

THE NEW AGE

INCORPORATING "CREDIT POWER."

A WEEKLY REVIEW OF POLITICS, LITERATURE AND ART

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NOTES OF THE WEEK.

France and the Franc.

The political crisis in France appears to reflect the first step in the process of engineering the international come-back for gold which the Belgian Premier foreshadowed in his first pronouncement after Belgium had come off gold. The editorial section of the *Midland Bank Review* for April-May was wholly devoted to the elaboration of the theme that gold-mining was a basic factor in "world recovery." On May 31, *The Times* issued gratis an imposing Supplement called the *South Africa Number*, the effect of which will be to boom that country and particularly the securities representing its primary—one might say its sole—industry, namely the mining of gold. The appearance of these two publications just now, taken in conjunction with other evidence, shows that gold-boosting is a settled policy of the international banking interests. It is true that the issue of the "South Africa Number" coincides with the completion of twenty-five years since the S.A. Union was established, following the expropriation of the Boers from the ownerships of the mines; but this does not exclude the theory that the motive of publication was something other than a desire to celebrate a silver jubilee pure and simple. Let us call it a gilt-edged silver jubilee and we shall hit off the situation with tolerable accuracy. All is not gold that glitters, but if the glittering makes the world gold-conscious, the jubilee will be seen to have effected a dual purpose.

* * *
Again, the King's silver jubilee provided a convenient occasion for what may be called an Empire Financial Conference taking the form of private contacts in which notabilities like Joe Lyons and other representatives of the Dominions were allotted their jobs and primed with suitable sales-talk. In fact Joe said his piece all through at the dinner given in his honour by the directors of Australian banks in London on May 29. Its theme was given by the *Financial Times* of May 30 in the following headlines to its report of the function: "Recovery of Australia"—"Mr. Lyons Thanks the Bankers"—

"No Interference by Politicians." Anyone who consults this report will be amused to count how many times Joe repeated the "No-Interference" sentiment in the course of his speech—it was so grossly overdone that if Joe hadn't been called Joe, but was called Philip, his behaviour would have prompted reference to the alternating moods of that hypothetical personage as between the night before and the morning after. And all the more so because at the rare junctures when Joe permitted himself to explain why politicians must not interfere he let drop statements which would have caused Social-Credit guests to chuckle and nudge each other if they had been present. For example, after saying that Australia had turned a £40,000,000 deficit into a series of surpluses, he artlessly added:

"We should have failed in overcoming our difficulties in Australia without the assistance of the banking industry.

How true! And the assistance was not wholly provided by the banks in Australia, for Joe continued:

"The Government in Australia would have failed to a very large extent had it not been for the valuable assistance of your banking institutions over here."

Here is a clear confession that the sovereign power of the Commonwealth Government is ultimately exercised by an alien private monopoly. The term "valuable assistance" would be better rendered "valuable insistence," for what happened in Australia has all along been a case of the Government assisting the banks, not the banks the Government. The banks did not work through the Government at all; they worked through Sir Otto Niemeyer behind the scenes and through Sir Philip Game on the stage. Sir Otto procured the cooking of the Federal Constitution, and Sir Philip brought off a *coup d'état* by virtue of the cooked Constitution, evicted the Lang Government and virtually disfranchised the electoral majority in New South Wales. Of course these drastic measures are logically necessary under the doctrine of non-interference, because when once it is agreed that interference is invalid it must necessarily be agreed

that votes for interference are also invalid. Moreover, when the doctrine is based (as it is) on the assumption that interference necessarily undermines the safety of the State, the logical conclusion must be that electoral programmes advocating interference (explicitly or implicitly) are seditious. That being admitted, the honest and straightforward course on the part of any Government would be to pass a measure constituting the bankers censors of political programmes.

And now, reverting to France, any Government who formally agrees to, and actually takes steps to, balance the Budget by the usual methods of levying new taxation and cutting down the salaries of State servants, can count on the "valuable assistance" not only of the Bank of France, but of the Reichsbank, the Bank of England, and other central banks. Unfortunately for French politicians the electors hold them in contempt all the time, and happen to have a doctrine of their own, namely that retrenchment and taxation are invalid devices for Governments to adopt, that they are injurious interferences with the well-being of the individual citizen. Moreover they are ready to resist such interferences by methods which have a chastening influence on deputies who vote for them. Hence the delay at the present time in the formation of a "sound financial" Administration.

Purpose in Agitation.

By John Grimm.

In an article in this journal of May 23 it was shown that the fact of the destruction of repaid loan-credits (pointed out by Mr. McKenna and earlier banking authorities) did not serve to explain the reason for the income-shortage, but did serve to explain why the public were prevented from discovering the reason. It was the retirement which did the mischief—the destruction concealing the retirement. Hence the suspicions and antagonisms arising from the mischief were prevented from converging on the bankers, and therefore diverged and found their vent in mutual recriminations between different classes of the victims of the mischief. Those who were left with more than others after the bankers had robbed the community were, just on that account, regarded as the robbers. And that has been the fundamental error in diagnosis at the root of all reformist agitations since the bankers started their money games. And it has been because the bankers counted upon the persistence of this error that they encouraged the extension of the franchise to include every sort and condition of person who had a grievance to agitate about. It widened and complicated the issues of a wordy warfare between innocent parties secretly fomented and directed by the guilty parties.

There has never yet been a reformist victory since the bankers came on the scene which these bankers have not exploited for their own purpose. Because of this, each victory only served to disclose the necessity for yet another victory. War to end war ended in the beginning of another war because the real enemy never figured in the war as combatants. They took part in it, however, and on both sides, as "observers" in the disguise of counsellors on the higher commands, and were able to engineer a peace treaty at the precise moment when they considered that the successes of the reformers were ripe for their exploitation. The outstanding example of this is probably provided by Place's account of how the Duke of Wellington was forced to give in to the Reformers,

namely by the concerted action of bankers and City merchants in engineering a run on the gold reserves of the Bank of England and other banks. "To Stop the Duke Go for Gold" was the legend on posters displayed all round London and in every important city in the country. This device constituted what is now called the "passing of the buck" to the Bank of England, enabling the directorate of that institution to warn the Government of the collapse of the whole structure of Government finance following the disappearance of the Bank's gold.

Now the final objective of the Social Credit forces is one which, when reached, will not afford the bankers any opportunity to exploit the situation. In the first place the bankers have been named as the enemy; and in the second place the nature of all the powers and devices which they can exercise and apply in defence of their positions has been thoroughly explored and disclosed. Anyone who takes the trouble can acquire this knowledge.

One of the truths emerging from it is that whereas it was impossible in the old reformist campaigns for the "reactionary" enemy to sow doubts in the minds of the reformers as to the efficacy of the reforms for which they were fighting, it is easily possible for the bankers to do so in the present campaign. For example, if the enfranchised "reactionaries" had said to the reformers who demanded universal suffrage: "Look here, it won't do you any good if you get the vote," they would have evoked derisive laughter from the whole army of reformers down to the least-instructed recruit. To every one of them the benefit of the vote was a self-evident proposition. And so was the benefit of every other reform that figured in their Charters. Further, even in the absence of this conviction of self-evidence the challenge to the efficacy of the reforms would be derided for the reason that it came from parties whose interests would be injured by them. The reformers would say: "If what we want injures you it must be good for us."

But when the Social Credit reformers demand that the control of credit shall be taken away from the bankers, the bankers can plausibly ask: "What good will it do you if we give up the control?" In the customary sense of the word the question would be *disinterested*, because the bankers hold themselves out only as the minders, not as the owners, of the credit whose control is disputed. So there could be no jeering at the bankers as people who were trying to avoid disgorging their gains, much less as people trying to protect the richer classes of the community against confiscation of their gains. For the basic moral argument of the Social Credit leader is that no class of the community will be required to make material sacrifices. This truth is a source of strength in one sense, but a source of weakness in another. It is a source of strength insofar as it tends to remove general hostility to the intentions of the Social Credit campaigners; but is a source of weakness because it enables the bankers to say: "How will you carry out your object of distributing benefits below without inflicting injury above?" The *What* is impeccable, but is the *How* infallible? The challenge implicit in this formulation of the question was foreshadowed by Mr. John Hilton when he said of Social Credit on the wireless: "Discuss it by all means" [i.e., the idea is immaculate] "but don't do anything about it" [i.e., the application may be impracticable].

There are two ways of meeting this situation. The first, and much the more difficult, is to demonstrate the in-

fallibility of the Social Credit Proposals in technical terms: and the second is to discredit the *bona fides* of those who originate doubts about it by showing that although Social Credit involves no material sacrifice from any class of the community, there does exist a class who will have to make a sacrifice of another sort—to surrender dearly-prized prerogatives. Since the general public naturally look upon the banker as the arbiter of the technical soundness of any financial scheme of reform, and cannot be expected to check his pronouncements by technical investigation and corroboration, they have to be persuaded that on the Social-Credit issue the interests of the banker are directly and deeply involved, and for the first time in the history of reform. In other words, his impartiality is logically open to question. And doubly so, because if he were to admit the infallibility of the Social Credit theorem he would not only consent to the deprivation of the powers he now prizes so highly, but would in retrospect confess his technical incompetence in not having made the discovery himself, or, if he had made it, of treachery to the country in refraining from announcing and applying it. He would stand as one whose services must be dispensed with, and might think himself fortunate if his retribution ended at that.

The Timing of Purchasing Power.

In the article under this title last week the point was made that excesses of incomes above costs in the consumption market during certain given periods do not compensate deficiencies of incomes below costs during other given periods.

Now, it may well be objected by the consumer that whereas he has often noticed that he has not had enough money, he has never noticed that he has had too much. The explanation arises out of the distinction between costs and prices. Costs represent the lowest price at which producers can normally sell to consumers. When incomes are below costs the consumer notices it, because he cannot buy. But when incomes are above costs he does not notice it, because he *can* buy. Nevertheless he is over-paying costs, and he does so to the same extent as his income exceeds the cost. For under the present system the price of an article is all that it will fetch above its cost.

But are there times when incomes exceed costs—let alone prices—in this context? The answer is yes; and these times occur when large capital development is taking place. More money is put into circulation and reaches the consumption market. But it has not affected the cost of the goods available at that time in the market—these have been made earlier, and their cost remains what it was. Hence it is possible for the total incomes to exceed the total costs in the market. But the consumer is not allowed to retain the excess, it is taken from him in raised prices. So he is never conscious of having too much money.

This distinction between costs and prices is closely related to another, namely the distinction between money and purchasing-power. In fact the first is an aspect of the second. Labour propagandists have recognised both in their distinction between what they call *nominal* wages and *real* wages—i.e., what amount of money the worker gets and what amount of goods that money will buy. Somebody once used a graphic illustration of the distinction in these pages: he said that a

unit of money—say the one-pound note—should be considered as if it were, not a paper ticket, but a paper bag, which, though always stamped with the figure £1, varied in size at different times. The purchasing power of a bag at any time would thus be measured, not by the device it bore, but by what it would hold at that time. From this point of view everyone will see the absurdity of a demand for more money, and nothing else, on the part of people who are short of food, etc.: it is merely a demand for more bags without reference to the size of them. This leaves it open for the bankers, who, in this context, are the "chartered bag-makers," to diminish the size in proportion as they increase the quantity. This is what they actually do, but in such a way that the majority of the public do not notice what they are doing. And, to the minority who do notice, they advance the plausible excuse that the paper out of which they make bags is limited in quantity, and that the more they let you have the less each will hold. You may have a £1 bag holding 16 ounces, or you may have sixteen £1 bags holding 1 ounce, but you must not expect to get more than 16 ounces anyway. They do not put it so bluntly as this, for it would be saying that it was impossible for more than 16 ounces to be made. Nevertheless this is what their warning amounts to; and undoubtedly the experience of the masses seems to confirm it, because whether trade is active or slack they are pegged down to much the same low standard of living.

The reason, however, is not that production in general is pegged down (it is constantly increasing), but that the *kind of production intended to be served out in bags* is pegged down. The public are, so to speak, kept on a 16-ounce ration as consumers, notwithstanding that, as producers, they may bring wealth into existence on a 32-ounce ration-equivalent, or any higher equivalent you like to name.

This stabilisation of scarcity, as one may describe it, takes place because whenever new production is entered upon which would, in a sound system, enlarge the collective consumption-ration, the whole of the money paid out in respect of the enlarged ration is withdrawn in exchange for the small ration available at the time of the payment. Taking the above token figures, if at a given time there is a 16-ounce ration available and at that time a 32-ounce ration is put in hand, and if wages, etc., rise at that time from, say, £16 to £32, the wage-earners have to surrender the £32 for the 16 ounces. In other words, they can only get the 16 ounces available at that time by surrendering for nothing the extra £16 which represents the extra 16 ounces, due to arrive on the market later on. And this sur- render is irrevocable, which means that when (or if) the double ration of 32 ounces actually does come on the market there are only wages available to meet the price of a single ration of 16 ounces as before. To put this into the terms of "bags"—the wage-earners who originally received 16 one-ounce £1-bags, suddenly get instead 32 ½-ounce £1-bags. Obviously, they ought to receive 32 one-ounce bags—if not at the time (when half of them would be superfluous) at least at the later time when the extra ration appeared on the market. But they never do; and it is the object of the Social Credit policy to correct this anomaly.

A. B.

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.

The Economic Charter of the British People.

By John Hargrave.

The history of that elusive unwritten code, the British Constitution, and, to some extent, of the politico-social-economic development of the British people as a whole, may be traced in the Charters drawn up and granted (usually under mass pressure) from 1066 to 1848:—

William I.'s Charter to London (1066):

guaranteed to the inhabitants of that city the liberties they had enjoyed under Edward the Confessor.

Henry I.'s Charter of Liberties (1100):

guaranteed (i.) the rights of the Church, (ii.) the rights of the nobles and landholders against the extortionate demands of the Crown, (iii.) the right of all classes to the protection of the old English customs and laws.

Henry II.'s Charter of Reforms (1154):

confirmed the Charter of Liberties, or pledges of good government, made by his grandfather, Henry I.

Richard I.'s Charters to Towns (1189-1199):

granted the right to the citizens of certain towns (i.) to pay taxes direct to the King, (ii.) to elect their own magistrates, (iii.) to administer justice in their own courts in accordance with laws made by themselves.

John's Magna Carta (1215):

given "in the meadow called Runnymede, between Windsor and Staines, on June 15, in the seventeenth year of our reign"; contained sixty-three Articles redressing the grievances of (i.) the Church, (ii.) the barons and their vassals and tenants, (iii.) citizens and tradesmen, (iv.) freemen and villeins or serfs. The whole document is a jumble reflecting the conflicting interests of the King, the Barons, and the Commonalty. It contained, however, three important Articles, which read as follows:—

"Art. 12. No scutage or aid [except the three customary feudal aids] shall be imposed in our kingdom, unless by the Common Council of the realm."

According to Sir J. Mackintosh (*History of England*), this provision "converted the power of taxation into the shield of liberty." This provision was dropped in the next reign, but after the great civil war of the seventeenth century the principle it laid down was re-established.

"Art. 39. No freeman shall be taken and imprisoned, or disseized, or outlawed, or banished, or any ways destroyed, nor will we pass upon him, nor will we send upon him, unless by the lawful judgment of his peers, or by the law of the land."

"Art. 40. We will sell to no man, we will not deny to any man, either justice or right."

During the two centuries after its sealing Magna Carta was "confirmed" thirty-seven times. On the very day that Charles II. entered London, after the civil wars of the seventeenth century, the House of Commons asked him to confirm it again (1660). As a document safeguarding "the rights and civil liberties of the British people" it has been grossly exaggerated. It is now generally recognised that it was a Barons' Charter more than anything else, and that it was, and has been, evaded time and time again. It was a document designed by the richer barons to protect themselves from taxation, and to make the King's Acts subject to their approval. Even as such, however, it never came into force.

It may be noted, in passing, that Shakespeare in his *King John* never mentions the Great Charter.

Henry III.:

During his minority Henry's guardians twice reissued Magna Carta; first (1216) omitting the Article reserving the power of taxation to "the Common Council of the realm," and a second time (1217) with an addition

declaring that no man should lose life or limb for hunting in the Royal forests.

In 1253 Henry III., holding a lighted taper in St. Catherine's Chapel, Westminster Abbey, was compelled to swear to observe the provisions of Magna Carta. He did nothing of the kind, but, instead, extorted exorbitant taxes.

The Provisions of Oxford (1258):

With the King's brother-in-law, Simon de Montfort, at their head, the barons drew up a set of Articles, called the Provisions of Oxford, to which Henry III. gave an unwilling assent. These Provisions practically took the power of government out of the King's inefficient hands and vested it in the control of three committees, or councils.

Bad harvests had caused a famine, multitudes of the common people had perished of starvation (even in London), and the burden of taxation had roused the barons in open revolt against the Crown.

Edward I.'s Confirmation of the Charters (1295):

Two years after the meeting of the "Model Parliament" Edward levied a tax on the barons to carry on a war with France, and seized a large quantity of wool belonging to the merchants. So determined was the resistance to these acts that civil war was threatened. To avert it, the King was obliged to summon a parliament (1297), and to sign a confirmation of all previous Charters of Liberty, including Magna Carta. He furthermore bound himself not to tax his subjects nor seize their goods without their consent. Henceforth, Parliament alone was considered to hold control of "the nation's purse." This principle was, however, frequently evaded, although no king thereafter openly denied its binding force.

The Petition of Right (1628):

drawn up by Sir Thomas Wentworth and John Pym, passed the Lords and was presented to Charles I. for signature. The Petition was a law re-affirming some of the chief provisions of Magna Carta. In particular it stipulated that no taxes whatever should be levied without the consent of Parliament, and that no one should be unlawfully imprisoned for refusing to pay such taxes. The Petition had not an angry word in it, but as a member of the Commons declared, "We say no more than what a worm trodden upon would say if he could speak: I pray thee tread on me no more."

Charles refused to sign the Petition, but, finding he could get no money unless he did, at length gave his signature. Thereupon he revived the "monopolies" (abolished under Elizabeth) by which certain persons bought the sole right of dealing in nearly every article of food, drink, fuel, and clothing. The Commons denounced this outrage. One member said: "The 'monopolists' have seized everything. They sip in our cup, they sup in our dish, they sit by our fire."

The Bill of Rights (1689):

Parliament embodied the Declaration of Right, with some slight changes, in the Bill of Rights, which received the signature of William and Mary. This document declared that there should be (i.) no suspension or change in the laws, and no taxation except by Act of Parliament, (ii.) freedom of election to Parliament and freedom of speech in Parliament, (iii.) that the King should not keep a standing army in time of peace, except by consent of Parliament, (iv.) that in future no Roman Catholic should sit on the English throne.

This Bill, together with Magna Carta and the Petition of Right, forms, according to Lord Chatham, "the Bible of English liberty."

The Reform Bill (1832):

Owing to the "rotten borough" system, Parliament no longer represented anything nor anyone but bribery and corruption. On the accession of William IV. mass pressure for reform became so great that Parliament was forced to act. Lord John Russell brought in the Reform Bill for the abolition of the "rotten boroughs" and for a fair system of elections. The Lords rejected

it. The King dissolved Parliament. A new one was elected, and the Reform Bill was passed by the House of Commons, but again rejected by the Lords. Then came mass demonstrations and rioting. Townspeople assembled in the public squares, tolled the church bells, lit bonfires in which they burned effigies of lords and bishops, and clamoured for the abolition of the House of Lords. In London the crowds smashed the windows of the Duke of Wellington's house. At Nottingham the mob fired and destroyed the castle of the Duke of Newcastle, because he was opposed to reform. In Derby a serious riot broke out. In Bristol a mob took possession of the city, and burned down the Bishop's Palace and a number of public buildings. The mayor called in troops to restore order. Many persons were killed, and four of the ringleaders of the insurrection were hanged. All over the country crowds were shouting the mass-slogan: "The Bill, the whole Bill, and nothing but the Bill!"

In the spring of 1832 the Commons again passed the Bill, and again the Lords rejected it. Finally, pressure of public opinion was so great that William had to give in.

The Reform Bill practically took the last vestige of real political authority from the King and transferred it to the Cabinet. Since then "the King reigns, but does not govern."

The "People's Charter" (1838-1848):

The feeling attending the Reform Bill of 1832 had passed away, but now a popular agitation began which produced even greater excitement. The great mass of working men were still without the "right to vote." A Radical Party, the "Chartists," arose to secure further reforms. They drew up the "People's Charter" which demanded (i.) universal male suffrage, (ii.) elections by ballot (iii.) annual Parliaments, (vi.) payment of members of Parliament, (v.) abolition of property qualifications for parliamentary candidates.

Under the leadership of Feargus O'Connor, the Chartists formed the plan of sending a monster petition to Parliament, containing, it was claimed, nearly 5,000,000 signatures, praying for the passage of the People's Charter. A great procession of a million or more signers was to act as an escort to the document, which made a wagonload in itself. The Government took fright at this threatened demonstration, forbade it, and organised 250,000 special policemen to keep order. (There were Lord Trenchards and "specials," even in those days!) The Duke of Wellington took command of a large body of troops held in reserve to defend the city (i.e., the City); and the Bank of England, the Houses of Parliament, the British Museum, and other public buildings were made ready to withstand a siege.

Now the Chartists took fright. When they assembled (1848) on Kennington Common they numbered less than 30,000, and the procession of a million that was to march with the Petition across Westminster Bridge half a dozen. When the Petition was examined it contained only about a third of the boasted number of names—and many of these were faked, put down in jest, or copied from gravestones and old London directories. The Commons rang with "inextinguishable laughter" over the national scare, and the whole movement collapsed—drowned in a roar of laughter.

In spite of all this, the Chartists had a solid common-sense foundation for their demands, most of which have had to be granted, bit by bit.

The later Trade Union organisation, the Labour Movement in all its aspects (and the Women's Suffrage Movement) may be looked upon as being in the direct line of development of the petition-making Chartists of 1838-48.

* * *

It will be noted that the idea of the Charter as a political instrument, drawn up, agitated for, presented to King and/or Parliament, and finally incorporated as part of "the law of the land," is something essentially English. It might almost be said that English history is charter-made history.

ally English. It might almost be said that English history is charter-made history.

The charter, however, is a very different instrument from a petition. A charter is a demand, backed, as a rule, by mass pressure—an *ultimatum* by and from the nation. A petition is usually more in the nature of a cap-in-hand affair—a humble begging-letter.

Green Shirts understand this difference, and prepare themselves to bring before the people—especially the wage-earning masses, the unemployed, and whole sections of the middle-classes—the document that is bound to be the greatest charter, and one that will generate the greatest charter-agitation, in the history of these islands—The Economic Charter of the British People—*Carta Oeconomica Britannorum*.

All the various Social Credit activities that have been projected or attempted during the last two or three years are found to be less and less academic reasoning, and more and more political agitation; no matter whether they have been house-to-house pledge-collecting for the Secretariat or the getting of signatures for a Petition to the King, or the demand for the National Dividend and the Scientific Price voiced at public meetings, by deputations to members of Parliament and others, or by mass demonstrations in the streets.

All these various aspects of a developing agitation for Social Credit point towards the eventual drawing up of the Economic Charter of the British People, and its later embodiment in an "Economic Charter Act" to be placed on the statute book.

The wording of the Economic Charter must be concise. It must state in as few words as possible (i.) *the demand* of the British People for a Sane Economic System, (ii.) *the basic principles* which must govern such a system, and (iii.) *the mechanism* for implementing those principles—i.e., the National Credit Office, the National Dividend, and the Price Adjustment.

And that is all. Any long-winded document, any document that goes into the details of the technical application of Social Credit in the British Isles, will retard the agitation at the present time and hamper the work of the economic technician at a later date.

The Point of the Pen.

By R. Laugier.

XXXV.—DEFENCE OF ARTIFICIALITY.

The higher the vantage-ground of a civilisation, the greater the culture arrived at, the more will such a community have elaborated a fine and fastidious artificiality which will pervade the common life. Great artists and great nations, in their "best periods," are not afraid of artificiality. The delicate brush of the Chinese poet gave as naturally with an aristocracy of philosophers as with the exaltation of intricate modes and forms of courtesy. Nimble wits and metaphysics exist side by side with the Socratic dialogues and Athenian tragedies; and a delight in intellectual subtleties goes far to explain the production and general acceptance of Shakespeare's lyrical drama; the poetry of Donne; the theology of the Port Royal; our Restoration comedy; and patches, powder, and all the magnificence of beautiful dress.

"Metaphysicians are poets gone wrong," declares Mr. Norman Douglas; and, whether we accept this dictum or not, it will be obvious that a society exulting in wit and the play of ideas will be an ideal breeding-ground for artists.

Now the Puritan appears incapable of understanding

this artificiality, and its importance to the community. The anti-aristocratic "leveller" and thunderer of Jehovah, works off an inferiority complex by condemning all art-forms that do not serve his preaching, from great canvases and statues to the ruffles, hooped skirts, and pirouetting of the polite world.

Incidentally, it is not in the interests of culture that men with slight gifts, or no gifts at all, be elevated in public esteem. The result of such "levelling" is the dragging down of the truly great, and we get pseudo democracy. We live in an age when Jack is better than his master; and the matter is complicated by the notorious fact that Jack actually is the superior in a large number of cases; but this is so only because our masters—Jack's and the artist's—are scum brought to the surface by the stirring of foul waters. In so far as the Puritan has placed the successful huckster above the artist, Puritanism has contributed to the establishment of a shabby oligarchy, and the organisation of a society without thought, without leaders, and without art.

The false values of the Puritan rule in England today, as they have ruled for four centuries. Always muddle-headed the Puritan confuses the deliberate artificiality of the artist with insincerity, just as Puritanism confuses moral earnestness with artistic power. It is essentially a matter of artistic technique, and so only to be apprehended by artists and art-lovers; some artists prefer the ornate style, others the simple, but morality does not enter into the matter. It is, however, a question of taste; and fastidious taste is not so easily arrived at as moral indignation. The deliberate artificiality of fine artists is a very different thing from the crude and unintentional artificialities of bad writers. We do not doubt Mr. Max Beerbohm's sincerity because his writing is deliberately artificial; the author of *Tarzan Of The Apes* is artificial unintentionally, but we need not doubt his moral earnestness; and, again, Henry James developed an elaborate and involved style, not because he particularly sought the factitious, but simply because his style was the only efficient vehicle for his thoughts. Among other critics A. R. Orage discussed the comparative values of simple and ornate styles for the expression of lofty thoughts: but this is wholly a question for the individual artist to settle for himself; there can be no rules.

When a society begins to lose its feeling for elegance, its authors write in a barbaric style, whether they are romantics, realists, or classicists, whether they are simple or ornate in their language. Let us consider the two following passages taken from the books of scientists, remembering that straightforward exposition is their aim:—

Each exceptional subject accentuates himself along lines of transmissible race eccentricities to which he alone proves true, and not to any exceptionally vague physio-psychological archetype.

And this:—

... is bio-zoological in inception and detail, and historical as to date and outline, allying itself with predisposing causes inherent in the race and linking itself with primal conditions through a long chain of antecedent biological and anthropological sequences, following the well-known law of homogeneous to heterogeneous, but with ever-increasing distinctness.

One is tempted to suggest that no man ever really thought like this: one imagines the authors of such a style saying to themselves, now we must use scientific terminology, because we are scientists. This is certainly not the language of profundity, for nothing profound is expressed: it is the language of barbarism. "Genghis Khan with tele-

graphy." The plain style is not superior to the ornate style: the rule is simple, there should be a beautiful harmony between thoughts and emotions expressed and the style in which they are clothed. As for the scientific style, above: "Whoso would seem learned to the vulgar seemeth vulgar to the wise." The kind of bad style called "jargon" is produced when there is no solid bone-structure of thought beneath the living flesh of words; and the result is an unpleasant swelling and flabbiness, very different from the magnificent artificiality of, let us say, Sir Thomas Browne, Dekker, Sterne, or de Quincey.

This unhappy, chaotic age confuses all things: we confuse tradition with static or out-worn forms; we confound simplicity with savagery, and frankness with brutality: we regard the poet, that is *the maker*, as unpractical; and we consider the middle-man and salesman of things made, as far-seeing and practical. So more and more, society scraps its elegancies and refinements: families give up their homes for lodgings and an automobile; women throw away their clothes, and sacrifice grace and charm for a crude exhibitionism which masquerades as scorn of prudery or a search for health. It becomes painful to walk the streets of our cities, in which architecture, dress, and manners become increasingly ugly. Leisure is not only available, but is thrust upon us; yet the hypnosis of deadly commercialism banishes all the refinements of leisure. The charms of conversation vanish; the idle but amusing *flâneur* disappears, and gives way to the idle but boring "hustler"; the brilliant talker, if he is born, languishes for want of listeners; and, in one's club (world famous for the arts), no one has time to discuss ideas that will not assist the busy specialist.

As a result the authentic artist is made to feel a freak. He is neither expert nor specialist; he is an amateur and a persistent experimenter: he does not belong to a profession, but a vocation. To him life is an art and a pleasure—or it is nothing. And so he is looked at askance.

Ironically enough it is the amateur and the artist who is right, and obviously right. It is only work done with joy that will give joy. It is the play the artist likes, and not the one chosen by agents, professional readers, and tradesmen, which fills the theatre and pays at the box-office. It is the monetary-system which artists approve that will really work. It is life as the poet sees it that is life, and not death.

This obsession that we have no time for the graces or even the dignities of human existence is a dangerous idiom which destroys art and commerce. We see a mad running in distracted flight, as of an ants-nest stirred by a stick; and, when we are not running in circles, we burrow like moles, each in a narrow hole of darkness.

So our artificiality declines into barbarism: we lose the deliberate and conscious purpose of the poised artist; and life is changed to an unreality of nightmare and hysteria. Our buildings, furniture, clothes, and very existence are cheap, machine-made shoddy. Tradition, style, and elegance have gone; and, in some perverted and besotted fashion, these fine things, essential to civilisation and culture, are considered the enemies of originality on the one hand and of morality on the other.

Notice.

Correspondents and contributors are notified that owing to the Whitsuntide holiday we went to press with this number on Friday of last week.

Love o' Money.

Bill Cruddle lives at the end of the village in a stricken cottage surrounded by tumble-down sheds, remnants of old carts, unshapely sheets of rusty tin, and the finest collection of odds and ends to be seen anywhere. His face, hands, and clothes are covered with the grime of years. It is said he never washes. In the press of making money he has had no time for such frivolous distractions.

Early and late he can be seen with his old pony and cart cutting grass from the road-side to feed his stock, making hay by drying it on old wire-netting stretched on posts. He will buy dirt cheap, but prefers something for nothing.

"The Rural Advertiser," announced he had two spring carts for sale and a stock of good hay.

Amos Mead had something to say about that at "The Robin Hood."

"They coorts o' ole Bill's ha' seen too many winters to ha' any spring left in 'em; and tha' hay'll be the worst in the world, all kecks and thistles. Twice tha' notice has been in. It must be breaking his heart. Laast summer bein' so dry he run some o' his stock on our grass keeping, but when it came to paying he wur so broke up my boss let him swop a cow calf for their feed, and the ole cogger was as pleased as Punch. He wur in beer street over tha' deal, he wur."

Out of his savings Cruddle has built two ugly brick cottages, collects the rents himself, and allows no delay in payments. Old now and looking half dead, he is still about from dawn to dark turning common things into precious money.

Charles Allen Montgomery carries his three-score years and ten with an unwrinkled brow, rosy cheeks, and the heart of a boy.

He lives in a house of toys. They have their cabinets and shelves, and his rooms are decorated with mechanical singing birds, looking very real in their gilt cages; musical boxes of cunning device; dolls and playthings from all over the world.

Rather more grown up are his collections of picture postcards, cigarette cards, Christmas cards, seal impressions, and scrapbooks. The one that really matters is of old and rare liqueurs, to be sampled by more favoured guests in the smallest of an eclectic assemblage of liqueur glasses. "The Virgin Gold Liqueur," containing grains of the pure metal suspended in its viscous substance, was opened only on the rarest of occasions. The various reactions to the idea of consuming gold were more interesting than the drink, and ranged from fear of internal irritation, the possibility of exploiting the practice as a new vice, to the feeling of sinful waste.

It was Montgomery's practice to make new acquaintances and be showman to his treasures. Travelling theatre companies were regularly invited to tea and toys.

Our bond was a mutual interest and disagreement in the academic side of finance. His work in life was some day it will surely be a science and no longer one of the arts and crafts.

He took very well my suggestion that at his years of discretion, since he was now so secure and comfortable, the practical side of finance was hardly worth the time, trouble, and anxiety it caused him.

"I know, I know," he said smiling happily, as he pressed a button and shot a cigarette out of a Noah's Ark

that immediately played the refrain of "Auld Lang Syne," "It isn't that I want to do anything with it. I just love to see the figures mount up."

* * *

My doctor friend took me round his show patients at a Northern County Asylum.

Approaching a big loose-limbed fellow working in the grounds, he said, by way of introduction, "Hi, Tom, have you got any money?" Tom looked at me with sullen suspicion. "It's all right, Tom. He's one of us, he's a friend. What are you worth?"

"Nobbut a few millions noo," he whispered confidentially. "Ah've been robbed cruel o' late."

"Seeing is believing, Tom. Show up."

First looking cautiously round, Tom drew from an inner pocket a collection of wrappers, circulars, advertising slips, dodgers, gift coupons, and labels of fruit tins.

A grocer's gift coupon was worth £3,500. There were the figures on it. Another in colour printing a thousand times as much. Tom had added the noughts in pencil. A Cadbury chocolate encouragement to buy slip rose to £100,000, and the pretty part of a soap wrapper to half a million.

"Sitha!" whispered Tom, his voice quivering with excitement as he disclosed the fruity portion of a label from a tin of apricots. "Them round gold things makes this 'ere worth two million. And this 'un (the cover of a two-ounce packet of Will's Gold Flake) is worth fower million. Ee, it's grand is this un. Sitha! Gold writ on it in gold letters."

"He gets such a bunch of them, we have to deflate him at times when he's asleep," said the doctor laughing at his quip as he moved away. "But we always leave him some, or he might get violent."

"Seems a possible explanation for slumps," I hazarded, but the doctor's attention was elsewhere.

"Look at him now!"

Tom was racing up a slope chasing a scrap of paper carried by the wind. He looked at it fiercely, pocketing it quickly and covertly.

Our financier had run up a bank and was richer by millions. D. V.

The Sphinx Talks.

The Green Shirt Movement for Social Credit have just published the whole of their correspondence with Mr. Montagu Norman, of which the earliest letters were reproduced in THE NEW AGE last year. It appears as a 12 pp. pamphlet. It bears no price; so, presumably copies will be sent (from headquarters, 44, Little Britain, E.C.1) gratuitously to applicants who desire to obtain and disseminate the information and views elicited from Mr. Montagu Norman as to the relations of the Bank of England with His Majesty's Government. Thereview-copy sent us arrived too late for extended comment in the present issue of THE NEW AGE; so we have only time to advise readers of its appearance, and to recommend them to get their copies as soon as possible.

Forthcoming Meetings.

London Social Credit Club.

Blewcoat Room, Caxton-street, S.W.

June 14, 7.45 p.m.—Question and Answer Night.

June 21, 7.45 p.m.—"New Economics, or Myths about Money," by Reginald Kenney, Esq., of Manchester.

June 28, 7.45 p.m.—"A New View of Social Credit," by M. W. Gordon Cumming, Esq., author of "Introduction to Social Credit" and "Money in Industry."

Eimar O'Duffy.

1893—1935.

Eimar Ultan O'Duffy, born in Dublin in 1893, died in London on March 21, 1935. I did not hear of his death until a week or two after it had occurred, and of the circumstances of it I know nothing even now. He seems to have gone as Cuanduine might go from this earth to Tir na nOg—swiftly, without a word. And I have not seen more than a word or two in print of that swift and silent going. I have hoped and, I think, expected, that someone who knew O'Duffy more intimately than I ever did, would write an appreciation of him and of his work. That someone would naturally, one supposes, be a Social Credit man, since O'Duffy's work as a writer is closely knit up with the Social Credit agitation.

I was one of the first, if not the very first, to spot "King Goshawk and the Birds" as epic poetry by a man with a natural Social Credit imagination; and, certainly, Green Shirts were instrumental in bringing O'Duffy into the Social Credit movement. He was himself, for some time, a Green Shirt. He was, I remember, in full accord with the aim and general tempo of the Green Shirt organisation; but was not, if I sensed his spirit rightly, compounded of such stuff as earth-fighters are made of.

That is not to say he was not a fighter on this earth. He was. And a mighty fighter. But not one that could easily find a battle-front in a tightly organised grouping acting under orders in a hierarchy of authority. He was a lone fighter. His spirit was compounded of elemental air and fire—not of earth. For example, he understood perfectly our linkage with the folk-traditions and outlook of the Anglo-Saxon and Norse peoples—but not quite so easily the necessity for the uniform and the "unarmed military technique" of the Green Shirts.

Nevertheless, Green Shirt Eimar O'Duffy did more, perhaps, than he himself knew in giving us something of his own—can I call it—Cuanduine-Cuchullin spirit?

His death, after no more than forty-two years of fighting for life, and for Life, for himself and for all men, is tragic in every way.

I have read only three of his books—"King Goshawk," "The Spacious Adventures of the Man in the Street," and "Asses in Clover" (the three books of what I have called the Goshawk Cycle)—and I know, and knew all along, that O'Duffy had not reached the zenith of his song.

I felt that his greatest service for Social Credit was, and was yet to be, like his own "blackbird of Irish descent" that "winged its way eastward" and "alighted at last in a field in County Clare," where, "having had a good feed of snails," it "flew inland till it came to the Hill of Teamhair, when it perched on a thornbush and burst into song."

JOHN HARGRAVE.

LETTERS TO THE EDITOR.**SECOND-HAND SALES.**

Sir,—Your answer to R. S. S.'s question does not seem to me a valid one. Accepting your paragraph 3 as a starting point. In paragraph 4 the consumers come back with goods and wages. With the help of the wages they shuffle the goods, and the wages remain with them. You assume that the shop is deprived of this money. But during the previous week the consumers had consumed nothing, so this second week's wages which remains with them is only the result of a week's starvation, and the same situation would have been reached (a week earlier) if they had made no purchases in your paragraph 3. In actual fact, they cannot have starved, but must have lived on their store cupboard, so they will not go away with goods and wages as you say, but with two lots of goods, one for consumption and the other for the store cupboard. And nothing abnormal has happened. Your case of the motor-car is only true on the assumption that some other individual did not do the same thing, but started with furniture and changed to a car. These arguments seem both to rest on the same fallacy, which also appears in the A + B theorem, in the statement "and what is true of one is true of all." (Which is obviously not true.) I venture to think that S.C. cannot be cut up into bits and studied, any more than can a living organism—it becomes a corpse.

L. W.

[Our correspondent appears to have overlooked the supplementary question and answer published on June 6. The "one-therefore-all" argument in the A + B Theorem amounts to a re-statement of the axiom that the whole is greater than a part, and is the sum of its parts.—Ed.]

Sir,—As a result of your interpretation of Douglas's statement concerning "second-hand" goods, it is clear that a deficiency arises from pure hoarding. Why money

acquired by selling "second-hand" goods should be hoarded, any more than money obtained in any other way, is not evident. This being so, it was unnecessary for Douglas to have mentioned "second-hand" sales, yet he refers to them as "an important, though frequently overlooked, factor in distribution."

In connection with the problem of the investment of savings, which I mentioned in my first letter, the following example may be of interest, and appears to be valid in the absence of any hoarding. A number of details, unimportant to the present discussion, are omitted for the sake of clearness.

1. Suppose a man buys a factory with £1,000 savings, thus distributing £1,000. He now wishes to make a profit of £1,000 to pay himself back. Therefore
2. He borrows £1,000 from the bank for one year, and
3. Produces in six months goods priced at £2,000, only distributing in so doing £1,000. Then
4. He sells half these goods and gets back £1,000.
5. He spends this £1,000, which is his profit, and thus distributes £1,000 again.
6. The other half of his goods can now be bought, and he gets back another £1,000, with which he can pay back the bank.

Thus he has paid off his loan and made £1,000 profit. If no deflation is taking place, and if a similar loan is issued to him for each cycle of production, no deficiency need arise.

R. S. S.

SOCIAL CREDIT AND STABLE PRICES.

Sir,—Mr. Munro-Mackenzie need not apologize for raising his point. It is, however, really dealt with in a previous article of mine, "The Plain Man's Case for the National Dividend" ("New Age," January 24, 1935). The point may be briefly summarised here as follows:—

There is the alternative of a rigid money system, or a freely expanding one. The former, though never actually rigid because the quantities of metals on which it has been based have always increased, though capriciously, requires, with progressive efficiency in production, a continually falling price-level. This hits entrepreneurs, wage-earners (since wages always tend to fall more than prices), and all rent and interest-payers unfairly. Under a freely expanding money-system, based on the actual production of goods and services, and functioning through a national dividend, increase of production will synchronise with increased purchasing power. All-round increase of incomes will enable the wider sharing of the increased wealth, without all the friction and injustice involved in a system of falling prices combined (inevitably) with a rent and interest system. With "stability of prices" rent and interest need cause no injustice. "Stability of prices" of course refers to the general level, and does not prohibit variations between individual articles, in cases where invention has advanced in respect of one more than of another. Thus incentive to invention will still be maintained.

Mr. Roosevelt's error is due to his method of increasing money-supplies through bank-credits, instead of by an issue of "new money." His failure would not damage Social Credit principles. In fairness to him, too, it must be remembered that he has to face fierce opposition even to what is right in his ideas. The devaluation of the dollar (in relation to gold) did do something to stave off catastrophe by increasing money-supplies.—Yours faithfully,

A. S. ELWELL SUTTON.

[Our correspondent's remarks appear to leave out of account the fact that what makes a descending price-level injurious to producers and wage-earners under the present system is the absence of the compensation (Price-assistance-cum-Dividend) which the Social Credit System provides against their diminished emoluments from industry. If by his phrase "a real stability" of prices he means a "corrected instability" there need be no argument, except as to the desirability of using a form of words likely to cause misunderstanding.—Ed.]

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