarettes. From our comfortable seats we had a perfect view of the screen and we could hear every syllable. As it happened to be a particularly good programme we had excellent entertainment, and I left the cinema half determined to become a "film-fan."

Verse.

By Andrew Bonella.

At lunch the other day my Philistine friend picked up the book* which lay beside me on the table, and read the title. "Poets in Brief," he said; "That's a good thing!" I had not the heart to rebuke him, since his unholy view had the sanction of no less a critic than Mr. F. L. Lucas. Of course Mr. Lucas himself is not a philistine; he is fonder of a quotation from the French than any man since A. B. Walkley. Nor, for all his airs and graces, is he by any means a bad critic. "Anthologies," he says, "continue to be read. Men have always cried that life is short; it has never seemed shorter than to-day, when the world lives faster than ever before." And he follows up with a sly dig at the petulant critics who regard anthologies as works of the Evil One. This is unjust. Those of us who dis-

* "Poets in Brief."—Alfred, Lord Tennyson. An Anthology. Thomas Lovell Beddoes. An Anthology. Chosen by F. L. Lucas. (Cambridge. 5s. each.)

Also received: *I've Quite Forgotten Lucy*. Poems by Edward Storer. (Dan Rider, 1, Roman Road, Bedford Park, W. 3s. 6d.)

like them regard them not as Satanic, but as old-maidish; like Bengers' excellent Food, they are suited to the stomachs of infants, invalids and the aged. Mr. Lucas goes on to say that his selection includes not only whole poems but fragments of poems. "What a strange charm fragments can have I first found from those that survive, often tantalising in their brevity, from lost Greek tragedy." (Here follows a quotation from Proust.) There is, of course, a romantic charm about a fragment whose whole is irrecoverable; but just because we love the headless Victory of Samothrace, need we take the coal-hammer and decapitate the Venus of Milo?

To select from Tennyson seems particularly inept. We have all got his works upon our shelves; and even if they do not include the recently published "The Devil And The Lady," the six-and-a-half pages of the latter which Mr. Lucas gives us are scarcely enough to whet the appetite. It is true, of course, that parts of Tennyson are better than others; but the reader can surely make his own selection. There is something infinitely vulgar in detaching the finest passages from their setting; and it is to be questioned whether the process shows the poet to better advantage. "A poem of any length," said Coleridge, "neither can be, nor ought to be, all poetry." "Poets in Brief," unfortunately reminiscent of the Oxo advertisements, is only the modern title for what a more elegant age called "The Beauties of So-and-So," and one thought that they had been laughed out of court half a century ago.

With Beddoes, one must in fairness admit, the case is stronger. His work is not so easily accessible, and his longer works contain a far greater proportion of non-poetic writing than Coleridge's dictum could have allowed for. This volume (2) contains an excellent article on Beddoes' life and works—to which I drew attention in these columns on its original publication in "Life and Letters"—and a useful, if tantalising, selection from the letters. Beddoes was a mad devil of a poet, an Elizabethan born out of time, at odds with himself and the world. In a note written just before he committed suicide, he said, "I ought to have been among other things a good poet"; the note ends characteristically, with the bequest of a stomach pump. He lacked, or thought he lacked, the concentration to write what was worthy of his talents, and he was too proud to be a minor poet. England after the death of Keats and Shelley seemed poetically dead:—

What silence drear in England's oaky forest,
Erst merry with the redbreast's ballad song
Or rustic roundelay! No hoof-print on the sward
Where sometime danced Spenser's equestrian verse
Where sometime danced Spenser's equestrian verse
Its mazy measure! . . . We, who marked how fell
Young Adonais, sick of vain endeavour
Larklike to live on high in tower of song;
And looked still deeper thro' each other's eyes
At every flash of Shelley's dazzling spirit,
Quivering like dagger on the breast of night,
That seemed some hidden natural light reflected
Upon time's scythe, a moment and away;
We, who have seen Mount Rydal's snowy head
Bound round with courtly jingles. . . .

He goes on to address Britannia:—

Be proud of Manchester,
Pestiferous Liverpool, Ocean-Avernus,
Where bullying blasphemy, like a slimy lie,
Creeps to the highest church's pinnacle,
And glistening infects the light of heaven.
O flattering likeness on a copper coin!
Sit still upon your slave-raised cotton ball,
With upright toasting fork and toothless cat;
The country clown still holds her for a lion.

But Mr. Lucas is right in maintaining that his sporadic flashes of poetry are of the highest order, and perhaps we must forgive the anthologist if he succeeds in bringing Beddoes into the light of day.

And yet—what lover of poetry will forgive an editor who could bear to mutilate the exquisite dedication of "Death's Jest-Book":—

L'ENVOI.

Who findeth comfort in the stars and flowers
Apparelling the earth and evening sky,
That moralize throughout their silent hours,
And woo us heaven-wards till we wish to die;
Oft hath he singled from the soothing quire,
For its calm influence, one of softest charm
To still his bosom's pangs, when they desire
A solace from the world's remorseless harm.
Yet they, since to be beautiful and bless
Is but their way of life, will still remain
Cupbearers to the bee in humbleness,
Or look untouched down through the moony rain,
Living and being worlds in bright content,
Ignorant, not in scorn, of his affection's bent.

So thou, whom I have gazed on, seldom seen,
Perchance forgotten to the very name,
Hast in my thoughts the living glory been,
In beauty various, but in grace the same.
At eventide, if planets were above,
Crowning anew the sea of day bereft,
Swayed by the dewy heaviness of love,
My heart felt pleasure in the track thou'dst left:
And so all sights, all musings, pure and fair,
Touching me, raised thy memory to sight,
As the sea-suns awakes the sun in air—
If they were not reflections, thou the light.
Therefore bend hitherwards, and let their mildness
Be glassed in fragments through the storm and wildness.
And pardon, if the sick light of despair
Usurp thy semblance oft, with tearful gleam
Displaying haunted shades of tangled care
In my sad scenes: soon shall a pearly beam,
Shed from the forehead of my heaven's queen—
That front thy hand is pressed on—bring delight.
Nor frown, nor blame me, if, such charms between,
Spring mockery, or thoughts of dreadest night,
Death's darts are sometimes Love's. So Nature tells,
When laughing waters close o'er drowning men;
When in flowers' honied corners poison dwells;
When Beauty dies; and the unwearied ken,
Of those who seek a cure for long despair,
Will learn. Death hath his dimples everywhere;
Love only on the cheek, which is to me most fair.

Of this Mr. Lucas only prints the last seven lines. They may perhaps be, as lines, the finest in the poem; but how much point they lose when they are taken out of context!

Music.

Florence Easton. Another of the fine native artists who are to all intents and purposes unknown in their native land. Here is a very accomplished singer, a first rate musician, an admirable technician, and a clever imaginative interpreter. And as need not surprise us, her appearances here are of the rarest. In a very diversified programme, there was nothing that was not almost wholly satisfying, indeed the ease with which Mme. Easton passed from one song to another of widely different character, style, and language was by no means the least remarkable feature of a most interesting recital.

All the more noticeable therefore, was the slight impurity of the singer's accent in the French, German, and Italian songs, in which was very perceptible a decided American inflection due, doubtless to the singer's long residence in that country. In so admirable an artist, the fault is doubly regrettable, and one feels that it could be quite easily overcome. The programme was constructed with unusual skill, taste and art, and led by gradations up to the tremendous "Come scoglio" aria from "Così fan tutti" of Mozart; in this awe-inspiring piece of vocal writing, Mozart takes us back to the great days of the prodigious Farinelli and of other great "sopranisti" of what has well been called "The Golden Age of Singing." And that any

present-day singer could come so well out of the ordeal of such a work, speaks volumes for Mme. Easton's accomplishment. The voice is a splendid one, a large dramatic soprano of remarkable weight, amplitude and volume, which its owner has the very rare good sense not to force; indeed she has no need whatsoever to do so, but voices of such natural beauty and power are apt to be as much a temptation to their owners as the lack of vocal gifts is to those who labour under such parsimonies of nature; it has also, an excellent degree of flexibility, a thorough evenness of scale, and an impeccable steadiness of tone; the method is admirable, long phrases are taken with a confident ease and staying-power that in these short-winded days, is something for which to thank all the gods.

Rachmaninoff: Philharmonic Society.

Thursday, March 10, was a high festival-day for the Philharmonic, as well as for the audience. The occasion was made doubly interesting in that not only was the great Russian master being publicly presented with the gold medal of the Society, but was himself playing his great and very rarely heard Third Piano Concerto. This splendid work, so immensely in advance of its far better known earlier companion, the popular Second, is very much uncharted territory as far as the general public are concerned. Its great dimensions, its high degree of technical and musical intricacy, place it quite hopelessly beyond the reach of any but pianists of the highest order; and so the general favourite per-associates works with particular favour because formers, does not know it nor especially welcome it: for all that however, or rather, perhaps because of it, the Third is so far incontestably the composer's greatest achievement in the form. The performance, as far as Rachmaninoff himself and splendour, concerned, was of the utmost beauty and warmth and instinct with poetry fantasy, glowing warmth and a technical brilliance that were quite fabulous. One regretted very much the several extensive cuts that were made in the course of the work, for which there seemed no especial necessity, as they did not involve more than, roughly, six or eight minutes all told, but which, to one as well acquainted with the work as myself, had a decidedly disturbing effect in that, the balance of the work was perceptibly upset thereby. And the expunged passages fell very some very beautiful writing for the solo instrument.

The orchestral part of the proceedings included far short of the standard set by insufficient rehearsal, a good many bad entries, and most of the other delights to which we are accustomed from our orchestral players. Sir Henry Wood's Accompaniment was as sympathetic and careful as the orchestral disadvantages would allow, and, given happier conditions, would have been admirable.

KAIKHOSRU SORABJI.

Reviews.

"International Balance of Trade." By Sir Percival Perry. Issued by Ford Motor Co., Ltd.
The contents of this booklet formed the subject of an address by the author to the representatives of the various European Ford Companies. Either the author is very naive or his speech was edited by a banker's watch-dog in the form of an economic adviser. He does not know, apparently, that Banks create credit, and despite the mass of evidence to the contrary, states that "For every seller there is a Buyer." His cure for the present world depression is for each country to permit exporters to import goods to an equal value to those exported free of duty.
M. J. W. Waller.
The Gold Standard: Selected Articles. By W. U. Waller. (Reprinted from the Press, by the Author, 26, Corporation Street, Manchester. Paper, 1s.; cloth, 1s. 6d.)
This pamphlet includes some brief destructive comments on the Macmillan Report, in addition to the matter indicated by its title.
E. A. D.

LETTERS TO THE EDITOR.

MR. GARSTIN ON DR. EISLER.

Sir,—Mr. Garstin, in asking for an unbiased judgment of Dr. Eisler's credentials, pleads that Dr. Eisler has been consistently fair to Major Douglas.

It is surprising, therefore, to find that Mr. Garstin has not followed Dr. Eisler's good example. And Dr. Eisler, no doubt, will wish to dissociate himself from Mr. Garstin's amazing reference to Major Douglas's "Utopian ideas that 'something for nothing' should be given to the 'have-nots' by taking away from those who have."

Dr. Eisler will agree that Major Douglas's proposals are two-fold:—

1. The correction of an error in the principles of credit and cost accounting which Major Douglas's "A + B" analysis has disclosed.

2. The extension of the dividend to every individual consumer.

It is generally agreed that wages and salaries alone are unsuitable and ineffective media for the distribution of money income in a society which aims at making full use of improved methods of power-production. Hence—the Unemployment Insurance Act which taxes the "have's" to give doles to the "have-nots"!

Because the Act taxes the "have's" to give to the "have-nots," Major Douglas has repeatedly criticised it. Major Douglas proposes to replace the dole by the dividend.

By no stretch of the imagination can either of these proposals be regarded as "utopian." And the dividend will not be paid to the poor by taxing the wealthy.

Major Douglas has repeatedly and lucidly explained how an annual dividend can and should be paid out of the social inheritance without reducing in any way the dividends now paid to a fortunate minority out of their individual inheritance.

Moreover, those who defend the principle of individual inheritance while obstructing the distribution of a dividend upon the social inheritance are now finding their obstinacy costly to themselves. The refusal to pay a dividend upon the social inheritance is rapidly diminishing the dividends from individual estates. Those who "have," have lost part of what they had, because that which no one has hitherto had is withheld from distribution either to the "have's" or to the "have-nots."

Will Mr. Garstin kindly refer us to those passages in Major Douglas's works which have led him to describe Major Douglas's proposals in terms apparently so false?
W. ALLEN YOUNG.

Sir,—In his interesting communication concerning Dr. Eisler's credentials, Mr. Langford Garstin's reference to Major Douglas's "Utopian ideas that 'something for nothing' should be given to the 'have-nots' by taking away from those who have" strikes one as worthy of a place in "Fourth Form Economics."

It deserves to rank with Mr. G. D. H. Cole's statement that "the distinction between production and potential productivity is the vital factor which the Douglas analysis leaves out of account"—an effort described by Major Douglas as "funny without being vulgar."

Mr. Langford Garstin then goes on to say that Dr. Eisler is primarily interested in the technical aspects of the economic problem and not in the moral aspects, and gives this as the reason for his being out of sympathy with "anything like the Douglas plan"; a plan which is not only highly technical but might almost be said to make technical efficiency the test of morality.

It is to be hoped that the above are Mr. Langford Garstin's personal views, and that Dr. Eisler would dissociate himself with any such grotesque distortion of the Douglas proposals.
A. W. COLMAN.

Sir,—I was interested to read the letter from Mr Langford Garstin with reference to the credentials, etc., of Dr. Robert Eisler, and he would have us believe that this gentleman is not only an erudite scholar but as an Economist sane and practical.

In the March issue of "The Economic Journal" (the official organ of the Royal Economic Society) there is a review of Dr. Eisler's work "This Money Maze," by Prof. Edwin Cannon, who sums up Dr. Eisler's economics: "It is difficult to answer the arguments of a nightmare!"

Referring to the Preface of this work by Sir Josiah Stamp he concludes, "Now that he is a Director of the Bank of England, Sir Josiah Stamp should set narrower bounds to the exercise of his good nature!"

My question to Mr. Garstin is this: Are any of the gentlemen mentioned in his letter prepared to defend these "arguments of a nightmare" in open controversy?
A. CURLIFFE.

THE BRITISH LEGION.

Sir,—May I suggest that "New Age" readers who are ex-Service men join their local branches of the British Legion? The Legion has about 4,000 branches, and besides its foreign branches it is linked up with similar organisations of ex-Service men of France, Germany, and other countries. I have found members of the Legion to be peculiarly receptive of Social Credit. In the branch to which I belong the whole committee, with the exception of a banker, are New Economists, or sympathetically inclined towards Social Credit; being non-party political this seems to me an ideal organisation to bring the men of good-will of all parties together in the Spirit of the Trenches.

At a General Meeting of the Uppminster and Cranham Branch of the British Legion a resolution was unanimously passed requesting the Annual General Conference to consider the teachings of Major Douglas, but it could not be accepted by Headquarters because it was just too late to be included in the agenda for the Conference. However, the Chairman of the County Committee has suggested we put it up to that Committee with the idea of getting their support, and this will be done. It is encouraging to find that neighbouring branches are beginning to take an interest and the little spark which was started by Major Galloway six months ago is bursting into flame.

Your readers can help these men. If they cannot join their local branch of the Legion they can approach the secretary or other officers and explain the truth to them, they will find real good ground to work on among the rank and file, and when the branches take up Social Credit they will bring between the different political parties the Spirit of the Trenches, and the power of the bankers will fade in the same ratio as their ability to play one coloured ribbon against another.
T. H. STORY.

THE ESSENTIALS OF LIFE.

Sir,—Mr. John Hargrave takes Mr. Wells to task for not having begun his economic analysis with the generalisation that "All life on this planet depends upon Food, Warmth, and Shelter." May I suggest that he has not done so because as a biologist he realises that this generalisation is a half-truth? Only one part is really valuable, the assertion that all life depends (among other things) on Food. As regards Warmth, the proposition is only true if understood in a particular sense that robs it of any value as an aid to Social Credit controversy: life is (so far as we know) only possible within certain limits of temperature, but for most living things that temperature is that of their surroundings, and they need not supplement it in any way. With man, the temperature of the surroundings needs to be supplemented artificially by means of clothing and shelter—Mr. Wells is right in regarding both as forms of warmth. As regards Shelter, only a minority of living things need it at all—what shelter does a fish or a tree require? Moreover the generalisation is inadequate—the need of living things for Air, Light, and Water (more conveniently considered, I suggest, as distinct from food) is far more general than their need for Shelter. And from the racial, as distinct from the individual, point of view, the need of Life for opportunities of intercourse is likewise almost universal. Social Credit propagandists would do well to avoid the Food, Warmth, and Shelter epigram, and to begin with the undeniable needs of MAN, for food, warmth (shelter and clothes), air, light, and water, and for opportunities of propagating his kind.
I. O. EVANS.

[We see no purpose in your widening Mr. Hargrave's "Food-Warmth-Shelter" basis of life. It is true that Air, Light, and Water are also essential to life, but the statement is irrelevant within the economic frame of reference in which the subject discussed by Mr. Wells properly belongs. Food, warmth, and shelter are objectives of economic activity. Air, light, and water are not. The first are rewards for human effort; the second are free gifts. Nor is man's "need for opportunities of sex-intercourse" a relevant fact, even though his motive is that of "propagating his kind." Or, if it is, so is his need to express himself in all sorts of creative work, including the writing of books on economics which obscure economic issues.—Ed.]

Notice.

All communications requiring the Editor's attention should be addressed directly to him as follows:

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The Social Credit Movement.

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

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

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