

THE NEW AGE

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

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NOTES OF THE WEEK.

The merits of verdicts proceed from the merits of cases. It is therefore a tradition of the law that all the merits of cases must be weighed. Ob- servance of that tradition has involved slow, be- cause thorough, investigation. Hence the proverb of "The Law's delays." Of late years, and parti- cularly since the war, the leisureliness of the Bench has interfered with the hustle of the Banks, the remedy for which has taken the form of filching juris- diction from the courts and investing it in the Government Departments. "Administrative lawless- ness," Lord Hewart has called it, and of a kind and degree which impelled his Lordship to stigmatise it as "The New Despotism."* The political admini- strator takes over the function of the independent judge, and defends himself on the ground that other- wise he could not discharge his duties to the State within the time-limit required by the legislature. There is no answer to this unless the validity of the legislation be first impugned, or rather (for Lord Hewart has impugned it on moral grounds) the re- quirements of the legislation are logically proved to be unnecessary on technical and practical grounds. In short, to refute the "lawless" administrator's argument one must be able to expose the flaw in the credit-system and the moral obsession in those who direct it. Until then the public must be content to do without *blind Justice* and accept *Justice with a blind spot*.

There is a converse to the assumption of judicial powers by political administrators. There can be such a thing as the administration of political policy by judicial authority, and our readers will have little doubt that it happened in such cases as Miss Louise Owen's action against Lord Rothermere, the

*Lord Hewart's book, *The New Despotism*, is, we notice, on sale in several quarters at 5s. It should be pro- curable through any bookseller. It was published at 21s. (Benn).

Crown v. Hatry and others, and the Crown v. Kyl- sant. In all three cases the court halted short of full elucidation of the whole of the relevant merits. The first-named case ended in a settlement out of court; and the phrase "settled out of court" is an appropriate figurative description of any judicial de- cision based on only a part of available relevant evidence. This by no means implies any moral re- flection on the personal integrity of judges and counsel involved in such cases because, in the last analysis, judicial procedure in particular cases must be so conditioned that its consequences do not con- flict with what are conceived—and honestly conceived—to be the wider interests of the State. Neverthe- less there is a moral reflection—even an indictment—against those interests who are responsible for the distorted conceptions of "State Interests" or the "Public Interest" that have been insinuated into the minds of those who administer the law. Bank-propa- ganda runs through the educational system from the bottom, where infants are taught thrift, to the top where our potential rulers are taught the art of im- posing the practice of thrift on the community in the interests (though they are unaware of it) of the money-monopoly.

Readers of this journal will agree with our view that if the Common Serjeant had had a clear con- ception of the working of the credit-system he would have used his discretionary powers in a less harsh manner than to pronounce a six-year sentence for the possession of 129 bad half-crowns. (See THE NEW AGE of last week.) Nor would Mr. Justice Charles, under similar circumstances, have thought it his duty to order the "cat" in the case of robbery that we allude to elsewhere this week. The whole of the judiciary is deceived (where not obliged to do so) into applying a false criterion of discrimination be- tween various crimes and criminals. The result is an unbalanced, and therefore unjust, co-ordination of penalties. The woman who cried out in court to Mr. Justice Charles: "Do you call that justice?" when he ordered the prisoner to be flogged, was essentially an intuitive protest against the loading of

the law against those who infringe statutes which the banking monopoly have got passed by an absent-minded Parliament in protection of their own prerogatives and interests.

There are two things which the credit-monopoly guard against the most carefully: (a) anything which may disclose the tricks of their professional technique, and (b) anything which may disclose the nature and function of the agencies through which they impose their own policy on the government and people of the country. The Waterlow case (and, in certain aspects, the Hatry and Kysant cases) threatened the first named secret, and the Owen case and the Douglas-Pennant case threatened the second. Anyone who has read Miss Louise Owen's indictment of certain parties in her case, and has noted her continued immunity from action for either libel or contempt of court, will be able to draw definite conclusions as to the anomalous working (to use the politest language) of judicial procedure. Among the agencies used by the bankers perhaps the most important is the secret service. One great problem in secretly employing agents to obtain and communicate knowledge is to make sure of commanding their faithfulness and silence. It were better not to employ them at all if they could sell their information elsewhere or use it for their own purposes, and get away with it. In a certain proportion of cases the required loyalty could be bought by money, but even so, with the risk that the transfer of the loyalty elsewhere might be bought by a higher bidder. To this must be added another kind of difficulty, which is that a complete espionage system must cover every grade of society, and therefore requires that the agents must severally belong to those grades or at least be at home with, and on friendly terms with, the people who move in these respective circles. The difficulty may be overcome if these agents, with or without payment, enjoy the work—whether because it is in itself congenial, or in its purpose is to them an act of service to the State. There are such; e.g., the gentlemen whom the bankers have posted as members in all the London clubs to listen to gossip, and take part in discussions (sometimes initiating them) and thus to read and report back the temperature of opinion in those key places. All this is innocent enough and can be carried out without loss of self-esteem and perhaps with self-approval on the part of the agent.

But when it comes to what a gentleman would call dirty work some means of persuasion other than money must be employed. Those means are what are called blackmail. In most cases they are applied to addicts of criminally indictable sexual offences. The procedure was once described to us, and this is a rendering of what was said:—

A gentleman of high public standing is one day approached confidentially by an immaculately dressed and cultured attaché of the C.I.D., and given to understand that the Department have long been aware of his indulgence in certain practices. They think it a pity that he should have been so indiscreet as to disclose clues to his tastes in the manner he has, but all the same there's been no harm done, the Department are not guardians of morals, they have their own duties to perform, and no wish to create unnecessary public scandals, but they did think it their duty to warn the gentleman to be a little more circumspect, and so on . . . Needless to say, by this time the gentleman has mentally been through a parallel experience to that of soldiers who have been in a confined space when a shell has burst, when they have undergone the sensation of sudden tremendous compression round the head, followed by a sudden release of that compression causing vomiting of the intensity of shell-bursts. The gentleman, passing through a compression of deep despair into a vacuum of high hope in the space of a few seconds is in a psychological condition in which he rapidly becomes receptive to a suggestion of the official that he might like to work in with the Depart-

ment by getting a little information about this, that, or the other which would be useful to the State. . . . Hands are shaken, a new recruit to the Secret Service is enrolled, and, provided that henceforth he avoids behaving so flagrantly as to force the hand of the Department, he is assured of immunity from police interference.

Perverts are indigenous to culturalism; and that is why, in the strategy of the campaign to secure a change of financial policy, we prefer associating ourselves with people whose interests are in physical rather than psychical problems. People of undisciplined vision often become people of undisciplined morals, and, as such, potential recruits for the espionage-system. We are not obsessed with the vision of invisible malevolent watching eyes peering down at our own activities. There is nothing for them to find out. They know that we know what they know; and that's all about it. All they can do against us is to prevent or delay our exposing them; and their method is to localise our opportunities for making the right contacts. If we were in control of the present system and in sympathy with it, we should induce or coerce every "cultural" agent we could to talk Social-Credit sentiment, calculating that the movement would be deceived into wasting much of its energy in seeking to make converts of our agents. We should instruct those of them to become converts (!) who saw an opportunity thereby of gaining prestige and a following among its members. For we should have a Social Credit scheme of our own all ready for them to submit as an improvement on the original article. In fact, we should have all sorts of schemes being pushed everywhere by all sorts of agents; and in order to provide against the contingency of their real conversion by, and desertion to, the other side, we should appoint those over whom we had a hold of the description given above, or those whom we knew to be congenially incapable of conversion. So, to-day, when it is impossible to take a step in any direction without justling against some Mr. So-and-so and his Plan, we tentatively survey the phenomenon on the hypothesis that all these belated enthusiasts for financial reform can generally be classified in one or other of the above categories, with perhaps an exception as regards a few half-baked limelight-hunters. They are all purveyors of Dubb-fodder, whether under royal warrant from the Bank of England or not. There is, by the way, another Plan threatening, and in fact overdue—the Chaplin Plan. What has become of it?

Now if what we described just now is accepted, and the departments responsible for maintaining law and order issue indulgencies to certain people for certain reasons of State, there are bound occasionally to be cases brought to court which threaten to lead to the exposure of the protected agent and the reason of State for which he enjoys protection. Accidents will happen. In such cases the only thing to do would be for the authorities to reserve the dangerous merits of this case (which might be about anything on earth) from public judicial enquiry or survey. They might (and perhaps it is the practice) communicate privately to the judge and both counsel the reasons for localising the area of judicial survey; and if these representatives of the law considered them good reasons they could legitimately consent to the suggested technical irregularity.

* Note that the law normally allows the concealment of the names of victims of private blackmail when they appear as witnesses in prosecutions, and holds them immune from proceedings in respect of that which has occasioned the blackmailing. The blackmailer is punished all the same, whether he personally profits by his act or not. He cannot, for instance, direct his victim to send a donation to Barnardo's Homes or the Hospital Fund under threat of exposure, or to perform any service which the blackmailer may conceive to be "in the interests of the State."

course, they would have to consider whether the exclusion of the reserved merits would cause a miscarriage of justice—especially if the verdict had to be left to a jury ignorant of those merits. But there are ways of influencing a jury; and this influence would correspond in effectiveness to the gravity of the issue at stake. The respective powers of persuasion possessed by the counsel on both sides, their respective competency in analysis and argument, the summing-up by the judge—all these factors could operate to maintain the balance of the scales of ultimate judgment in spite of the immediate disturbance in the balance of admitted evidence. The court's private knowledge of the unrevealed facts could thus be used to direct the jury's interpretation of the revealed facts. It would be a grave matter if the preservation of State secrecy looked like entailing the loss of liberty or life to an innocent man.* But in such an event one supposes that this risk would be forestalled by a decision not to charge the man.

It is unfortunate when high political considerations happen to become involved in a crime attracting universal public attention. For then everyone becomes a detective, and the wits of all the lay students of criminal procedure are bent in critical—and frequently competent—scrutiny of the conduct of the case. The police are inundated with voluntary information, clues, and suggestions, the contributors of which may be depended on to watch what happens, and to talk freely and forcibly if what happens is not what they think ought to have happened. They impugn the efficiency of the police, or the competence of counsel, or the impartiality of the judge, or all three at once. In the circumstances of the courts acting under external constraint—for which the public make no allowance since they know nothing about it—it cannot conceal from its sharp and active critics the fact that it is departing from the procedure which it follows when its discretion is unfettered. They loudly ask why, and as there can be no official answer they supply answers of their own supported often by arguments which compel conviction among their neighbours. Hence the authority of the law falls into popular disrepute.

The lesson to be drawn from this lies deep in the moral and technical principles of finance. The policy of Finance is against the economic interests and rights of the whole community. It is therefore obliged to use methods of deception and coercion to keep the community obedient to its rules. We have shown one way in which it applies coercion, i.e., by the indirect exploitation of vice: but everyone with a guilty secret of any sort to hide is a potential agent of its policy, and insofar as he is in a position to influence public opinion he is a potential channel for the deception of the public. The "secrets of State" to which reference has been made are the secrets of the State-within-the-State† and they are without ex-

* A secret agent working under duress, if he became involved in a charge which resulted in a serious sentence, might reveal State secrets, either to ease his conscience (in case of death) or to vent his resentment on those who had failed to get him out of his trouble.

† The ramifications of the intelligence service through the agency of culturalism are well illustrated in a book published by John Lane in 1924 called *The Nameless Order*, by "Darwin" than 7s. 6d. It is fiction, and the theme of the story is of substantial plausibility of the author's descriptions of the inter-locking of highbrow intellectual and artistic cults, and of the way in which they were severally brought into a centralised intelligence-system without their knowledge, by the method of contrived overlapping individual membership. There is nothing in the story that could not be made to happen in fact by the credit-monopolists.

ception connected with the secret processes by which Finance makes the elected Government act in direct opposition to the will of the people. The "will" of the people, in this context, we define as the natural desire of the individual to enjoy economic security. This security can be given to him. But he is not allowed to hear it through any channel which he respects as authoritative. Hence his natural desire languishes in his subconscious for lack of hope. He cannot will that for which he cannot hope. He can will anything else, and is encouraged to do so by his accustomed mentors. Thus the master secret of State is the fact that a tiny minority of the population are inflicting unnecessary and remediable insecurity on the rest. They are the direct authors of all crimes attributable to poverty (the financial expression of economic insecurity). His Majesty's judges rightly resisted their unconstitutional procedure when cutting salaries without their consent. They would do better to resist the master-unconstitutionalism which manufactures crime on the one hand and invades the court's discretion in judging and punishing it on the other. A state based on Social-Credit principles of finance need keep no secrets. All its "reasons of State" will be inscribed on its Charter.

Social Credit and the Law

DIARY OF EVENTS WITH DATES OF COMMENTS IN THE NEW AGE.

October 31 and November 7, 1929. Review of Lord Hewart's book, *The New Despotism*.

November 6, 1930. Critique of Mr. Harold J. Laski's attack on lawyers.

January 1, 1931. Analysis of Mr. Justice Wright's judgment in the action of the Bank of Portugal against Messrs. Waterlow and Sons.

April 2, 1931. Comment on the conflict of judgments between Lord Justice Scrutton and Lords Justices Greer and Slesser in the Waterlow Appeal on a question of fact, i.e., what was the cost to the Bank of issuing new notes to replace the forged ones—their face value, or the cost of printing? [The Waterlow Action and Appeal can be read in the *Times Law Reports* of January 30 and May 1, 1931, respectively.]

April 9 and 23, 1931. Bankers' intrigues in Australia to twist constitutional law into conformity with their own policy.

June 4, 1931. The Drapery Trust's issue of £123,275 20-year Notes in order to settle a claim by Lloyds Bank—directors decide on settlement without giving shareholders an opportunity to say whether the case should be taken to Court.

June 4, 1931. M. Leon Franklin's £450,000,000 claim against the Westminster Bank laughed out of Court.

June 25, 1931. "Legislative Lawlessness." The case of Mr. F. H. Hamilton—the law altered in his disfavour by the House at Snowden's instance while litigation was actually in progress between him and the Tax Authorities.

July 30, 1931. The opening of the Kysant trial.

August, 1931. The result of the Kysant Appeal.

November 12, 1931. The result of the Kysant Appeal.

May 5, 1932. . . . The Waterlow Appeal: Lords' judgment delivered on April 28. The Lord Chancellor (Sankey) and

Lords Justices Macmillan and Atkin decide for the face value of the notes (see April 2, 1931, above) while Lords

Justices Warrington of Clyffe and Russell of Killowen decide for the printing-cost.

May 19, 1932.—Waterlow Judgment; analysis by cross-examination of Lord Macmillan's argument.

June 2, 1932. Mr. Justice McCordie's public "reproof" of Lord Justice Scrutton.

June 9, 1932. The Privy Council Judicial Committee and Mr. Lang.

July 14, 1932. The trial of Mrs. Barney.

Notice.

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

Mr. Arthur Brenton,
20, Rectory Road,
Barnes, S.W.13.

Flogging for Money-Snatching.

Mr. Justice Charles, at the Central Criminal Court, inflicted a sentence of twenty months imprisonment with hard labour and fifteen strokes of the "cat" on a man called Jack Levy. The crime was a participation in a robbery. The facts were these: A clerk in the employment of the Commissioners of Crown Lands was carrying money to the bank when he was jumped on from behind, a treacle plaster put over his face, and the money seized. The assailant jumped into a waiting motor-car, in which he was driven off with three other men. Jack Levy was not one of these four men; he was the driver of the car. In sentencing him, Mr. Justice Charles remarked that this sort of offence was growing too common, and "on occasion has resulted in the death of the man attacked." In the Court of Criminal Appeal, on July 4 (see *The Times*, July 5), Mr. Bowen Davies, K.C., appealed against the sentence on the ground that it had "hitherto been the practice of this Court to eliminate the punishment of flogging" where the prisoner "had nothing previously against him, and had not been personally violent." The Appeal Court decided that it was not possible to review the sentence without interfering with the discretion of the judge who tried the case, and the Court was not prepared to interfere with that discretion. The Appeal was heard by the Lord Chief Justice, Mr. Justice Swift, and Mr. Justice Du Parc.

The Physical Measure of Monetary Cost.

Major Douglas's central thesis is that the economic deadlock results from a fundamental miscalculation of cost—not from scarcity of money. The difference between correct and incorrect costing can be grasped by anybody with plain common-sense, provided he starts with a survey of elemental and universal factors viewed as operating inside a single closed area. This may be scoffed at as academic and unreal; but it is exactly the opposite, because the whole trend of international politics is towards turning the world into a single closed area; the assumption being that everything will come right when all nations are merged into a co-operative World-State.

So in prescribing the study of the closed area we are simply asking the reader to visualise the bankers' own Utopia, where the world's peoples and industries work as a unified co-operative whole. We are asking him to judge for himself whether that system would work.

Fortunately the mental effort needed to visualise a closed area is easy; and so is that of grasping the fundamental factors in the economy of such an area. These factors are shown in the following hypothetical illustration, which discloses the fundamental basis of all economic activity.

I.—PHYSICAL "COST."

Imagine a block of sugar weighing 1,000 lbs. (all natural resources) and a man (all men) chipping it into the form of a statue (all property), and feeding himself on the chippings (all consumption).

The work takes him five days, and the finished statue weighs 600 lbs., the other 400 lbs. having been consumed. This takes place in a closed area, i.e., nothing exists but this man and the sugar. Some questions arise.

- (a) Can the statue be said to have cost something? If so;
 (b) What is the nature and measure of the cost?
 (c) What is the use of ascertaining it?

The answers are:—

- (a) Yes.
 (b) The nature is energy: the measure, 400 lbs. of sugar.
 (c) None.

The reason is:—

(a) None required.

(b) The man works; the weight of the chippings measures the wages of his work; and his use of the wages—his consumption of sugar—imparts to them the character of cost. Note: the cost does not depend on his eating the sugar, but on its disappearance. For example, he might lose 50 lbs. blown away in dust, and another 50 lbs. trampled into the ground, but the cost would still be the same as if he had consumed the whole 400 lbs. The cost of the production is measured by the destruction. The so-called act of production is really an act of excavation—the statue exists from the beginning in the block of sugar, and what the man does is to dig it out. The cost is 400 lbs. of sugar (eaten or lost): and for that cost the man obtains a 600-lb. statue.

(c) This conclusion in the circumstances of the illustration would be of no practical importance to the man. The only reason for arriving at any cost would be the intention to charge a price. But the statue would be, and would have to remain, his property, for there would be nobody else to whom he could transfer it.

II.—MONETARY COST.

To apply money measurements to this operation we can suppose the man to provide himself with a pool of, say, 100 tickets, and draw as wages twenty a day for five days, placing them in another pool as and when he consumed his daily quantity of sugar. If he regarded as the cost of the statue all the tickets which passed through his hands, he would value the statue at 100 tickets. And if he regarded the transferred pool of tickets as his property, he could use them to buy the statue, and then tear them up. That is one method.

An alternative method would be for him to provide himself with, say, twenty tickets only, and to draw them from the first pool and transfer them to the second, and back again every day, shuttle-cock fashion, ending up on the last day with twenty tickets in the second pool. In this case, in order to buy the statue, he would have either to abandon the method of assessing its cost as the total of the tickets that had passed through his hands (i.e., 20 x 5) arbitrarily calling the cost twenty; or else provide himself with 80 more tickets to make up the hundred.

In principle both alternatives are the same. In the first alternative he provides tickets equal to the final cost, and, in the second, tickets equal to one day's cost. The question to be examined is whether, in the first alternative, he is entitled to regard the 100 tickets in the second pool as his own property. The answer is "yes," because the statue valued at 100 tickets is his property. The very rule that he shall pay that value in tickets to acquire the statue gives him the right of ownership in the tickets. Similarly, in the second alternative, the same rule gives him the right to provide himself with extra tickets to put into the second pool, or to buy the statue for the number of tickets which happen to be in that pool, when the work is finished.

Note that any number of tickets can be assumed. The above are token figures. Note also that the weights of the block, chippings, and statue used in the illustration are also token weights, and can be any other weights. Note, finally, that under neither of the two methods of costing is it necessary for the man to know what weight he starts with or finishes with in order to work his ticket system so as to acquire his statue by purchase. Either method would work just the same if he consumed 800 instead of 400 lbs., or any other weight, for at the end there would be a statue of some size or other, and no matter what it was he could acquire possession of it by making the number of tickets equal to the number representing the cost; or *vice versa*, as described.

Four assumptions are made here:—

- (a) The man's ability to do the job.
 (b) His capacity to do elementary sums in arithmetic.

(c) His freedom to work his ticket system how he likes.

(d) His determination to acquire the statue. Grant these, and he would have no difficulty in getting all he made as and when he finished it. (We suggest that a class of elementary schoolboys would produce some effective methods without any prompting.)

The conclusion from this analysis is as follows. Any community in any closed area who have an average equipment of brain and muscle are competent to be their own bankers; and if allowed to control their banking-policy would have no difficulty in designing a costing-system which would enable them to purchase, as private consumers, everything they made, as a collective body of associated producers. "All men have a right to all that all men have achieved," wrote Emerson. Given a communal will to have it, there is a technical way to get it. To-day they do not get it. All over the world there are unsaleable gluts of products which communities are in need of. The reason is that a financial hierarchy has arisen which is able to ignore the communal will, and to deprive the community of its rights by imposing on it a faulty and deceptive costing system of their own. Appointed to apply a technique to fulfil the community's will to consume, they have designed a technique which automatically causes a general abstention from consumption.

We have no doubt that our hypothetical class of schoolboys could invent a comparable ticket-wangle for application to the man and the statue in our initial illustration. The teacher might say to them: "Now, supposing this man let you provide him with tickets, and accepted your rules for counting the cost of the statue, and for deciding how many tickets were his property at the end of the five days, could you work out a plan to stop him buying the statue?" We suggest that this problem is a less severe test of the schoolboy intelligence than many which he has to undergo to-day in his normal school-life.

Morals and Economics.

By Hilderic Cousens.

II.

At no time in the history of man has there been more *uncommon* observation and *uncommon* intelligence. Large numbers of people observe and reason patiently and acutely on an infinity of matters and problems—how to play a hand at bridge, how to produce chickens with two heads, how to improve spinning machines, what exactly was the course of events at the battle of Waterloo, what shares in what company will give the best return, and so on. Some sort of a solution is produced day after day for a multitude of difficulties which call forth knowledge, skill, logic, ingenuity and mental energy. Organised knowledge and systematic experiment are the distinctive marks of the present age. But the feeling that the sea of fact is enormous, that one man can only ladle out a bucketful for himself, that he must remain largely unfamiliar with the contents of other people's buckets, and so must take their discoveries largely on trust, produces an inability to survey the sea at large. It is as though the captain of a ship threading its way into a river mouth, full of sandbanks and on a lee shore, should be so busy as to ignore the imminence of a hurricane, and in the excitement of heaving the lead turn his back on the falling barometer.

Common observation is not cultivated in the realm of politics. It has taken years of propaganda combined with increasing social maladjustment to begin to get into most people's heads the notion that what is wrong with Western Europe is *not* inability to produce what people want, though the

evidence in its favour has been abundant for the last twelve years at the least. Most people still have a considerable faith in conferences, despite the fact that every conference this last decade has ended with the posting of a notice, "To be continued in our next." Hope has a greater energy than experience. Common intelligence is so far from being exercised that those who admit a glut of production and productivity tend to jump for the perpetual cat-calls for "economy." On the other hand, uncommon observation has such a prestige that experts lading bucketfuls from the sea of facts are hailed as omniscient, no matter what trivialities they report from their buckets nor in what backwater they have fished. Politics and economics pullulates with experts, each with a little mystery of his own. When the main navigation routes of the Economic Sea have been charted, these mysteries may be usefully attended to. Some humorist once catalogued the four hundred explanations put forward for the trade cycle. Probably rather more than four hundred explanations have been given for the present depression. The reviewer writes one week that "Mr. Blank's new book argues forcibly that . . ." and next week that "The case put forward very convincingly by Mr. Blanker" proves exactly the opposite.

The proper place for uncommon observation in economics is after common sense has been applied. Economics is rather like the digestion. It becomes a nuisance, demanding attention when the system goes wrong. If a man is sick after every meal common sense suggests that his stomach is working badly, and the uncommon sense of medicine will be needed if it is to be put right. But if he is convinced that what makes him sick is the unfortunate fact that he has to eat off round plates, then medicine will have no chance. There are quite a number of farmers in East Anglia who firmly believe that their troubles are due to having to pay tithes. There are even more folk who seem to believe that (1) costs must be cut and (2) prices must be stabilised, and another lot who clamour for (1) reductions in government and municipal salaries, and (2) freer spending by the salaried classes.

The moralists have never, as far as I can remember, inculcated the virtue of straight thinking. The constitution of the human mind makes logical thinking but a part of its processes. No one can pretend that it can be the mainspring and governor of life. Many, perhaps most, of the more important actions of the individual life are brought about by and through mental processes, conscious or not, which cannot be called deliberate reasoning. But reason and reflection must play a part in the human mind, balancing the other forces and directing them a little towards what is good and rather more from what is bad. In the labyrinth of relations between individuals which we call society, reason must play rather a more important role, especially as that expert reasoning which issues in science, technology, and their embodiments advances steadily. "Nothing too much," by all means, as the excellent Greek prescription had it, but also "Nothing too little."

This disregard for reason accounts for the futility and irrelevance of moral suasion in economic affairs, and in its absence the moralist is bereft of any solid foundation for his exhortation. It is true that the word "reasonable" is ever on his lips, but that word means to him simply "moderate." A reasonable attitude signifies all too often a willingness to admit all things for the sake of peace. The character of the British nation is frequently exalted, and indeed, compared with most of the nations of the earth the British have no reason to be ashamed of themselves. But with general intelligence disrated, this character becomes suicidal. The unpleasant spectacle of England being ruined because the half-wits and shysters who have latterly controlled its

fortunes can rely on the social solidarity and unsuspectance of its population is upon us. In the past we see the same thing time and time again. One need only read the "History of the British Army," by Sir John Fortescue, or "The Real War," by Capt. Liddell Hart, to perceive that the strongest combination of all the virtues has frequently been brought to nought and its possessors destroyed by sheer unreason of its high political and military leaders. Such leaders as did add intelligence to their qualities were generally hated and obstructed. It is no consolation to find that other nations have the same defects.

(To be continued.)

The Lausanne Settlement.

"The comparative prosperity in France and depression in Germany are remarkable [the reference is to 1872] and give colour to the story that Bismarck, in commenting upon the state of the two countries, declared that the next time he defeated France he would insist on paying an indemnity."—The Rt. Hon. Reginald McKenna, in *Post-War Banking Policy* (first edition, page 58).

The so-called success at Lausanne is the outcome of the bankers' stay-in strike, or withdrawal of goodwill. They struck to get *political debts* (as they call them) scaled down; and have got them scaled down. To the extent of the reduction they have added stability to *commercial debts*, i.e., debts arising out of loan-operations which they have carried out for their own purposes. Germany need only make a final payment of £150,000,000 at some problematic future date. Her debt has been reduced to what *The Times* has recently called a "token figure." The figure is registered (any figure would have done) in order to symbolise the doctrine of the "sanctity of contracts," under which debtors may not vary the terms without the assent of creditors, but under which, as it now appears, the bankers may intervene to vary the terms and to compel both debtors and creditors to accept them. When the ex-Chancellor, Dr. Brüning, publicly stated that it was physically impossible for Germany to go on paying, everybody in the know concluded that the international financiers had decided to excuse the payments, i.e., to passively prevent settlement of the old "solemn obligations." Since no nation dared sack its bankers it had to obey them. Mr. MacDonald had no more influence on the settlement than anyone else at Lausanne. He collects the bouquets merely as the President of the "Surrender Conference"—and he was only President because Anglo-American finance chose to plant him in the chair. The only job of the Lausanne statesmen is now to expound this polyglot financial deal, each in his own people's language, and to present it as a step towards their own prosperity.

Well, it can be done logically; although we doubt if they will do it that way. When any country "solemnly undertakes" to pay money to another it virtually undertakes to capture its markets. It can only pay that way. Under the bankers' régime this is fatal to the creditor country; for if it loses markets its own bankers start to destroy even those markets which it hath. Hence France and all other countries are lucky to have the reparations written down. So much for theory. But in practice the new settlement does not abate in the least Germany's power to compete for the Allies' markets, nor lessen her determination to do so. She will go on acquiring the means of paying—and obviously much more strenuously now that she need not part with those means when she gets them. In the international money-game lenders have the luck, and borrowers are lucky if they are allowed to repay. Bismarck's reputed comment on indemnities—which are repayments of what you haven't borrowed—reflects this truth.

Europe is now told to prepare for a scaling-down settlement with the United States. The forecast of the settlement to be offered is that America will remit debt if Europe reduces armaments. This means that America will say to the nations of Europe: "If you will cease producing armaments and employing soldiers and sailors in your territories we will excuse you from producing goods to send into our territory."

This concludes our observations.

Events of the Week.

(Compiled by M. A. Phillips.)

- July 2. Jobbers put gilt edged prices up 5-8 per cent. after consultation with Bank of England. Further Hungarian Default. (League 7½ per cent. loan.) All-English newspapers begin campaign for conversion scheme. Rioting in Berlin continues. French Budget deficit of £20,000,000 (par). Economy Bill turned down by Chamber of Deputies. Failure of North Electric Power Co. of U.S.A. (Insull concern with £120,000,000 capital.)
- July 4. Revolution in Peru. More Bombay riots. Lausanne.—Powers' offer to Germany of final payment (£210,000,000) to be made by a Bond issue—to be used for European Reconstruction and not to be paid until she is prosperous (latter point to be settled by B.I.S.). Germany offers £100,000,000 on above terms. Rise in stock prices starts (gilt edged and many industrials).
- July 5. French Budget Crisis continues. Herriot leaves Lausanne for Paris. Fall in £'s exchange value. Belgian unemployed parades in Brussels and other big cities.
- July 6. Geneva.—Hoover plan to be investigated at length. Lausanne.—Germany offers £130,000,000 on powers' terms if Versailles guilt clause amended—France declines and wants full £210,000,000. Beaverbrook's "Express" campaign against high rates of bank interest being intensively pushed. Ireland.—De Valera pays annuities into special fund pending arbitration.
- July 7. Lausanne.—Franco-German impasse and complete deadlock. Midland, Westminster, and National Provincial Banks declare same interim dividend as last year. Wall Street prices falling. London stock prices steady.
- July 8. Indian Bank Rate reduced from 6 to 4 per cent. French submarine *Prométhée* sunk. Lausanne.—Germany gives up demand for amendment of guilt clause. Disarmament.—Baldwin announces British plan (smaller, not fewer, ships, etc.). America upset. French war veterans protest against economy cuts. Barclays Bank declare 7 per cent. interim dividend as last year.

COVENTRY MUNICIPAL CURRENCY SCHEME.

A correspondent on the Coventry City Council writes concerning the reception of the Legion of Unemployed's scheme by the General Purposes Committee of the Council as follows: "The reception was hostile, and I was prevented from enlarging and developing my argument. A Liberal whom I knew to be in favour with Social Credit principles then moved that a copy of the Charter be sent to every member of the Council for consideration. I seconded that, and it was supported by the entire group of the Labour Party, but it failed to carry."

Ingenious Selling Talk.

The Amalgamated Press has found a new argument why people should advertise in their papers. The argument is as follows:—From January 1 to March 31, 1932, the Government got about £266,000,000 out of the taxpayer. In the autumn the taxpayer will be called upon for only £50,000,000. This is more than £200,000,000 less than the spring demand. "Think how much this means in Greater Spending Power." The circular concludes with the admonition to advertisers to hurry up and come in to get their share of this immense quantity of trade in the Autumn.

Theatre Notes.

By John Shand.

A QUEEN OF SONG.

To the unreverend eye, the average prima donna is a woman who should be heard and not seen. For is she not in general a figure not less frumpish than majestic? Her Wagnerian goddesses and Mozartian maidens may sing most heavenly; but they look like over-blown Junos of the earth, earthy. She looks always perfectly at home in the costume and against the scenery provided for her at Covent Garden; and could you say worse of a woman—as "a thing to thank God on," as Falstaff put it—than that? Observe, then, Miss Edith Evans as Madame Irela in "Evensong," the new play at the Queen's Theatre. Madame Irela is a prima donna who is almost at the end of the tether. She has had her farewell concerts; no longer scorns but is afraid of younger rivals; and is on the verge of a genuine adieu to song, either by marriage and the melancholy dignity of affluent superannuation, or by sinking into well-paid decay in the vulgarity of world tours among the Philistines. Miss Evans, it seems to me, looks, moves and behaves like one of these queens of song. She is at once expensively and stuffily dressed. She seems as heavy—and as impressive—as a mountain. That wittily handsome mask with which she has fronted us as Congreve's Mrs. Millamant or as Farquhar's Mrs. Sullen is replaced by the features of as plain a woman as ever made us forget her looks in the beauty of her voice. And always she exhibits the self-centredness of one for whom there is in the world only Madame Irela and a lot of other people who are either a help—in which case they are to be occasionally petted—or a hindrance—in which case they are at once to be swept out of the way. In absolute and completely dramatic contrast to this character, there is Miss Violet Vanbrugh in the part of an elderly Austrian aristocrat, Princess Rabinitz. Here, touched in lightly, art and natural charm reduces me to uncritical placence, is the portrait of a lady; cool, elegant, position that her desire is only to make sure that others are not uneasy in theirs. Her clothes as sweetly ordered as her manners. Miss Vanbrugh is on the stage for a few minutes in the middle act, whereas Miss Evans is hardly off the stage throughout the play. Yet I left the theatre with the impression that the leading part was superior only in length to the part of the Princess. Which just shows once again that lights cannot be hid under bushels, that good wine needs no bush, etcetera. A fine artist shows his quality as much in a sketch as on a canvas as big as a wall. Give Miss Vanbrugh's part to a mediocre actress and she would probably say, if under her breath, "What a rotten part! Nobody will remember I've been on when the play is over." And she would certainly prove the truth of those words.—Appropriately enough, by the way, Miss Vanbrugh and Miss Evans carry out the "idea" of their part even into the taking of the curtain calls. Miss Vanbrugh bows to us with the style of an 18th-century Cabinet Minister concluding an epistle to a humble follower with a "Sir, your most obedient servant." Nor does she forget to incline her head courteously towards her colleague. Miss Evans, still Madame Irela-ish, does not oblige Miss Vanbrugh, and seems to take our plaudits as something well meant—the best we can do, don't you know. A little extra scene of comedy which greatly amused me.

"Evensong" has been adapted from Mr. Beverley Nichols' novel of the same title by Mr. Edward Knoblock and the author. I have not read the book, and, merely as a playgoer of course, that does not—and should not—matter. A dramatised novel is good or bad, not so far as it reminds or fails to remind readers of the virtues of the original story, but precisely as far as it interests an audience who must be presumed ignorant of the book's contents. But Mr. Knoblock needs no advice on how to transform fiction into drama, for he is almost adapter-in-chief to the London stage, and has been helping novelists into the theatre by collaboration at least since Arnold Bennett's "Milestones," in 1912. He almost deserves the invention of a new word: "To Knobble." One could talk, then, of how Mr. Priestley's "Good Companions" and Mr. Nichols' "Evensong" were "knobbled" into successful plays—had not this neologism, without its silent initial letter, an unfortunate connotation to those acquainted with racing slang. Anyway, the two authors have between them constructed a play which provides such scope for acting and production, and these opportunities have been so capably taken by the players and by the producer, Mr. Athole Stewart, that "Evensong" beyond all cavil is first-rate theatrical entertainment. Like a couple of smart reporters writing up an interview with some celebrity, Mr. Knoblock and Mr. Nichols "take you round" Madame Irela, showing her in all sorts of amusing and exciting situations, pointing out with professional perspicuity and discretion (though with a little more candour and ironic undertone than is usual in English journalism) how the temperamental songstress behaves to a rival prima donna, to her favourite niece, to her old lover, to her servants, to her doctor, her managers and her public. Even although this most competently written script undergoes a transformation into something a little more rich and strange by reason of the excellent acting of Miss Vanburgh, Miss Evans and others in the company, you will not at any time take it for anything in the way of fine drama; but as entertainment of a superior kind, which is all it pretends to, I can guarantee to any reader an evening devoid of yawns and a few moments that are positively thrilling to those who can appreciate good acting well directed. As, for example, in the two scenes in the middle act which are set in the Green Room of Covent Garden Opera House.

After Madame Irela's first night, which is the first of these scenes, the Green Room is full of her admirers, bubbling with excitement. There is a hush as the adored singer enters in her stage costume. Then the chatter swells up again as they shower her with compliments. Her rival, the foreign star of the season, Baba Le Toile, also comes forward to congratulate her and courtesies with liberal genuflection. But Irela is coldly insolent to this apparently genuine tribute. "You have quite a pretty voice," she mews. Then, showing her claws more distinctly, "Baba sings like the birds, who sing because they want to sing. And Baba wants to sing, too." And Irela makes the Spanish star to in her dressing-room, leaving the Spanish star to make incoherent but splendid cat-music outside. This scene is produced with great verve; and Miss Ethel Glendinning, who is an opera singer herself, gives a brilliant performance as Baba. In the second scene it is Baba who is coming off the stage after a triumphal last night, and this time the Green Room is crammed with her admirers. They are mostly young people, in contrast with Irela's elderly "fans," and they mix with their noisy praise of Baba some unkind jibes at the older star. When Baba runs in (another contrast with the necessarily stately movement of Irela) the enthusiasts put her on a stool and demand a speech. Irela enters, in an evening dress of grand inelegance. There is an

instant silence. She walks—no, she makes a royal procession towards Baba, who naturally looks rather foolish. "Do not step down, Baba," proclaims the offended majesty of not-yet-buried Irela. "Your stool is a trifle shaky, but your friends will hold you up for a while." Then once again she stalks to cover in her dressing-room whilst a minor Spanish revolution takes place in the Green Room until the infuriated foreign singer is carried away. All this, of course, is superbly good theatre. Baba takes her revenge by singing in Irela's hearing with the insouciance which the older woman can now only imitate by clever technique. Before Baba's aria-1 counter-attack, however, Irela has had the fine scene with Princess Rabnitz in which she has promised to leave the stage to marry an archduke, the Princess's brother, who has been in love with Irela all his life. After the archduke's envoy has gone, Irela looks at the jewelled tiara that was presented to her uncomfortably long ago to crown her queen of song. As she replaces it in the casket, as if putting for ever behind her the plaudits and the cheers, Baba's voice, gently soaring, assails her ears. She explodes into hysterics of jealousy. Verbally, the archduke is thrown overboard, and each one of her shrieks seems to sign a new contract for concert work. And while she shakes her coronet at her invisible but only too audible rival, Irela has a stroke, and the curtain descends as she cries out: "I can't move my arms!" There's a curtain for you! It warms one's heart to see once again such a sparkling display of theatrical fireworks for the close of a second act.

A later scene, in which the old nobleman takes his final dismissal, is played with sentimental aplomb by Miss Evans and by Mr. Frederick Leister, who not long ago was playing the Austrian Emperor in "The White Horse Inn," and will be gratefully remembered for the moment of pleasure he provided for those who were otherwise quite fatigued by that splendidly vacuous show.—We take farewell of Irela as she signs up a new manager for a world tour and listens pensively to a gramophone record of her once golden voice. A good curtain; but possibly a little lacking in excitement after the pyrotechnics of the second act.

Involved with and supplementing all this is quite a pleasant little love story nicely acted by Miss Joan Harben and Mr. Harry Wilcoxon. An excellent performance is given by Miss Lucy Edwin as a Scots nurse who neatly combines professional respect for the patient, Irela, with womanly (and Scottish) disapproval of her tantrums and bad language. Other good performances are given by Miss Beatrix Fielden-Kaye as Irela's maid, by Mr. Deering Wells as her doctor, by Mr. Reginald Tate as the manager who cynically persuades her into a world tour, and by Mr. Wilfred Lawson as the old manager who is dismissed because he tells her the truth about herself. Mr. Lawson's acting is spoiled for me a little by his voice, whose naturally powerful tones seem to be half-strangled by a delivery which often makes him sound his words rather than speak them.—The settings by Mr. Laurence Irving add to the many pleasures of what is surely one of the best shows now in town. Sir Barry Jackson, who has given us so many good plays, has put us once more in his debt.

There are some other pieces this week to be reviewed, but they shall escape comment, for next week I hope to be enjoying the breezes on the Wiltshire downs, where, if I have any thought for the London theatre, it will be only to place them for a moment, together with any unpleasant reflections on our comparative eternal things as the Sarsen stones of Avebury and the barrow-tombs of a vanished people who before the Romans came made these downs part of a highway across England.

The Films.

But The Flesh Is Weak: Empire.

As a contribution to the art of the screen, this picture, which is described as being based on Ivor Novello's "The Truth Game," but which I understand bears only the slightest resemblance to the original, is completely negligible. The story is bald and dash, the characters are sawdust, and it would again seem that Hollywood cannot catch the English atmosphere, despite its rather naive attempts to convince the English public to the contrary. The absence of servants in private houses of the kind here depicted is simply not true to life, and although I do not profess to be an authority on racing, I believe I am right in saying that visitors to Ascot are provided with race cards, and not "programmes." Also, unless his diction had been debauched by the screen, a young English gentleman of some social position would not inform the daughter of a Duke to whom he had just introduced himself that "I think you're just swell." If I mention these matters, it is because the producers lay stress on the English atmosphere of the picture, which is, however, aided by the accents of such players as Eva Moore, Edward Everett Horton, and Frederick Kerr, while Robert Montgomery's "international voice" is neither English nor American, but an agreeable blending of the two.

But despite its defects, among which is to be mentioned that it is more photo-play than cinema, this film should be seen for the sake of a new star, Nora Gregor. This young Austrian—one of Reinhardt's pupils—is everything that Greta Garbo is advertised to be but is not. She has exotic allure, is a very finished actress, has a charming voice, and is pleasing to look at, and has the sex appeal of Marlene Dietrich. Metro-Goldwyn-Mayer are to be congratulated on the discovery, and it is to be hoped that they will make the best use of her. They are also to be congratulated on the discovery of Heather Thatcher. Miss Thatcher is, of course, well known to London playgoers, but British film producers have not only refused to employ her, but have also told her that she lacks a film face, which is in a way true, having regard to Elstree's fondness for wax dolls. Hollywood is not so myopic, and she has here given a dry, incisive, and witty performance that indicates that the screen has found a valuable recruit. She and Miss Gregor make "But the Flesh is Weak" well worth a visit.

Two Revivals.

Either shortage of output, or the fact that some much-boomed recent films have flopped terribly, would seem to be responsible for a tendency to revive early talkies. "The Blue Angel" has been showing at the Rialto, and "King of Jazz" is at the Stoll until Sunday. This picture represents the high-water mark of its particular genre, the spectacular musical show on which Hollywood spent an immense amount of time and money during the early days of sound films, but which has not been made for some time. It is first-class entertainment, and students of screen technique may be interested to see just how it dates.

DAVID OCKHAM.

THE BARNEY TRIAL.

(Additional Notes.)

The *Evening Standard* of July 11 reports that Miss Brenda Dean Paul, who was charged last December with having certain drugs in her possession, and was bound over conditionally on going into a home, is being summoned for breaking some provision attached to the order. Her name recalls the fact that in June a Mr. Napper Dean Paul was driving with Mrs. Barney when she met with her motor accident (see page 129). Sir Aubrey Dean Paul is the former lady's father. He has one son whose name, however, is Brian Kenneth, not Napper. Whether Napper Dean Paul is a connection of the family does not transpire; the surname suggests so. Sir Aubrey married Irene Regina, daughter of the late Henry Wieniawska of Warsaw, in 1900. His clubs are Boodle's and Chelsea Arts.

Notes on the Barney Trial.

Mrs. Barney is about twenty-six. After leaving school she underwent a course of training at Lady Benson's School of Acting. She appeared in the "Blue Kitten" at the Gaiety Theatre in the name of Dolores Ashley, and in several other plays. Since then she ceased to take an interest in the stage as a career. She met Mr. Barney, a member of an American singing trio, at the home of her father when he was fulfilling a singing engagement. She married him a few months later at a register office. In June last year she was involved in a motor accident when driving with Mr. Napper Dean Paul. (Report in *The Times* of June 1.)

Her father, Sir John Mullens, was Chief Government Broker until 1929. He is a Trustee and Manager of the Stock Exchange, London ("Directory of Directors," 1932). His recreations are shooting, fishing, and golf. ("Who's Who," 1932.) His address is 6, Belgrave-square, S.W.1.

Mr. Michael Scott Stephen (the dead man) was aged about thirty-five, and the son of a Justice of the Peace for Kent. He appears to have had no regular occupation, but on occasions carried out dress designing.

Sir Percival Clarke, Chief Counsel for the Crown, has been Senior Counsel to the Treasury at the Central Criminal Court since 1928; Counsel to the Board of Trade in Bankruptcy and companies' winding-up cases, 1905; is author of "Clarke on Extradition." His address is 7, Gloucester Gate, N.W.1, and 2, Essex Court, Temple, E.C.4.

Sir Patrick Hastings, Chief Counsel for the Defence, was a mining engineer 1898-9 served in the South African War 1900-1, journalist 1902-3, and was Attorney-General 1924. Among his publications, which are various, are "The River" (a play), 1925; and "Scotch Mist," 1926. His address is 111, Park Street, W.1., and Ower House, Farley, Hants; and 5, Paper Buildings, Temple, E.C.4.

Mr. Justice Humphreys has been Judge of the King's Bench Division since 1928, and has been Counsel to the Crown at Middlesex and North London Sessions. His address is 1, Temple Gardens, Temple, E.C.4, and 47, Castlebar Road, Ealing.

The address of the flat where the tragedy took place is Williams Mews, Knightsbridge, W.

According to the Press, the seating accommodation in the Public Gallery at the Old Bailey is thirty-six; of these seats eighteen were reserved for private allocation. The remainder, presumably, were occupied by people who had expended the trouble and time to be firstcomers. The number of people who had attended the cocktail party on the evening of the tragedy has been stated to be about thirty. This number alone would have occupied most of the Public Gallery if they had attended, and if one adds to this other people who had been in the habit of visiting the flat together with their friends and other acquaintances of Mrs. Barney, this is sufficient to account for the whole public attendance at the Court, and seems to rule out the criticisms of James Douglas and Hannen Swaffer on the morning after the verdict that these visitors were there out of idle curiosity or for the purpose of "gloating" over "agony."

Mr. Barney, in New York, on hearing of the charge against his wife, announced his intention of coming to stand at her side. In the Press on the day following the verdict it was stated that he had been through England to France, where he had business to do, and had explained that he had offered his services but was told that they would not be required.

The chief feature of the trial which the Press has commented upon has been its short duration; in fact, the short duration of the whole procedure from the time of the tragedy to the end of the trial—viz., five weeks.

On the first day of the trial it would appear that its end was contemplated as being possible on the same day, because later in the day telegrams had to be sent to the jurors' homes to say that the jury would have to remain in London.

The outcome of this trial will discourage the police. From the decisive way in which it was ended it seems as if Mrs. Barney could plausibly construct a case for charging the police with malicious prosecution.

The *Sunday Dispatch* published on July 10 the first of a series of autobiographical articles by Mrs. Barney.

The trial began on Monday, July 4, and ended on Wednesday, July 6.

On the morning after the acquittal Mrs. Barney drove out of her home in Belgrave Square in a high-power sports car. She visited her hairdresser. The picture in the evening Press showed her coming away from the hairdresser's with

a woman friend. She had a lighted cigarette in one hand and a bunch of flowers in the other.

It has been widely commented on that the photographs taken of her on that day and subsequently suggest that the pictures published of her before and during the trial must have been taken a considerable number of years ago. The Press, of course, would have been unable to take photos of her after her arrest; at the same time the dating back of her physiognomy gave the public a misleading impression of her personality.

Mr. James Douglas, in the *Daily Express*, holds up the trial of Mrs. Barney as a warning to the Bright Young Things who attend cocktail parties.

The cost of the trial is stated to be about £1,000 to the Crown and £5,000 to the defence.

The conduct and outcome of this case have together created practically universal bewilderment. A symptom of this reaction is in a leading article in the *Daily Express*, which declares that the verdict was given "in the name of the people" and that no "slandrous tongue" should "foul" that verdict. (Issue of July 7.)

Stalin.*

This is the best book so far on the present Dictator of the U.S.S.R. It is translated from the German by Huntley Paterson, and contains twenty photographic illustrations.

Although the writing is free from lurid purple patches, there are some streaks of livid violet here and there that tend to spoil it, and many too many exclamation marks. But, on the whole, the book is well worth reading, despite a tendency to repeat information several times. The translator has had a difficult job and appears to have done it well. After all, a translator, if he is any use at all, must not allow himself to write the original book nearer to his heart's desire. He must keep as near to his author as possible, and, at the same time, make him readable. Mr. Paterson, one feels, has done so very successfully, and we cannot hold him responsible for Essad-Bey's faulty constructions in narrative sequence (as, for instance, when the author tells of the early life of Stalin, then brings it up to date at the end of a chapter with some such words as "Stalin's present position is . . .," and in the next chapter has to go back to take up the broken thread of the life story).

The puzzle for all realist students of the Russian Revolution has always been the question: "How was it financed?" These Communist plotters were full-time workers. How did they get money enough for food, clothing, and shelter, and to pay for travelling and for the vast output of printed propaganda?

Essad-Bey's account of Stalin's life throws a good deal of light upon this matter. After reading his book, however, one cannot help wondering whether the facts set down are true. How much of it is hearsay (a good deal?). This feeling of doubt—not very strong, perhaps, but still it arises—is due, to some extent, to the exotic gusto of the style.

"Beyond the great wall which from the beginning of time has separated Europe from Asia, beyond the legendary region of the Caucasus, lies the rich and fertile district of . . ."

That is how the book begins, and I must confess that when I read those opening words I said to myself, "Oh, Beasts, Men, and Gods!—more Ossendowskyism." I was wrong. The book is not over-coloured. It is simply Essad-Bey being quite straightforward, telling all he has gathered about Stalin in his own Essad-Bey idiom. The account is probably not embroidered, but the account is in itself a bright embroidery. If the facts given can be relied upon, that does not matter.

The chapters that are of outstanding interest are "The Great Ex," "Robber Raids in the Caucasus," and "The Exes in the Russian Revolution."

It is in these chapters that we are told how Lenin and the other Communist leaders and workers were financed.—According to Essad-Bey, Stalin did most of the financing—by direct methods of carefully organised brigandage.

Yossif Vissarionovich Djughashvili (Stalin) was born at Gori, in Georgia, in 1879. His father was a cobbler, but the boy refused to follow that trade and became a ragamuffin kinto or street-arab gangster. Later, he was sent to the Georgian Theological Seminary in Tiflis to be trained as a priest. This place appears to have been a hot-bed of revolutionary teaching carried on by pupils who received Marxian pamphlets from members of the only genuine proletarian body in the city. They were workmen of the Tiflis railway

* "Stalin." By Essad-Bey. (The Bodley Head).

shops, the largest industrial centre in the place. In the year 1896 Stalin founded the first Marxist secret society inside the very walls of the Theological Seminary! He was expelled from the seminary "owing to socialistic heresy." From that day Stalin took to the life of a revolutionary conspirator, and the various stages, phases, exiles, banishments, imprisonments, fights, strikes, raids, and conflicts leading up to Stalin, the General Secretary of the Communist Party, the successor of Lenin, and Dictator of All the Russias, are well described by Essad-Bey, and very well worth reading.

I come back to those parts dealing with the financing of the Party.

After 1905, when the working-class movement organised by the Bolsheviks was suppressed with an iron hand, their newspapers stopped, and the influence of the revolutionaries apparently declining, nothing could shake Stalin's "fanatical faith in Lenin"—a man he had hardly seen and did not know, except through his propaganda writings.

"The two main sinews of war, indispensable for any revolutionary party, were lacking—money and supporters." In the confusion of 1905-6 the Bolsheviks were stamped out, so it seemed. In reality they were driven underground.

"Lenin was living in Paris, and he and Trotsky had only one pair of boots between them, which they took turns to wear. . . . But even more serious than the personal destitution of its leaders was the paralysis of the Party due to lack of funds. Often a few roubles would have been sufficient to save the life of a supporter or enable him to escape from Siberia. . . . Before the failure of the (1905) Revolution, large sums had poured into the coffers of the Party. Everybody contributed—industrial magnates, writers, and even members of Court circles! It was the fashion from time to time to send a couple of thousand roubles to the Party funds. Maxim Gorki, the famous millionaire, Morozov, several landowners, Chicherin, and Krassin were regular subscribers. Only recently Maxim Gorki expressed surprise at the ease with which capitalists could be found willing to give money for the purpose of abolishing Capitalism. After the (1905) Revolution, however, the situation changed. Morozov, who had given hundreds of thousands to the Communists, committed suicide; a number of friendly landowners were sent into exile, others grew timorous; and even Krassin, the 'finance minister' of the Party, was left high and dry.

"Lenin tried hard to discover fresh means of replenishing the Party coffers."

After various experiments he "ordered Krassin to have recourse to the time-honoured expedient adopted by all revolutionaries, and to forge bank-notes."

Krassin was in Berlin, where he was "a director of Siemens, the internationally renowned electrical works." The first attempt at bank-note forging failed. The Berlin police discovered what was afoot.

"Krassin then sent his friend Gorki to America to raise subscriptions. . . . The only practical method, however, was evolved by Lenin himself. He decided to have recourse to the famous Exes. 'Ex' stood for the 'Expropriation of Private Property,' for the accomplishment of which armed Communists were to break into business houses, banks, and post offices, take the money they found, and hand it over to the Party."

Lenin was then faced with the problem of finding suitable and trustworthy agents to carry out this work. "The only absolutely reliable man in the Party, who seemed to have all the necessary qualifications, was Comrade Stalin, with his band of Caucasian Bolsheviks." Stalin immediately agreed to undertake this work. "The task from which the cultivated members of the Central Committee shrank back in horror, he regarded as being all in the day's work for the furtherance of the Cause. All he asked was to be allowed to choose his own men, to which Lenin naturally gave his consent."

Then followed the famous "Tiflis Affair," a daylight bank robbery in which Stalin and his gang bombed the cashier's carriage as it drove through the streets, scooped 341,000 roubles at one fell swoop, and got away with it. But this, the Great Ex, as it is called, was only one of a whole series of Exes planned and carried out by Stalin and his "Caucasian Activists." Essad-Bey's account of these events is amazing. Stalin became a daring and successful Robber Chief in the cause of the Revolution, and always handed over every penny to Lenin. Stalin is scrupulously honest.

According to Essad-Bey, Stalin's policy as the Dictator of Russia "is one of Eurasian Imperialism, and consciously or unconsciously he is carrying on the traditional policy of the Tsars, whose heir he has become."

And, finally, we read that "Joseph Vissarionovich Stalin, the General Secretary of the Communist Party. . . . is

the symbol of the greatness, the cruelty, and the power of Asia, who is threatening to hurl himself at the throat of Europe." That, I feel, is rather a streak of livid violet, and quite useless. If it is true, well, what about it? If not. . .

Over and over again Essad-Bey likens Stalin to Jenghiz-Khan, Tamerlane, Ivan the Terrible, and Peter the Great. But none of that impresses me. My guess is that he is just Stalin—that Essad-Bey is Essad-Bey—that I am what I am.

One thing is clear, however, and this book makes it clearer than ever, and that is that Stalin is a Georgian, an out-and-out Caucasian, a fine fighting type, who "does not give one bloody damn" for God, man, nor beast.

When Lenin, lying helpless on his deathbed wrote to Stalin (the last letter he ever wrote), saying, "I must appeal to the Party as a whole and demand your expulsion from its ranks. You are not fit to be a Communist,"—"Your rudeness exceeds all bounds and culminates in the drunken lust of power of an Abdul-Hamidian satrap," and "Your aim is to scale to the pinnacle of power just to amuse yourself there,"—I guess he was right.

S. R.

LETTERS TO THE EDITOR.

Differential Price-Regulation.

Dear Sir,—Two remarks which you have written in the current "Notes of the Week" have set me thinking over the general situation of Social Credit. You mention that there is already evidence of a considerable resistance to the free operation of bankers' policy, and later on you advise that we should insist on price-regulation to check or condition the anticipated drive towards credit expansion. With both of these views I agree, and at the same time I consider that they indicate the necessity for a review of Social Credit propaganda.

Regarding the first point, it seems obvious that the new economics now influence all public discussions of the social situation. The pre-Douglas axiom of fundamental scarcity is universally disbelieved, and the principle of the availability of wealth and leisure is present in the consciousness if not the knowledge of everybody. Price-regulation is not so generally understood, and largely for the reason that the propagation of the principle has lacked definition. Of course, we know in general terms that consumable goods are to be sold below cost in accordance with formulated index, but the point that is vague is the term "consumable" goods. Obviously not all goods which are solely used for personal enjoyment lend themselves to the application of price-regulation, e.g., ladies' hats, ice-cream cornets, or even a ticket to visit the Tower of London. The essential features of the commodities which are susceptible to pricing are large scale production, large scale consumption, and standardisation to a greater or lesser degree. Essentially the monopolies, electricity, water, gas, coal, bread, etc., are produced under conditions which make pricing practicable.

The effect of these considerations on the future enunciation of Social Credit principles seems to me to be very far-reaching. It is no longer sufficient to talk vaguely in terms of all consumable goods nor of a general and complete inauguration of Social Credit regime. The best opinion of the possibilities seems to be that Social Credit will be a patchwork of controlled and uncontrolled prices and that its inception will be gradual.

Accepting these implications, then, it logically follows that it is necessary to concentrate attention on the application of price-regulation to specific productions. I am inclined to the opinion that the view of the situation which produced the Mining Scheme is the most valuable one for the Social Credit movement to adopt. At any rate, it is infinitely more promising if applied to what the Fabians used to call the monopolies than is the vague enunciation of A. + B. and price-regulation in a smothering cloud of conjecture over the whole range of International Finance. FRED H. AUGER.

[It is not for us to differentiate between what goods are to come under the "price-assistance" provision (we are referring to Major Douglas's scheme for Scotland) and what are not. This question will settle itself when the time comes. To try to settle it now would be to provoke unnecessary controversy.—ED.]

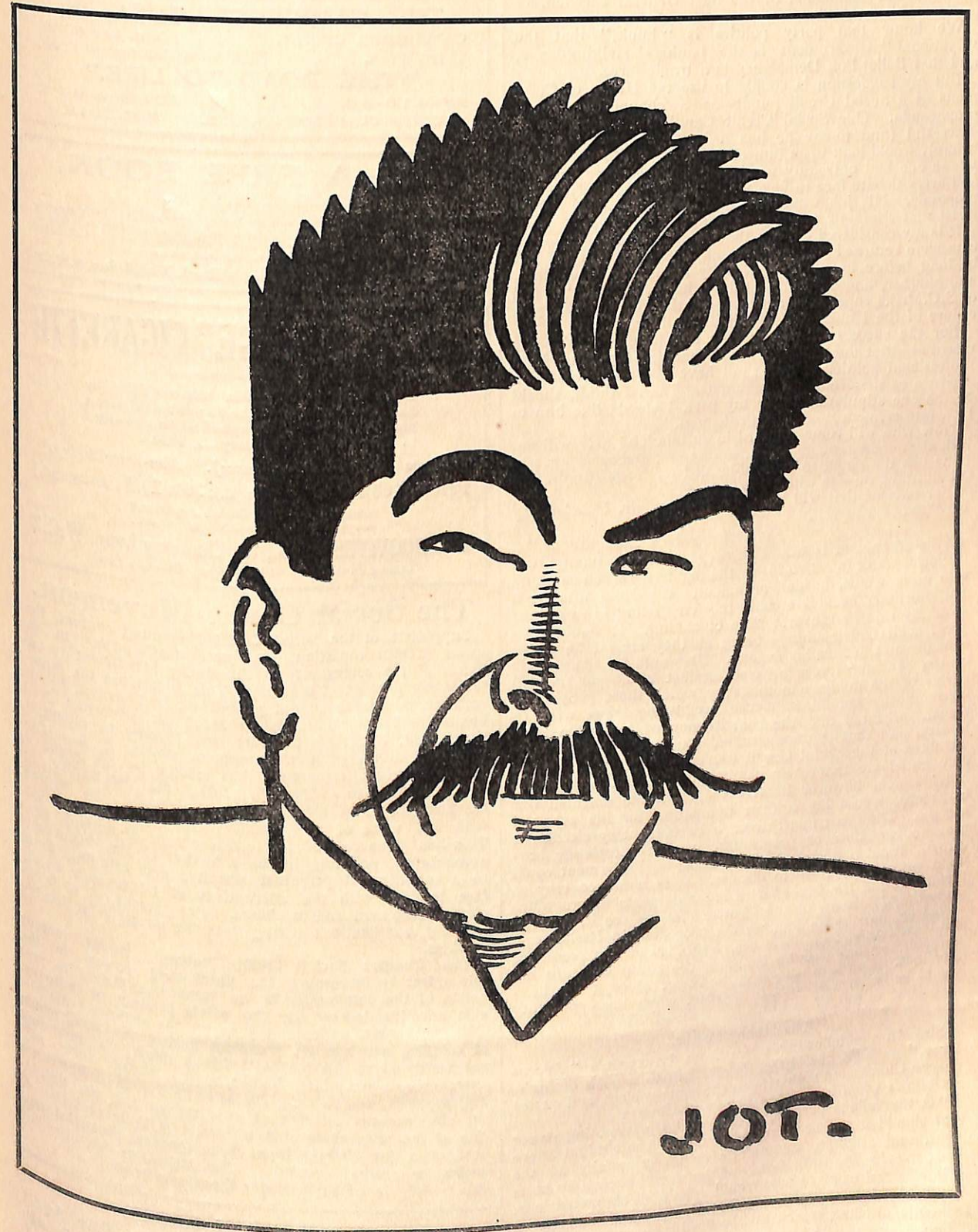
Who Will Invade "The Chatterbox"?

Sir,—Social Credit propaganda, ably conducted week by week in your valuable paper for over ten years, and also by means of a growing literature of books, booklets, and other printed matter published during the same period, must have reached and influenced not only a considerable body of enthusiastic, but economically poor students of the subject, but also men of means.

Here and there amongst the advocates of Social Credit may even be people able to keep up "a Rolls Royce

(Continued on page 132.)

CARTOON BY "JOT" (No. 11).



STUDY OF STALIN.

standard of living." And some of these must wish that they could find some way of helping on the cause. It is to these few Social Credit protagonists that I should like to put forward a suggestion. Indeed I shall be content if I reach but one of them.

My suggestion is that the time has come for Social Credit to invade "the Chatterbox" at Westminster—the House of Commons.

Who will come forward to stand for Social Credit, as a Social Credit Candidate, at the next General Election, or at a suitable by-election?

We know that party politics is "bunk," that the "National" Government is the bankers' stalling-horse, and that Ballot-Box Democracy is a tragic farce.

But my suggestion is simply to use the House of Commons as a Social Credit pulpit—as a channel of public propaganda. Our Social Credit Candidate, should he be successful (and to-day he has a better chance than ever before), would look upon himself as "a thorn in the flesh" whose one and only duty would be to bring every question and every debate face to face with the Douglas analysis and proposals. His job would be to "blow the gaff," and to insist that *economic power precedes political power*.

It is my considered opinion that if one Social Credit advocate were returned to the House of Commons, it would not be long before he was followed by another—and another, and another, and another—until we had a regular "nest" of S.C.M.P.s capable, if need be, of bringing the futile procedure of the House to a standstill by their tactics.

For the success of this scheme one thing seems to me essential—that our Social Credit Candidate shall not be a professional politician, and shall have had no previous experience of the House of Commons. That, I think, should be the one stipulation. For my part, I should like him to be a farmer, or a "country gentleman."

Now who will come forward to do this job? He will not lack electioneering supporters, canvassers, and speakers, and if he has the pluck to go bald-headed for Social Credit like a bull at a gate—he will get in!

For reasons that will be obvious to you, sir, I enclose my card and sign myself,

"HIPPOCAMPUS ANTIQUORUM."

[We agree that it would be a great help to plant a cell of Social Credit infection inside the bankers' *cordons sanitaires*—in other words, inside Parliament. We doubt whether a Parliamentary candidate could rely on getting in anywhere—at any rate at the first time of asking. It would be a great achievement—things being as they are—if he polled enough votes to save his deposit. He would have the whole of the bankster forces arrayed against him, and the full effects of the dubious methods by which these people can defeat. Granted that the constituency were not too large in size, and that it were situated somewhere accessible to members of the Social Credit movement, we could reasonably anticipate that their campaigning would produce an effect which, however heavily the electorate defeated our candidate, would lay a firm foundation for his eventual success. The great merit about a Parliamentary election is that no candidate or programme can be completely boycotted. What a Social Credit Member of Parliament could do it seems premature to discuss. It is none too easy to break through the barbed-wire entanglements of procedure protecting Ministers of the Crown. As we see it, the fun would be, not his holding up the procedure in Parliament, but his acting so as to force the controllers of that procedure to hold him up, thereby bringing the ramp out into the limelight. Items of strategy, however, along these lines would be better discussed in private, when the opportunity had come to put them into operation.—Ed.]

The Money Power.

Sir,—In the following taken from Lawrence's "Apocalypse," page 78, the author is alluding to a book of Archdeacon Charles, an authority on the same subject, and quotes as follows when he speaks of the anti-Christ:

"A marvellous portrait of the great God-opposing power that should hereafter arise, who was to exalt might above right, and attempt, successfully or unsuccessfully for the time, to seize the sovereignty of the world, backed by hosts of intellectual workers who would uphold all his pretensions, justify all his actions, and enforce his political aims by an economic warfare, which menaced with destruction all that did not bow down to his arrogant and godless claims."

Seems almost a forecast of the power of our monetary rulers; certainly the destruction of the fruits of the earth is a "ya-bo" attitude to the great design, and is direct opposition to the Great Designer.

Many thanks for all the clear thought and effort in the New Age.
EDITH HOLIDAY.

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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 from 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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