

# THE NEW AGE

INCORPORATING "CREDIT POWER"

A WEEKLY REVIEW OF POLITICS, LITERATURE, AND ART

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## NOTES OF THE WEEK.

The crisis in France affords one more example of the power of finance to shape Government policy. As we have more than once indicated it is France whose turn it was next to be coerced back to the gold standard. The process of depriving statesmen of the small measure of control of financial policy which the urgency of war conditions lent them was first seen in Great Britain's hasty funding of her debt to America. Once this was done, Great Britain was bound to throw the weight of her influence on the side of "sound finance," or, to state the matter more precisely, to stand by while her own banking system co-operated with Wall Street to divide and conquer the other debtor nations of Europe. First, the smaller nations which had fought against the Allies were dealt with through the agency of the League of Nations; and then Germany. One by one these "enemy" foxes had their tails cut off. Now it is France's turn. Next it will be Italy's. After that, the subjection of the whole of Europe to American world-policy will be a fait accompli. Even now, the "national" banking system of every European country is an army of occupation in that country owing allegiance to the Federal Reserve Board. The statement that Mr. Lloyd George made about the Dawes Pact apropos of Germany exactly describes what is happening or is going to happen throughout Europe:—

"Agreement would never have been reached without the brusque and brutal intervention of international bankers. They swept statesmen, politicians, jurists, and journalists all on one side, and issued their orders with the imperiousness of absolute monarchs who knew that there was no appeal from their ruthless decrees. This settlement is the joint ukase of King Dollar and King Sterling."

Yes, and when France is brought to "agreement" the "settlement" will be the joint ukase of King Dollar, King Sterling, and King Mark. Then, the franc having been raised to kingship, the four kings will march on the lira. Mussolini, the one man left who seems to possess the makings of a leader of European revolt against external financial domination mas-

querading in the costume of "Democracy," is being left alone until all his potential allies have been detached from him.

But, to return to France: M. Clementel has been dismissed, and in his place is M. de Monzie as Finance Minister. He is reported to have insisted that the French Government's overdraft on the Bank of France should be dealt with "with the fullest publicity." Further, there is said to be much condemnation of "abnormal and irregular" Government loans, which are described as "an extremely grave departure from the wise and proper rules of government and banking." Coupled with this "Wall Street" attitude of M. de Monzie's is his "Rome" policy that the French Embassy at the Vatican shall be maintained. "Jerusalem" is not mentioned—yet. At the time we write it is proposed to issue a voluntary loan in order to induce the Bank of France to issue a further £45,000,000 worth (at the present exchange rate) of francs. If the response is not sufficient, the loan will be made compulsory. The *Daily Mail* calls it a compulsory levy. Thus one sees that, when it serves their policy, the bankers do not hesitate to become more Socialist than the Socialists. Is not this a striking justification of the criticisms we made ourselves, and published in articles by Major Douglas, when the Labour Party were so earnestly preaching the Capital Levy as an instrument of freedom? We said that it would play into the hands of the bankers. And now, behold it an item in bankers' policy.

The *Star*, discussing the difficulties of M. de Monzie, points out that they arise because the prosperous French nation refuses to be taxed. But, it asks, is not his device of a capital levy worse than a tax? Even the patient British taxpayer kicked at that. "Next we hear," it continues, "that this French capital levy is not to be a levy at all, but a voluntary surrender of 10 per cent. of the capital of wealthy citizens." Lastly, it appears that interest is to be paid on the voluntary contribution, so the *Star* professes itself as "left wondering what the difference can be in the end between a French capital levy and

an ordinary issue of Government stock." The answer is easy. It is the difference between buying bonds with your own savings and buying them with borrowed bankers' credit. It stands to reason if the levy is intended to assist the Government to reduce its debt to the Bank of France, the banks are not likely to lend the money to the French capitalists to pay the levy. Let the *Star* try to imagine the plight of the British capitalists if they had had to find only the first instalment of our War borrowing out of their private resources.

The same writer in the *Star* refers to the attempt being made to secure a tariff for the lace trade. Nottingham, we learn, has been famous for its lace, but it is a luxury trade which is dependent on the whims of fashion. "That means that it makes large profits in one quinquennium, and is in low water the next." For instance, "fifty years ago—" Yes, yes; but it is to-day that the tariff is asked for. Nottingham is in low water to-day. "Long since that time . . . lace became fashionable, and we heard no more of a tariff on foreign lace." Of course not. Nottingham was prosperous then. It is just because lace is not fashionable that the lace trade wants a tariff to-day. But fashion or no fashion, one must suppose that foreign lace is being bought here from abroad, or no tariff would be asked for. The *Star* has nothing to suggest as a substitute for protection. "We are quite clear," it concludes, "that the cure for the necessary fluctuations in a fashion trade is not a tariff." Then, probably, feeling irritated because its fertility of suggestion cannot yield more than this blank negative, it turns round and blackguards Nottingham for its lack of enterprise. We could introduce the writer of this article to a gentleman who has lost thousands of pounds through his enterprise in lace designing and production. Moreover, is it not the height of illogic to require enterprise of a trade which, by your own argument, is bound to lose its prosperity in every other quinquennium? While we agree with the *Star* that a tariff would not be a remedy in the long run, it would certainly mean a few meals more in Nottingham for the time being. And it is for the time being that the meals are always required. They don't eat for posterity down at Nottingham, or anywhere else—the financiers see to that. Of course, the added prosperity in Nottingham would be at the expense of other industries; so the moral is once more made plain that the underlying evil is general lack of purchasing power. Fashions come and fashions go because the majority of our women cannot afford to run more than one luxury at a time. Lace is out of fashion with them only in the sense that emeralds are out of fashion. They can't buy either. Given that the whole amount of purchasing power in the country is insufficient to maintain the population in bare comfort, nothing is going to remedy the situation but more purchasing power—that is, more money to spend at the same price level. Tariffs will not do it: Free Trade obviously has not done it. But the New Economic distribution of Social Credit is going to do it. What may happen one day may be that the industrialists and agriculturists in some district will suddenly get desperate and short-circuit their combined produce among themselves by means of home-made currency, going on strike against the banks and the rest of the community. It may not happen here—it might be in Canada—but when once there is a conscious act of revolt anywhere by strong leaders who know the meaning of their act, the collapse of the Old Economic system will be close at hand. It is a very decrepit old man, whose whole remaining strength is in his hypnotic glare. Who'll shut eyes and hit him?

The Report of the Finance Enquiry Committee of the Independent Labour Party has now been issued. It is in two parts: (1) A Socialist Policy for Trans-

ferring Property from Private Ownership, together with a Socialist Policy of Taxation; and (2) The Socialisation of Banks and Credit. Part I. is the main report. It is signed with two dissentients, Mr. James Maxton, M.P., and Mr. W. T. Symons. The Committee accept the principle of compensation, and then divide their problem into two:

- (a) The re-distribution of wealth with special reference to unearned income; and
- (b) the transference of property from private to public ownership.

Under the item "a," they advocate a capital levy or else a method of graduated taxation in order to "reduce the share of the national wealth taken by the capitalists as owners of land and capital, or as drawers of compensation on account of nationalised property."

But besides taxation they say that there are certain pre-requisites of nationalisation.

"Legislation for a national minimum wage, price control and reform of the Companies' Acts should be instituted concurrently with nationalisation proposals."

Under item "b" compensation would be in the form of bonds or annuities equal to the ascertained value of the property. These would bear a fixed rate of interest. The Government would be free to redeem them at par when it chose. There would be a tribunal to assess fair compensation. In a concluding section under the heading "Finance of Nationalised Industries," the Committee recognise that although the interest paid out by the Government to the former owners will be less than the amount distributed to them before nationalisation, and although "greater efficiency and economy under nationalisation will be forthcoming," it will be "necessary to face the fact that in some instances special circumstances may make it difficult to meet the full burden of capital charges." The workers, for instance, will expect better conditions, and the public will expect better service; and heavy expenditure for reconstruction will be entailed. Therefore "arrangements may have to be made for a portion only of the sums necessary for payment of compensation to be payable by the industry during the first few years of nationalisation." Some other fund would have to bear the rest, and the Committees suggest that a central fund might be found "into which should be paid the profits of State enterprises of all kinds." This is the substance of Part I. of the Report.

The second part of the Report claims not to be more than a "preliminary survey" of banking and credit problems. The Committee is agreed that the present system wants "drastic re-modelling" for the purpose of realising the following objects:—

- (1) To "regulate the emission of" credit and currency "in the general interests of the community."
- (2) To "direct the flow of savings in the most socially useful channels" and to provide cheap credit for operations of national importance.
- (3) To "secure for the community a larger share of the excessive profits made by bankers and others," who now control the credit resources of the country.

To those ends the Bank of England should become a national institution, and power should be granted for establishing municipal banks. Then, as regards the joint stock banks, the Committee points out that in reality it is the Government which stands behind them, and "would be bound always to come to their assistance in emergency, as was shown at the outbreak of the war." "This fact," it goes on to say,

"Makes nonsense of the banks' claim that they alone safeguard the public's deposits, that their capital is essential to them or ought to be increased, or that the uncalled liability on bank shares justifies a higher dividend."

It further points out that "it is now a recognised principle of sound banking that the whole system should be dependent on and closely controlled by a strong central bank."

These remarks are followed by recommendations

- (a) that a Banking Advisory Council should co-ordinate the banks;
- (b) that provisions as to their legal minimum reserve should be designed to give the Bank of England (as the State Bank) greater control of the credit situation; and
- (c) that the Government should guarantee the solvency of the banks (but not any fixed rate of profit).

In conclusion the Committee also recommends that "in the case of all capital guarantees or facilities provided directly or indirectly by the Government, some measure of public control and participation in ownership of capital assets thereby created, should accompany the accommodation. The Report will have been considered by the I.L.P. Conference at Gloucester by the time these Notes are published. We so we shall defer our comments until next week. We understand that opportunities will probably be given to both the dissentient members of the Committee—Mr. Maxton and Mr. Symons—to explain their position to the assembled delegates.

### The Social Credit Library.

To the blunt person who comes bullying the New Economist with the brusque interruption, "No, no; what I want is a clear explanation of the Douglas System in a few words," the proper answer to make is, "Have you ever heard a clear explanation of the present system in a few words?" Then, while you wait for him to refer you to this simplification (non-existent, of course) you prod him with the reminder that the search ought to be easy considering that the present system is at work now, while the Douglas System is not. If this does not shape his rough-shod ends you can finish him by saying that his backwardness is due to his curious habit of trying to learn things backwards.

Now, in strict truth, Douglas's proposals cannot be called a system—they are simply devices for perfecting a system which is already only a hair's-breadth from perfection. It is true that the whole world is plunged into penury and sorrow by reason of that hair's-breadth, but that is only saying in another way that prosperity and happiness wait only for one small thing—namely, that figures shall be written correctly in the ledgers of our banks, factories, and warehouses. Consider: the *all else* is finished. Colossal power to make things on the one hand, and a stupendous impulse to consume them on the other. And the two are separated by an imperceptibly thin film of insulator matter. Douglas wants to scratch it away. A finger-nail would do it. Is that a "system"?—a "scheme"? One might even go so far as to assert that the present system is perfect—but that those who made it so do not know what they have accomplished. What is this "insulator" but a film of ignorance?

These reflections arise from our first examination of Captain Adams's book\*. He appears to have realised that the real simplification of "Douglas" is extrinsic, not intrinsic. So he devotes nine of his thirteen chapters to an explanation of the present economic system. Without having read them closely, yet we do not hesitate to say that they cover a wider range of relevant facts than have yet been gathered into a treatise on Social Credit. It is as though he had presided at the head of the Social Credit Movement since its inception, had carefully noted all the requests from New Economists for information hidden away in the dreary works of the Old Economists, and had gone and retrieved the answers. And what a job! Consider that ninety-nine per cent. of the writings he had to consult,

\* *Real Wealth and Financial Poverty.* A study of the Present Financial System as a Monopoly of Money, and its Relation to Productive Industry, Social Poverty and Economic War, from the Point of View of the Douglas Credit Analysis. By Captain W. Adams, B.Sc. (Econ.), B.Com., A.L.A.A., F.I.S.A. (Cecil Palmer. Cr. 8vo. 270 pp. 7s. 6d. net.)

where they had any practical significance at all (very rarely), only taught the reader *how to get on under existing financial policy*, and one glows with appreciation of the service that Captain Adams has performed in isolating just those facts which help him to understand *how to get out from under that policy*. The frigid ruthlessness with which he turns huge volumes of academic gas into shaped, solid purposeful, practical chapters should receive the thanks of all students whose time has any scarcity value.

We have been testing chapters here and there, and rarely have we read a paragraph without coming across a passage which made us say to ourselves: "Why, we remember so-and-so wanted to know that." Therefore, to every Social Credit propagandist who has been asked by his audience (and which of them has not?) for Old Economic information arising out of New Economic ideas, we urgently recommend this book. It is the "Speaker's Handbook." We are speaking here, be it noted, of the first nine chapters of the book. In writing the others, which treat specifically of Social Credit, Captain Adams has had the advantage of following writers like Hattersley, Powell, and other interpreters of "Douglas," and, therefore, in according credit to him for the way he has done this part of his work we have to remember the benefit of the "cultural inheritance," which is always the luck of the last writer. In fact, he has not hesitated to quote his predecessors with acknowledgments when their gifts of exposition have suited his purpose.

We think that he is at his best in the chapter dealing with the "A + B" theorem in his "Analysis of Production Costs and Price Fixing." The skill and experience of the trained accountant, which Captain Adams is, shows itself clearly in his choice of illustrations of factory costing, while his methods of testing and justifying the elusive and controverted theorem contain features which make the subject as concrete as we are able to imagine its being made.

The scheme and balance of the book are admirable. Any reader going systematically through the series of subjects treated, including "The Economic Function of a System of Finance," "The Abstract Conception of Money," "Currency," "Banking," "The Co-operative Use of Money," "Credit Instruments and International Exchange," "The Money Market," "An Analysis of Credit," will find himself equipped with all the knowledge necessary to form an intelligent appreciation of Social Credit principles, and will discover, too, that the "Oh, but—" habit has been subtly extracted from his enquiring personality.

Captain Adams has ably done what he purposed to do in his preface:—

"The analysis of Major Douglas is so new and startling in its implications, that the possibility of eliminating poverty and the economic causes of war is opposed by those to whom the present financial system is 'instinctively' placed above criticism, and this opposition in many cases arises from a lack of knowledge of the actual operations of the present Money Market.

"The following chapters, therefore, seek to give within one volume a concise outline of those divisions of the Money Market usually considered separately. These chapters are an actual study-course adopted by a student of the 'New Economics' with a view to comparing the old ideas of money in the light of the new criticism; it is to be hoped therefore that the book will be helpful to those in particular who are handicapped, when considering the Douglas analysis, by indefinite opinions as to what the present Money Market is."

If it is his fate that the beginner "cannot read Douglas" without tears, it is his good fortune that Captain Adams has pulled out this pocket-handkerchief.

## The Body of this Death.

By "Old and Crusted."

"But albeit he sought with all his might to lead the Brethren unto the austere life, yet the utmost rigour of severity pleased him not—such rigour as hath no bowels of compassion, nor is flavoured with the salt of discretion."

ST. BONAVENTURA, "Life of St. Francis."

\* \* \*

"The Lady Poverty was fair:

But she has lost her looks of late,  
With change of times and change of air.  
Ah, slattern! she neglects her hair,  
Her gown, her shoes; she keeps no state  
As once when her pure feet were bare.

Or—almost worse, if worse can be—  
She scolds in parlours, dusts and trims,  
Watches and counts. Oh, is this she  
Whom Francis met, whose step was free,  
Who with Obedience carolled hymns,  
In Umbria walked with Chastity?"

ALICE MEYNELL, "The Lady Poverty."

In the dear, dead days—not so long ago—when folk still believed in the perfectibility of human nature, we were invited to study certain encyclopaedic popular educators, ponderous tomes, which generally contained in the opening pages two series of illustrations depicting "the Child, and what will he become?" According to one set of pictures, he (it is always he, never she) begins by picking up pins, wades through the educator, accumulates great store of useful knowledge, cultivates side-whiskers, and finally ends up as an alderman or prosperous mill-owner, with an ugly house on the top of a hill overlooking a smoky town, where the victims of his success drag out gloomy and obscure lives. The other set of pictures portrays the gradual decline and fall of the idle apprentice, concluding with his final flop into the gutter prior to being hurried into a pauper's dishonoured grave. To my infant mind there was always something inartistic about this sheep and goat business; even in those early days I had a vague suspicion that there was a kind of *via media* between the two, infinitely more pleasant than either and not quite so rough and treacherous for poor human feet; a suspicion deepened and developed into conviction by a misspent life, strengthened and supported by the testimony of all sorts of strange personalities, some of whom have lived and suffered through the centuries, and by others, no less real, the children of the poet's imagination.

After all, this world is not entirely run by saints, heroes, and actor-managers; the smooth working of its daily routine is largely dependent on a cheerful company of mediocrities, the "also-rans" of life's handicap, who help to make a field, and come gaily pounding up the straight long after the favourite, or the dark horse beloved of bookies, has passed the winning-post. They trot back to their quarters amidst the cheers and jeers of the crowd, not a whit perturbed, but ready to run another day, at long or short odds, and so provide a little mild excitement for the proletariat and a profitable occupation for the "old firm."

The "truly great" have invariably recognised this fact, and have always been nice to us of the ruck; a fact which probably accounts for the unabated popularity of that most lovable of the later saints, Francis of Assisi. He was such a quaint, merry little saint—so unlike the sour, gloomy fanatics of Puritanism—and although he sorely mishandled his patient "brother ass," the body, he had a heart full of sympathy for the weaknesses of men cast in a less heroic mould than the frail grey friar. He did not despair of poor humanity. His devoted companions, the Little Brothers, were very simple men—the kind we meet every hour of the day, and of whom we know so little. If ever the gonfalon of Social Credit should

bear the emblem of a patron saint may it be that of "Francesco Bernardone, the silk-merchant's mad son," the "Little poor man of Assisi."

In a recent effort, entitled "Asia Accuses Europe," the Very Rev. the Dean of St. Paul's concludes a sombre essay with these words:—

"The nation is an inhuman machine, and we are in its grip. We look wistfully at a higher ideal, whether it comes to us from the Galilean lake or from the banks of the Ganges. But our environment has turned us Europeans into wolf-packs, surrounded by other packs as fierce as ourselves. 'Who shall deliver us from the body of this death?'"

Who? Well, strange to relate, Mr. Dean, the answer is even now striving to reach you—if you only knew it! St. Francis could suggest a way of deliverance, and the "Little Brothers" of Social Credit are always ready to supply you with a complete road map of the route from Amen Court to the City Beautiful.

But between the learned Dean and the little grey Brother there is a great gulf fixed.

It seems quite natural for St. Francis to preach to the birds, and not at all strange that they should listen to him with reverent attention—but who could picture the Dean preaching to the pigeons in St. Paul's Churchyard? Moreover, St. Francis would have held forth to the magnates of Lombard-street with that cheerfulness and confidence wherein lay his strength. There would have been nothing incongruous about it. He would not even have had to prepare a special sermon. The one to the birds would require but little adaptation. For "My little sisters, the birds," substitute "My little brothers, the Bankers," and the rest is singularly appropriate:

"—much bounden are ye unto God, your Creator, and always in every place ought ye to praise Him, for that He hath given you liberty to fly about everywhere, and hath also given you double and triple raiment; moreover, He preserved your seed in the ark of Noah, that your race might not perish out of the world; still more are ye beholden to Him for the element of air which He hath appointed for you; beyond all this, ye sow not, neither do you reap; and God feedeth you, and giveth you streams and fountains for your drink; the mountains and the valleys for your refuge, and the high trees whereon to make your nests; and because ye know not how to spin or sew, God clotheth you, you and your children; wherefore, your Creator loveth you much, seeing that He hath bestowed on you so many benefits; and, therefore, my little brothers, beware of the sin of ingratitude, and study always to give praises unto God."

### FINIS.

The clicking spool thins out; the pictures throw  
Their ever-hastening shadows, fadedly,  
Upon the pallid screen; the arc burns low;  
From murky bulbs the fitting lights now grow  
To amber, red; the lives which fed them flee;  
The broken filming of humanity  
Upon a hollow stage has ceased to show;  
Exploded all their whims, and gone the glow  
Which tinged the Skull they fondled with such glee,  
The Grin, the Money-Myth they treasured so.

The years dissolve like perished sperm, and see,  
The slow sick life which men half dream, half know,  
From flame to ice, from firmness to grey snow  
Has cooled; slow life as told by clocks, not slow  
To stars which measure Man's eternity  
In wagonsful like dirt, breathlessly,  
In hurrying waves; which with Earth yet to be,  
Were stars as now; lost is the unlocked key,  
Snapped is the cable which held life in tow,  
And snapped the guy-rope of reality!

A. E. TOMLINSON.

## Manners in Advertisement.

By Scott Curfew.

"What an age of progress it is, by help of advertisements! No wonder you put some faith in them, friends." (Fors Clavigera.)

In the half-century that has elapsed since Ruskin wrote these words the "help of advertisements" has become more or less a necessary process in industry under the Old Economics. Even the word "progress" seems to have assumed the new meaning of advancing in all directions at once. Mass production under the existing though moribund financial system demands an ever-growing concern with the means of distribution; though it may be more accurate to say that universal advertisement is merely the last link in the chain of production. The constantly increasing velocity of mechanical production obviously completes the already difficult problem of salesmanship; for, as the Old Economics end in the formula that the totality of Production cannot be absorbed by the Purchasing Power of wages, salaries and dividends at any given moment, naturally the question of advertisement is becoming more and more a serious one for producers.

It is common knowledge that within the past fifty years advertisement has grown enormously in all the chief manufacturing nations. In the Benighted States of America, where the system of mass production has attained its highest point of "progress," the artfulness of advertisement is alleged to have been transfigured into an art. It has come to pass that the average "Big Business" man has to waste a lot of his precious profit on such tiresome aspects of etymology as the accurate use of the terms he employs in "delivering the goods." His job is to "put it over" to the consumer. If, in this process, his dictionary becomes somewhat thumb-marked through patient search for fresh superlatives, he will explain in extenuation of his unaccustomed resort to literature that he is not in business for the good of his health.

American magazines are become such a monument to the industry of the "Publicity Expert" that their myriad pages of vulgar advertisement may yet serve to line the tombs of the upholders of the old financial system. The Americanisation of British industry is proceeding apace, and a corresponding vulgarity in advertisement display is its visible concomitant. Already rudely staring faces point a finger at us from the printed page to attract attention—a vulgar device that is still a breach of good manners in the drawing-room. Blatant use of the first personal pronoun shouts at us from every hoarding—again an infringement of the canons of polite society. Hypocritical offers of "service" to the community might lead the unsophisticated to assume that some businesses are actually philanthropic institutions. But such fourth-form ruses are only evidence of the advertisement-agent's clumsy use of a "business-psychology" known to the cheap-jacks for ages.

Blowing one's own trumpet is rightly considered an offence against social decorum; yet it is now being done on such an extensive scale that few seem to be aware of the bad taste thereby expressed in advertisements. The apologist may urge that society now "accepts" advertisement as part of the industrial structure. This plea might be valid on aesthetic grounds were advertisements confined to the pages of the daily Press and the magazines. But unfortunately they are spilled all over the town and the country. In the towns they pass muster only when they take the form of artistic posters; but even so, they are supportable solely because the architecture of the streets is mostly of such a tawdry nature. As for the electrically-illuminated signs that stab the

darkness with a hideousness that rivals that of the hoardings by day, even Trafalgar-square is not free now from the flickering electric-lamp of "truth in advertisement."

In an age of mechanical Production and its hand-aided, Advertisement, it was inevitable that the lady should occasionally pine for the country. Consequently it is not an exaggeration to state that the approaches to many of the most charming villages are appallingly disfigured by enamelled-iron and painted-wood monstrosities blatantly shouting at the top of their voices. The English have been dubbed a nation of shopkeepers. It is scarcely amiss to assert that England is to-day one vast shop dotted with garish placards redundantly belauding every manufactured article in the "emporium." Even the tiny refreshment room on the top of Snowdon has not escaped the modern disease—advertisement-erysipelas. Nay, the very heavens are not immune from the latest form of advertising atrocity. Doubtless the waters at the seaside will soon be commandeered by some genius of a "publicity expert" who will yet devise means of throwing illuminated signs from the bottom of the sea to the surface. There is but one saving grace left in this epidemic of advertisement—let us thank God there is no smell with it!

One of the worst cases of the spoliation of the amenities of rural England must be laid at the door of the motoring public. For at the entrance to almost every hamlet in the country is an array of blue-and-white four-legged horrors that bray their commercialised lies (they cannot all be the "best," can they?) about tyres, petrol and so forth. Were the R.A.C. and the A.A. not composed mainly of men who are themselves advertising their own wares, this wholesale disfigurement of the countryside might never have happened at all. For it is clearly within the power of the Executive Boards of these organisations to abolish in a month all those abominations, by passing a simple resolution to boycott the offending firms that might refuse to fall in with the suggestion for removal of the signs. In the same swoop motorists would cheapen the price of the goods they buy; for the cost of these hordes of advertisements that straddle drunkenly across the country must add considerably to the price of the articles, the virtues of which are extolled in adjectives so transparent that even a Hottentot might see through them. The unconscious humour betrayed in their vulgar manners might almost dawn on a Scot if you give him time.

For who pays the cost of the advertisements blazoned forth by those rival firms living only to be at our "service"? "Gor blime me! Arst me annuver!" smiles the small boy at the bottom of the class. It is a well-known fact that it costs more to sell certain articles of commerce than it does to produce them—advertisement alone adding a huge percentage to price. Under the New Economics it will be readily discovered that the cost of advertisement could be reduced to a negligible proportion. Such a fact by itself is an indication of the "great slaughter of prices" that will automatically follow when the Old Lamp of Economics has been scrapped in favour of the New.

### AT THE END.

Will there one day be end of all these things . . .  
Bird cries, and blossoms, and the wide starlight?  
Shall One go by and hush the gurgling springs  
And shut the last two eyes that were so bright?

Oh, if I might that hour draw one wide breath,  
That time of sweet earth's close in some still place  
Behold how Beauty made her scorn of Death  
And shook her dimming banners in his face!

A. NEWBERRY CHOYCE.

## The Price of Absolutism.

Before facing the task of wading through 551 pages of a new history of Europe\* in the 17th century, it is permissible to raise the question—Can the author throw any new light on the events of a century whose story includes such oft-discussed subjects as the Thirty Years' War, the Counter-Reformation and the reign of Louis XIV.? After taking due note of the author's statement that the book "contains information derived from sources not hitherto utilised," a preliminary dip into one or two chapters revealed the interesting fact that he was not afraid of challenging the conventional appraisements of certain great events and personages.

It seemed, therefore, highly probable that Mr. Ogg's work would repay careful perusal. We were not mistaken. Apart from its value to the student and teacher of history, here is a book of absorbing interest to the general reader who is searching for some explanation of the "great disaster" and has sufficient intelligence to be dissatisfied with the facile generalisations of certain sections of the daily press. The popular theory that the drama staged in August, 1914—whose fifth act has yet to be played—was the work of the insensate ambition of the Hohenzollern dynasty, aided and abetted by a Prussianised Germany, will have to be modified by all who can distinguish between occasion and cause, and have carefully weighed the evidence so lucidly set forth in this masterly study of the 17th century.

To assert that had there been no devastation of the Palatinate by Turenne in 1674 and, on the suggestion of Louvois, during the winter of 1688-89, "a devastation as ruthless and systematic as any in modern history," there would have been no World War in 1914, would be an exaggeration, but it accounts for Bismarck's blunt protest that his policy towards France was actuated first and last by the desire to protect his country from a neighbour who had made a habit of invading her for the last 300 years.

Where, then, are we to look for the basic principle which will give coherence to the otherwise confused story of the epoch which begins with the Thirty Years' War and closes with the Treaty of Utrecht—whose lineal descendant is the Treaty of Versailles? Mr. Ogg finds it in "absolutism," both in church and State; and the significance of his work lies in the boldness and originality with which he traces the working of this principle in both spheres. In this review we are concerned with the political rather than the ecclesiastical aspect; especially with the careers of those two outstanding protagonists of absolutism, Louis XIV. and Peter the Great. It is not too much to say that an unbiased appreciation of the new light shed on the character and policy of these two monarchs is essential to a right understanding of the position in Europe to-day. After submitting a mass of well-documented evidence Mr. Ogg arrives at the conclusion that it was Louis XIV. who was responsible for changing war

"from a mere military contest waged by professional or mercenary troops into a gigantic struggle in which national existence might be imperilled, and in which every resource of men and money had to be unsparingly employed . . . so war became entrenched as the chief menace to civilisation."

It was he who

"bequeathed to Europe a curse which time has strengthened in malignity—the rivalry and hatred of French and German,"

and much becomes clear in the tangled history of the

\* Europe in the Seventeenth Century." By David Ogg, Fellow and Tutor of New College, Oxford. (A. and C. Black. 18s. net.)

years that follow if we accept Mr. Ogg's estimate that he was

"the most criminally stupid man in history," that "he acted on the worst principles of a bad past, disgracing his country rather than himself by the unquestioning obedience which he extorted, and exercising on posterity an influence second only to that of Napoleon in its baneful fascination for the shallow and flashy mind."

How paltry, narrow, and selfish the policy of Louis XIV. could be is seen in his vacillating and grudging support of John Sobieski, the heroic leader of the Poles and their allies against the Turks. Had "the Eldest Son of the Church" seized the great opportunity offered by the relief of Vienna and

"joined with Austria against Turkey . . . if Sobieski had been accorded the full support of these two Christian Powers, there can be little doubt that Turkey would have been expelled from Europe."

But that would have been the action of a great statesman and an end, or at least a truce, to the feud between Bourbon and Hapsburg which has cost Europe so much blood and treasure. All this was beyond Louis's capacity, so we have the miserable story of Balkan intrigue during the succeeding centuries, and the present humiliating attitude of Europe towards Turkey as a *damnosa hereditas*.

Mr. Ogg is equally outspoken in dealing with Peter the Great, whom he describes in no flattering terms:—

"The spectacle of an intelligent chimpanzee imitating the refinements and vices of polished society is disgusting to all but the coarsest minds, and if Peter's intelligence was sometimes not unlike that of the chimpanzee, his temper was like that of the orang-outang."

The conventions of decency in this country do not permit of a plain, unvarnished account of the coarseness and brutality of this royal epileptic, who was only too successful in his attempt to cover the barbarism of Russia with a thin veneer of Western civilisation.

"That he turned Russia to face the West rather than the East"

is true enough, and may very well prove to have been one of the most disastrous triumphs ever achieved by the genius of one man. Our author is careful to point out that

"a study of the contemporary sources for Peter's reign might help one to understand some of the recent happenings in Russia,"

adding the very ominous comment:—

"It is perhaps for the best that these sources are not well known in Western Europe, but if they were, statesmen and publicists might be less likely to make serious mistakes regarding the moral and political potentialities of the Russian Empire."

If it be objected that we have laid too much stress on the influence of these two monarchs on the development of modern Europe, to the neglect of their contemporaries in other countries who played a great part in the stirring events of the 17th century, let it be borne in mind that the two most uncertain forces in Europe to-day are France and Russia. Of the former we know that no other Power has broken the peace of the world so often and with such far-reaching consequences. It would be idle to pretend that the traditions of Louis XIV. and Napoleon I. have no influence in the France of to-day.

As for Russia—the great unknown—who can tell what horrors or even what blessings may arise from the ruins of Peter's pinchbeck empire? The Slav's contribution to the human story is still to make. In this dilemma we have only past history to guide us, and those who desire to have some clue as to the origin of the powers that are even now "shaping our ends" would do well to devote a little time to the study of this remarkable book.

J. S. K.

## Law and Leadership.

By L. Archier Leroy.

The learned judge who recently gave it as his official decision that the washing (not to mention the tearing) of dirty linen in full view of the public, to the accompaniment of a cheerful repletion of legal bank-balances, of course, was a matter of first-rate public policy, as well of interest, laid down a canon which, the arbitrament of contempt of court being what it is, we must needs accept without indecorous comment. True, at least, one daily journal has published a leader deploring the extensive reporting of the "gumming of silks" (as our Elizabethan authors, unskilled in the ways of modern "silks" realistically styled it), and by implication promised to amend its reports if and when its competitors bound themselves in a like self-denying ordinance. But, on the whole, it seems our moral withers are to continue to be wrung, or our prurience titillated by the continuance of "B" cases, "C" cases, and "X<sup>n-1</sup>" cases, so long as the law is free to sufficiently wealthy litigants and juries are content to be empanelled for the purpose of deciding the crucial exactitudes or latitudes of the morality of irresponsibles of the all-too-leisured class—and then seeing their decisions overruled.

It would be unfair from the exceptions that have recently been thrust undeniably under our noses, to suppose that all the women of the Upper Ten are any more erotic than those of the submerged tenth. But recent cases of conspicuous note have brought clearly to the fore one thing, and that is that, morality apart, the responsible administration of contemporary society would appear to be in a poor way. Cæsar's wife may, by the prerogative of her sex remain Cæsar's wife. But Cæsar should certainly be above suspicion.

If India has a chuckle left now that after centuries of exploitation first by the Company, then by various companies, it is handed over to the notoriously tender mercies of the Jews, the popularity of her native princes in the "two-column splashes" of the cheaper English papers must relieve the tedium of non-operative hartals.

And if the ghost of the Unknown Soldier ever returns to glimpse the columns of his favourite Sunday paper, he may emit a like chuckle, dolorous perchance, but assuredly doleless, as, perusing the cross-examination of some more financially-fortunate captain or colonel or knight-at-arms, he realises why the "old contemptibles" were out-generalled though never out-fought, and why with material at the comfortable ratio of seven to four and personnel at two to one (according to a distinguished chronicler of the staff), the British army retired before the German onslaught round Cambrai—and not at Cambrai only.

"The tigers of wrath are wiser than the horses of instruction," William Blake assured us and the shrewd Tiger of Gallic vengeance and the "Peace" Conference, is, we urge, better than this tame Tiger of recent litigation. Yet from Clemenceau to Dennis-toun is but a span. And only death separates the Unknown Soldier from both—only death.

By all means let us preserve the open mind which is the fount of laughter. Let the little brown mice scuttle merrily around the miserable wreckage of Europe, and the brown girls dance round the corpse of what was an Indian empire—Indian, not Anglo-Indian, mark. Let the Tigers cry for prey or for legal protection. This land is indeed fit for heroes to live in. But, says Cæsar, let them not try to live on it. Much virtue in "in."

A new generation arises that knows not Pharaoh (aliter Cæsar—whether he be of the ancestry of Mussolini or of the archaic Celtic gazers upon Welsh mountains). Perchance Pharaoh is gathered to his fathers. Perchance the new generation knows that Pharaoh shall be swallowed up with his horses, his howitzers, his Unknown Warriors, and his tigerish colonels into the Red Sea that swells angrily in the

Kremlin. At any rate the new generation know him not, though they seek his acquaintance curiously in the columns of their evening papers.

But who shall lift up my people? Pharaoh is not, and Indore is a trophy of dancing girls. The men of Kashmir tell one another in algebraic formula.

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But they do not laugh. The princes are a byword and the colonels are complacent. And the Unknown Warrior is in the Abbey. (His fellows, where are they?) And the twelve good men and true have smelt a rat. For tigers and rats smell alike when they are dead as the Pharaoh.

It has been suggested that recent law cases must not be taken as an imputation against Society, inasmuch as Society (with the capital S) no longer exists. But it is certain that the material prerogatives of Society have passed over to a class which aims at retaining the S of the shibboleth even if, like the warriors of the Old Testament legend, it is uncertain about its aitches. This same social stratum also seeks to retain or acquire a hold on the reins of Government. The wangling of military promotions must surely be rated among the prerogatives of a governing class.

Now at a time when juvenile Hebrews' names pack the waiting lists of our public schools, it may well be said that the future of our governing class is in doubt if not already resolved. But that is no reason why the men who will have to fight the next war must suffer under the suspicion that duffers may be colonels—because these duffers' wives wanted to be dressed by Reville.

But the establishment and maintenance of a skilled and responsible staff of army officers is another matter. It may be that the Waterloos of coming generations will be won, not on the playing fields of Eton, but in the laboratories of the Polytechnic, but however this may be, brains and self-reliance, self-confidence, and not self-contempt, will still be the requisites of the captains and colonels and knights-at-arms.

## The Theatre.

By H. R. Barbor.

TOM, DICK, AND SYBIL.

Tom, Dick and Harry contrived between them to give no small measure of theatrical enjoyment to playgoers of another generation. *Nous avons changé tout cela!* Miss Thorndike, conspiring with Miss Glaspell, the American dramatist, has bereft the joyous three of their transatlantic jollity and substituted instead a transatlantic futility. Claire, the heroine, who hovers during the two hours' traffic of our stage perilously on "The Verge," to pop over in the last act, not before she has dispatched one of this unhappy band of lovers over that other verge whence no traveller returns, has three not otherwise remarkable fellows dancing attendance upon her. A fourth, her divorced husband, father of her twenty-year-old daughter, Elizabeth, is dimly discernible as another victim of her sexual fascination—which, unlike little boys, was heard but not seen (Mr. Winston, who designed (Euphemism!) Miss Thorndike's dresses, helped to take care of that).

Claire grew plants. And until Miss Glaspell's horticultural heroine hove across the western horizon the full menace of this simple pursuit had never been demonstrated. Perhaps, however, it was not so much the garden that Claire cultivated as her own restless personality, expressing itself by bringing into existence these wild and woolly vegetal enormities that was to blame. The old gardener, superlatively well played by that admirable character-creator, O. B. Clarence, seemed to experience no particular jim-jams when the Edge vine, growing quite suitably on "The Verge," brought to full bloom those nightmare

flowers which are painfully associated with the wall-papers of cheap diggings in the more benighted towns of the Midlands. And he actually showed a sort of restrained amusement (or it may have been pride of accomplishment) when Breath-of-Life, a pale pink pineapple burgeoning in the heart of a spiny aspidistra, came into being at the behest of its onlie begger. Perhaps the gardener had got used to Miss Claire's little ways. Age has its compensations.

Unfortunately monstrosities of the vegetable kingdom, that second estate of the cosmic order, did not suffice. Claire wanted "outness" and "otherness," which was her way, it is suspected, of saying that she had found only a certain "sameness" in the "inness"—if these yearnings are not born of perverid if not perverted sex-hunger, whence are they born? So Tom, Dick, and Harry are requisitioned.

Harry is the husband whom Claire had married, having cast aside her dimly-discernible "first," because Tom was an aviator, and must therefore know all there is to know about "up-thereness." But, bless you, not he. It is remarkable what dull dogs these aviators can be. And flying is very much like wheeling a pram. in the Park on Sunday—when you are an accomplished aviator. So the mechanical genius having failed her, alike with the humdrum Gaud of domesticity, Claire took a lover, Dick, apparently under the not uncommon delusion that an artist might be expected to hit the bull's-eye of "beyondness," ring the bell, and get his money back every old time. She had apparently slept with Dick the night before and with the sex-exhibitionist propensities of the neurotic wanted to brag about it before her Harry. Naturally Dick was disquieted—which proved him quite conclusively no expert in the sort of "head-over-heeliness" that Claire required.

"Retourmons donc à nos moutons," to the mystico-passionate Tom, a Grail-chasing adventurer, who so far had not plumped for the "up-to-the-neckness" of the "insiderness." But when, after resisting terrific physical assault in the second act, the soul of this Parsifal of the Middle-West became as water within him, and instead of going on another ethical adventure, he spoke up for his determination to stay and try the unforbidden fruit, the lady, rather presumably than face another set-back from these simple and sane Simons, strangled him with her own lily hands. Apparently she preferred to be enforcedly bestowed during His Majesty's Pleasure (or its Presidential equivalent) to risking Tom's rendering of *le droit de seigneur*. Perhaps she was right.

This story, tricked out with highly skilful dramatic artifice, which had better been used to worthier ends, is the main current of Miss Glaspell's play. Claire is, of course, a case for an alienist and not for an audience. My own reaction to this repulsive piece of work led to the discovery of most disquieting moral convictions in regard to the suitability of material for theatrical treatment. A long-dormant and unsuspected Adam awoke. As befits the Prime Founder of the Agrarian Party, who must naturally be attached to the moral as to the political Right, he eloquently pleaded in the parliament of my consciousness against this trailing of fouled duds along the Euston Road.

"Gentlemen," Deputy Adam croaked anciently, "I speak as one horticulturist of another. Do not visit this abnormality on an otherwise honourable vocation. And, above all, remember that genius, in the person of our best-beloved Sybil, must have its fling. Remember, too, that my gardener *confrère*, Mr. Clarence, could not have stood it much longer. The incident of the pineapple-aspidistra was fast hardening him into resolution to bring the piece to a proper moral ending by himself destroying his employer—along with the other weeds." What a pity Miss Glaspell did not see his point!

## New Verse.\*

Mr. Raper's poetry is, for the most part, "diatomiferous nonsense." In his own words:—

"The infuriateness  
Is by us, and booms ravening into space,  
Another quarter-stone and we had crumpled!"

He has devised a high-speed unintelligibility which is all his own, and has a certain fascination for the present reviewer. We recognise that we are in the presence of a tremendous poetic impulse, of indubitable genius of a kind—malignantly bewitched in the transmission. Poem after poem makes us feel as if might the recipient of a parcel containing what ought to have been a lovely vase, smashed to smithereens. Whole tracts of the book are, indeed, a sort of printer's "pie," of which we can make neither head nor tail, "light-wards we spindle, tubers cellar-bound." Yet phrase after phrase flashes out of the inscrutable context in a fashion that serves to emphasise how much has thus been withheld from us by senseless eccentricity and chronic indiscipline. Mr. Raper might have been a great poet. He has probably abundance of vision—but he lacks a medium, and can only transmit fortuitous gleams. His "Credo" says:—

"But hide my lines one leavening grain  
Of ardent vibrant me,  
Then like rude stones mortar'd in musk  
My crudities shall be.  
Let canons round me strew in shards,  
I have reared Poetry."

That is precisely what Mr. Raper has failed to do; the Poetry he might have reared glints fragmentarily in the rubble-slide of his pell-mell impressionism. But his book is rich in hints for those who know how to write—the gift for the lack of which all Mr. Raper's other gifts avail him nothing. The germ of an excellent epigram, for example, lies in these slovenly lines:—

"Out of four eyes did Janus see,  
So sees my Goddess—Poesie,  
But two of hers, Reader to thee  
Surrenders."

What a poet Messrs. Raper and Marrot would have made rolled into one! Mr. Marrot has all the technique and command of form that Mr. Raper lacks, but his range is narrow, his inspiration inadequate, his word-sense poor and colourless. It is not surprising to find that a good part of his book is taken up with translations from Horace, Ronsard, Anacreon, and Heine. They are excellently done. But contrast this epigram of his for compactness and force with that of Mr. Raper's quoted above:—

### RECESSIONAL.

Man in church has duly paid  
Homage to the thing he made:  
Now once more admire he can  
Other and better works of man.

That is only slightly marred by the awkward inversion in the penultimate line. It lacks just that "something more," that *je ne sais quoi*, which would make it perfectly memorable. All Mr. Marrot's work suffers from that defect, due, I think, to a lack of what Mr. Raper has so phenomenally in excess—the art of abandon, the power to "let himself go," the lyric spirit. That he recognises this is shown—apart from the translations—in his predilection for the sonnet

\*"To the Deeper Breath: Lyrics of a Recluse." By E. B. Raper. (2s. 6d. net. Author, Buckton, Bridlington.)  
"Limited Spaces." By H. V. Marrott. (5s. net. Messrs. Elkin Mathews, Ltd.)  
"Here and There." By Judith Brundrett Tweedale. 2s. 6d. net. Merton Press.)  
"Etchings of Vision." By Gertrude Marriage. (2s. 6d. net. Merton Press.)  
"The Way of the South Wind." By G. D. Martineau. (3s. 6d. net. The Vine Press, Steyning.)

form. His opening sonnet, "Candour" (dedicated to Mr. Sorabji) declares him:—

"Content to talk in circles as I go,  
Pursuing goals beyond my power to find,  
Baiting with childish snares the Absolute."

(All of which apply, of course, to Mr. Raper—but never to Mr. Marrot.) "Funereal" is a very fine and bitter sonnet indeed, depicting a crowd of mourners, some of whom cough sobbingly and others with dry eyes rebuke their tears:—

"While both proclaim the anguished callousness,  
The terrified indifference they share."

But, while Mr. Marrot never falls below a certain level of accomplishment, his work rouses no excitement in us: it has its meed of performance, but little, if any, promise. His book, indeed, leaves us feeling that it is justly enough described in the lines from Thomas Hardy, whence the title is taken:—

"There is an air of blankness  
In the street and the littered spaces."

But an exception must be made of this lovely little elegy:—

"She does not like the dark, she said;  
And in her little room  
Clear tapers stood beside her bed  
To friend her in the gloom."

She said she did not like the cold,  
And when she went about  
Warm furs enwrapped her, fold on fold,  
To keep the winter out.

And oh! less keen my sorrow were  
Could I but surely know  
That there was light and warmth for her  
Where she has had to go."

But if Mr. Raper and Mr. Marrot must be thus dismissed, Miss Tweedale's, Miss Marriage's, and Mr. Martineau's books need only be mentioned. Strictly speaking, these are beneath criticism; but doubtless each of them will please somebody who "likes that sort of thing"—even if it be but their authors—and they will not lack for praise in certain quarters where encomia fall alike on the just and the unjust.

H. McD.

## Question Time.

### DEBATE ON CREDIT CONTROL.

Canadian House of Commons, March 4, 1925.  
On the Motion.

That, in the opinion of this House, it is not in the interests of the country at large that the privilege of issuing currency and of controlling financial credit should be granted to private corporations.

#### III.

MR. WOODSWORTH'S SPEECH (Continued).

Mr. WOODSWORTH: I quote further:  
Q. What effects do you think deflation of credit would have upon manufacturers, for instance, or business generally?—A. The deflation of credit that took place at that time was in the interests of the manufacturers as well as of the banks and the community at large.

I think it is very generally acknowledged, Mr. Speaker, that that policy was a serious mistake, and we are still suffering from the effects of it in Canada. The manufacturers, according to Sir Frederick Williams-Taylor, were quite willing that this should be done. He suggested that it was in the interests of the manufacturers, but I think that a good many of our manufacturers are coming to learn that it was decidedly not in their interests. Last year the Federation of British Industries, to which more or less our Canadian Manufacturers' Association corresponds, in its bulletin of October 30, 1923, considers, according to a summary which appears in the International Labour Review of January, 1924

—that the deflationary policy in Great Britain and the consequent fall of prices during 1920-1922 were the cause of: dislocation of trade and severe losses to all holders of stocks and commodities, and to all who trade on borrowed money, that is, practically to the whole com-

mercial and industrial community; a severe check to export trade; an increase in the burden of internal debt; and severe unemployment.

An alternate policy was suggested by the Right Hon. Reginald McKenna at the June meeting of the shareholders of the Midland Bank. This was reported in the London Times of January 26, 1924, and I am glad to say was reproduced in *Toronto Saturday Night* some months later. I quote:

To define monetary policy in few words I would say that it is the policy which concerns itself with regulating the quantity of money.

And again:—

Gold coin is no longer minted, and additional paper currency is not issued except to meet the demands of the public. . . . The amount of money in existence varies only with the action of the banks in increasing or diminishing deposits. . . . Every bank loan and every bank purchase of securities creates a deposit.

And again:—

People often talk about money going abroad, or of foreign money coming here, but, as a fact, when gold is not in use money is incapable of migration. . . . No exchange transaction, no purchase or sale of securities, no import of foreign goods or export of our own can take money out of the country or bring it here. Bank loans and their repayment, bank purchases and sales, are in substance the sole causes of variation in the amount of our money.

And again:—

When national output is below productive capacity, the policy should be to let money out; when production is at a maximum the outflow of money should be checked, and if inflationary symptoms have appeared money should be withdrawn.

And again:—

Whatever name we give to this expansion of credit, it is indispensable to the proper functioning of our commercial system, and is imperatively needed when trade is deferred and unemployment general.

I submit that our Government is still proceeding on the theories that were prevalent and were considered to be sound before the war, but that the war has made an entire change in the whole financial system and that it is high time that we gave a little more attention to the far-reaching effects of that change. I urge that the large measure of control of currency and credit, by private corporations now existing must not continue. It is not safe to leave such irresponsible hands, that is in the hands of those without responsibility to the people at large.

May I in a few words review the existing privileges of Canadian banks? In the first place they control and use the people's savings, taking them at 3 per cent. and giving them out at 8 or 10. Secondly, they have what I might call the franchise of issuing currency, which enables them to double their capital. Thirdly, they have virtually a control of credit—they can give or withhold. And thus they can make or unmake any business in this country. Revelations of what went on in connection with the Home Bank have been a severe shock to the public at large, yet I think careful study will show that a great many of the practices prevalent in connection with the operation of the Home Bank, and which so shocked the public, are common with many of our banks. We are constantly meeting such instances as this—I quote from a dispatch from New York dated July 23 last:—

Steps to end what local newspapers describe as the "binder twine trust" were taken to-day by Attorney-General Stone at Washington, when action was begun to dissolve the Sisal Sales Corporation as a trust, in violation of the anti-trust laws. Among the defendants named in the suit besides the corporation was the Royal Bank of Canada.

This is not an isolated example by any means. These banks are engaged in business not only in Canada but in the United States and other parts of the world, and they are able to manipulate the savings of the people to their own ends. Further than that, the banks have great power, as

we have pointed out on other occasions, through their interlocking directorates, as a result of which the directors of a bank are interested in a great many of the industrial and commercial enterprises of the whole country. But their really great power comes, not through the interlocking directorates, not through the issuance of currency, but essentially through their control of credit which gives the banks the power to inflate or deflate. Through this power they derive profits in both ways. The operation may be compared to the working of a pawnbroking establishment. You bring your goods to the pawnbroker, and he may charge a very exorbitant interest on the loan. If you fail to pay his charges he retains the goods which have been pledged. Thus he has either the exorbitant charge or he has the goods. The same thing is true with regard to banks, as a good many of our western farmers are beginning to find out.

There is one other power which the banks have in Canada, and that is that they very largely do the Government financing. It is not my purpose to go into this matter at this stage, but we all recognise that these great flotations are very largely made through the banks, the Government fearing for some reason or another to undertake to finance direct.

We have seen here in Canada, perhaps more than in most countries, the steady concentration of capital in the hands of a few. We have our bankers' association, and in recent years we have had bank merger after bank merger. Why should not the Government democratically control this money situation rather than allow a group of a dozen men who are not responsible to the people to do so? We have now Government supervision and inspection. We have the advocacy of Government guarantee of deposits. Here I quote a few sentences from the *Vancouver Sun*:—

This bank consolidation should be followed by a Government announcement that in future the security of all bank deposits will be Government guaranteed, just as note circulation is to-day guaranteed. When a Canadian bank goes out of business its note circulation starts to carry 6 per cent. interest until it is fully paid. When that same bank goes out of business the depositor starts to figure—not whether he will get 6 per cent. on his deposits, but whether he will get 6 per cent. of his deposits.

From all over this country demands are coming that the Government should go much further than it has in the past. Why not take the next step and effectively control our currency and credit? Money itself is of the nature of a public utility. In the old days our roads were more or less controlled by private individuals. Some of us remember in childhood days passing along a road and having to stop every little while at a toll gate to pay for our use of that road. Those who constructed the roads took toll, and I presume they charged all that the traffic would bear. Now our roads are managed by the people, and they are given to the people at the cost of service. Why not the same advance in the case of money? Here in Parliament we may pass legislation, but so long as there is economic control outside these halls our legislation will be largely nullified. Mr. Lloyd George, with whose opinions I am afraid I do not very frequently agree, made a very significant statement several months ago at the time of the issuance of the Dawes Report. He said:—

Agreement would never have been reached without the brusque and brutal intervention of international bankers. They swept statesmen, politicians, jurists, and journalists all on one side, and issued their orders with the impetuosity of absolute monarchs who knew that there was the joint ukase of king dollar and king sterling.

Thus we face the larger question as to whether or not Parliament is to be sovereign, as to whether or not the people are to be sovereign, or whether we have not had our liberties filched from us without most of us having been aware of what has taken place. Many advocate the breaking of this monopoly that we have to-day, this money monopoly, but rather that in some way the people themselves should assume the direction or control of the monopoly, and use it not in the interests of a few, but administer it in the interests of the whole of the people of Canada.

## Reviews.

**Contemporary British Artists Series.** Albert Rutherston, Jacob Epstein. (Ernest Benn, Ltd. 8s. 6d. net, each volume).

The wider understanding or appreciation of our artists is best obtained by an efficient reminder of, or potent introduction to, their work by photographic reproduction of it. This series of art monographs with their thirty-five illustrations in each volume serves this purpose. *Albert Rutherston*.—An artist symptomatic of his place and time, a "Slade school" product. His studies frequently show competent draughtsmanship—which is admittedly much in itself, a sufficient justification for production. That he has anything very much to say for himself as an artist is doubtful, and it is difficult to see an adequate object in much of his work which proceeds beyond the study stage, for the vitality leaves the drawing for distortions without much significance, and the completed work, far from arousing any profound or genuine sensation or emotion, does not even offer the unconstructive entertainment of being incomprehensible, conventionally attractive, or even popularly and harmlessly prettily. Some of it is perhaps quaint, in a "precious" sense—"precious" as is the aim, if not always the achievement, of much painting on silk. On the whole, this work appears too much to be a pastiche of the ephemeral and trivial fashions of a clique, rather than a culture of the living traditions.

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**Socialism: and the Historic Function of Liberalism.** By Harold Langshaw. With a Preface by the Right Hon. Charles Trevelyan, M.P. (Cecil Palmer.)

This is not a very attractive work. Like much of the writing of "scientific" Socialists, it is full of an artificial and quasi-technical jargon, of which lengthy phrases are reiterated again and again, without the variation of a letter, until they become a torture to the reader's nerves. In substance the book is a little thin. Its thesis is that fundamental Liberalism is something far deeper and more permanent than its particular nineteenth-century expression through *laissez-faire* and Manchester economics. This true inwardness of Liberalism, the author holds, can now only fulfil itself through Social Democracy, or, as he alternatively calls it, Collectivism. All true Liberals must therefore find salvation in the Labour Party. But he simply assumes that that new social order, which must supersede our present, capitalistic industrialism, must follow these particular lines, and that such a Collectivism will promote the splendid social ideals which he commends to us. It is all very well to assert that, "There are noble prospects for a resplendent social order embodied in the Collectivist projects," but assertion is not proof, and Mr. Langshaw never descends to argue the matter. What is wanted is a far more detailed exposition than is here given of the precise reconstruction proposed by Socialists, a clear deduction from this of the delightful results we are so confidently promised, and a convincing answer to the very obvious objections. As it is, belated Liberals can (and do) reply to such challenges by simply asserting exactly the same advantages as to be expected from their own schemes (whatever exactly these may be) of social reform. Disillusioned Liberals, again, who have come to see the utter inadequacy of their own creed, may well—for anything Mr. Langshaw has to say to reassure them—fear that, in accepting his invitation, they will only be jumping from the frying-pan into the fire. To some of us at any rate it seems clear that his hazily adumbrated Collectivism would, as actually worked out, prove a galling tyranny, tend to the over-valuing of the material side of life, and favour standardising of a mediocre level of culture.

## LETTERS TO THE EDITOR.

### SCIENCE AND SENSIBILITY.

Sir,—Whilst not wishing in any way to deprecate or discourage the discussion of the humanistic as distinct from the more rigidly technical exposition of Social Credit, nevertheless I consider it necessary, even at this early stage, to reiterate certain principles in order that a just balance may be maintained. I will offer the initial assertion that we

humans may safely be trusted to use the wealth which can be provided by Nature and man, wisely and truly, once we are permitted to gain unrestricted access to it. The point of view may straightway open a controversy because every one of us is at heart a moralist anxious to re-model the lives of others according to our own rules; but it is necessary to purge this spirit of the old Moses from our minds. The regeneration of civilisation will not be achieved as a result of conflict between the "good" and the "bad" men; but through the influence of the alert men over the dull. The "intelligentsia" have failed (or foiled) us because they are, at best, merely wise; at worst, thick.

The most remarkable feature of Major Douglas's proposals is, that at the first enunciation they were complete as a scheme for social regeneration. Nothing material has been or needs to be added. The very core of the disease was located, the full structure of the new "thing" delineated. Contrast this with the hypotheses, the guesswork, the presumptuous and idle elaborations of the Utopists and moral philosophers, and one cannot fail to be struck that that which eluded the ken of those who suspected man was quickly revealed to the mind which could analyse things. There is a new philosophy somewhere hereabout!

In Dr. Van Eeden's excellent articles it would seem that the true reason for Ford's success, being wrongly sought, is wholly misunderstood, and his contribution to us appraised as no more than that of a model man, a Christ of the industrialists. But the Ford success is a triumph of technique, not of personality, of knowing what to do rather than wishing to be better; and indeed Ford himself would be the first to disclaim any extraordinary breadth of soul. This is what he has done—produced a type of motor-car which can be sold remuneratively at 25 per cent. less than those produced by any competitor, while paying his employees two or three times as much as other makers. That is not the work of a soul, but of a costing expert. The true explanation lies in the fact that his method of costing is radically different from his orthodoxly foolish competitors. The capital of the Ford Motor Company stands at a ridiculously nominal figure (that is why the bankers are always seeking to catch him), the plant does not figure as a value in his books, the consumer certainly pays for new plant, but only once; for only new plant is charged as a lien on current income, and, once paid for and constructed, it is nobody's burden. Within the limits of his own plant Ford has solved the problem of "overheads," with the result that he can undersell at a profit all possible competitors who face the consumer with this dead weight on the backs of their workers.

Some years ago H. L. Gantt probed the problem while seeking an explanation for the contrast between the engineers' and the accountants' ideas of production, and in his paper read before the American Society of Mechanical Engineers it is quite evident that "he trembled on the brink of a new vision." I quote the following, and the reader will readily note how much wider is the application of his remarks:—

"Most of the cost systems in use have been devised by accountants whose aim has been to criticise the factory and to make it responsible for all the shortcomings of the business. In this they have succeeded admirably, largely because the methods used are not so devised as to enable the superintendent to present his side of the case. . . . It is becoming clear that the size of a business is not so important as the policy by which it is directed. If we base our policy on the idea that the cost of the article can only legitimately include the expense necessarily incurred in producing it (the burden of inert debt removed), we shall find that our costs are much lower than we thought. . . . The view of costs so largely held, namely, that the product of a factory, however small, must bear the total expense, however large, is responsible for much of the confusion about costs, and hence leads to unsound business policies. . . . As a matter of fact, the attempt to make a product bear the expense of plant *not* needed for its production is one of the most serious defects in our industrial system to-day, and further reaching than any of the differences between employers and employees."

The author concludes that "it becomes evident that cost methods must be based on engineering knowledge," and "granting this, it is safe to predict the dawning of the day when the man who knows what to do and how to do it will supplant the man who knows what was done and who did it."

The thesis has since been brilliantly expanded to become the Social Credit idea, but I have quoted the above passages to indicate the mind-work which has brought economic freedom almost within the grasp of us all. But the use or abuse of that freedom by the inheritors of it is not within the scope of the reasoning. Indeed, the mind that could successfully resolve the greatest problem of things would at once recognise the impossibility of ever dealing with problems of men with anything like precision. From this we may well take a hint in order to avoid any impression that we expound the new truth of "leisure for all" in the hopes that we may have the opportunity of "larning folks how to enjoy it."

F. H. A.

### WHAT CAN WE DO?

Sir,—H. B. S. L.'s thought-provoking letter is probably worthy of far more attention than can be devoted to it in a single letter from me or any other mortal. Hitherto much time and energy has been devoted to theoretical problems, probably far more time than warranted in view of an unwilling negligence of a discussion on the problem of tactics. I think it can now be truthfully said that the Social Credit Movement is almost wholly concerned with questions of ways and means of applying in practice our theoretical conclusions. This is a natural evolutionary sequence. We have now reached the "brass tacks" stage in our development.

"What precise kind or kinds of brass tacks do we need?" asks H. B. S. L. The simplification of the New Economics is brass tacks. Major Douglas's suggestion for doing something is brass tacks. Propaganda by deed is brass tacks. H. B. S. L. is brass tacks. The next stage in our development will be the forging of a hammer to drive the brass tacks home. For this purpose the possession of a "democratic" or "political mind" is not necessary. In other words, I do not believe it possible to "convert" the majority to a thorough understanding of the New Economics and its implications. Nevertheless the good news can be made accessible to them. And that is all that matters so far as the majority is concerned. The people who matter are men and women of action. History teaches us that all pre-great and radical reforms owe their inception to the persistence of virile minorities working on the body politic.

"Ach! The Government!" is an exclamation to be heard in many spheres of life; it issues from the lips of the toiling business or professional man and his wife, the tax-worn industrialist, the disgruntled revolutionary and his paying industrialist, the disgruntled revolutionary and his missus, etc., etc. This antipathy towards the State is spreading so rapidly that I would not be surprised nor alarmed if I woke up one fine morning to discover that these words of Nietzsche were writ large on every door:—"The State! Whatever the State saith is a lie; the gnawing, sanguinary, insatiate monster. It even bites with stolen teeth. Its very bowels are counterfeit." ("Thus spake Zarathustra.")

This distrust of the Government is naturally accompanied by a distrust of politicians. We should, therefore, be sensible enough not to pose as politicians. I imagine the ordinary man as well as the abnormal man rather than "put up" with eulogies of politicians: "The swarms of Whitman for saying of politicians: 'The swarms of incringers, doughfaces, lice of politics, planners of sly innovations for their own preferment.' Yes, we must offer people something to do, even be it only the slinging about of a few well-chosen epithets.

I like to talk about the coming crash, but only to thoroughly ignorant and contented persons who are attached to that amusing school of disbelief that contends: "As things are, they always have been, and always will be." But I think it is a great mistake to be constantly obsessed with the probability of a catastrophe; it gives birth to a morbid mental state, an individual loses enthusiasm, becomes an ascetic. Social Credit is no more likely to emerge out of a social tornado than out of everyday confusion and biliousness. Rather than say a catastrophe is inevitable, I would say Social Credit is inevitable. But only so long as the torch is kept alight. I think it is admitted that Social Credit is infinitely more than a scheme to put things right; it is sociological truth which has emerged out of modern economic conditions.

I do not object to the "stalking of big game"; there is undoubtedly a great deal that can be said favourable to the

"key position" policy; but all the truth is not in that direction. Prior to the breakdown of previous epochs in social and economic evolution "big game" had been stalked, but unavailingly. However, it can be said, so far as Britain is concerned, we have been singularly free from the wild violence which characterised the breakdown of previous social systems in other countries. Possibly this was due to "big game stalking." Or was it due to innate, sound sense in Britishers asserting itself before it would have had no time to take a breather?

Assuming another world-war and social catastrophe to be imminent, undoubtedly the dependence of this country upon others for the greater part of its food supplies presents us with a problem of the first magnitude. Under the stress of abnormal conditions Britain could produce a much greater quantity of foodstuffs than she does at the present time. For instance, the opening up of a large amount of land during the Great War period, which, unfortunately, has gone out of cultivation since the termination of hostilities. Nevertheless, she could not produce sufficient to satisfy all requirements. But supposing as much energy-power were put into the production of taters and turnips as was devoted to the manufacture of munitions of war, could the nation stave off starvation? After full investigation the answers would probably be in the negative. Thus we should be bound to pay a much greater amount of attention to agriculture, the "key" industry. Consequently it is essential that Social Credit advocates should devote special attention to the land problem as it affects this country. And in doing so we should do all that we can to encourage smallholdings and allotments. Of course, under the present financial system the amount of progress that can be made is very limited. It may be said that this limitation could be broken down if some, if not all, large or small, cultivators of the soil founded a mutual credit bank. This may be true. But we should be wary enough not to embark on any "utopian" experimental scheme. The Guild Socialists tried "utopian" schemes, and they broke down, carrying into oblivion the Guild movement.

The economic process is not merely national, it is world-wide. I do not mean by this that until all countries move no single country can. I think the world as an economic whole has almost topped the pinnacle of the centralisation process; that specialisation of the various countries into national workshops for the production of special wares for the world market has reached a point when decentralisation not only becomes necessary, but is forced upon nations by the "laws" of social evolution. If Britain made a serious attempt to free itself from the world market other countries might regard us as a peculiar set of people, but at the same time we would most probably be hailed as beneficent, peace-loving, and brotherly in that we were no longer a rival in the economic war for the disposal of "surplus" products. In freeing ourselves we would therefore be helping, if only indirectly, to free other countries. As Lowell puts it:—

Is true freedom but to break  
Fetters for our own dear sake,  
And with leathern hearts forget  
That we owe mankind a debt?  
No! true freedom is to share  
All the chains our brothers wear,  
And with heart and hand to be  
Earnest to make others free!

H. E. B. LUDLAM.

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