

# THE NEW AGE

INCORPORATING "CREDIT POWER"

A WEEKLY REVIEW OF POLITICS, LITERATURE, AND ART

No. 1702] NEW SERIES Vol. XXXVI. No. 26. THURSDAY, APRIL 23, 1925. [Registered at the G.P.O. as a Newspaper.] **SIXPENCE**

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## NOTES OF THE WEEK.

The Burnham Award has been accepted by the National Union of Teachers "with general satisfaction, but with no great elation," according to Mr. Goldstone—its new general secretary. Under the highest scale—Scale IV.—the salary of a male certificated teacher is only £408 after nineteen years' service, while even for a certificated head teacher under this scale the maximum salary is no more than £606. The salaries for women throughout all the scales are about four-fifths of the men's figures. It was to be expected that there would have been protests from a considerable number of women against the disparity between the basic salaries of the two sexes, and against the drastic reduction of the annual increment in their case from £12 10s. to £9; but protests are of very little use until they are backed by the power to withhold woman-labour from the teaching profession. Any appeal to the public to endorse the equalitarian principle "equal pay for equal work" would only result in extending the controversy beyond the bounds within which the women teachers would wish to confine its application, for it would lead in the end to the general question: "What is anybody's work worth?" The specific question: "Shall a woman teacher get as much as a man teacher?" would soon get lost in the general question: "Are teachers as a whole overpaid relatively to other salary earners, having regard to the value of their services to the community?" Equalitarianism within the teaching profession is a matter for the teachers to settle among themselves.

Our own attitude on the Burnham Award can easily be stated. It is that this "plum" prize of £606 per annum, having regard to its present purchasing power, is not much more than the least skilled person in the country ought to be getting, and could be getting under a financial system which removed the present unnecessary restraints from our national productive capacity. Just sit down and make an inventory of the food, clothes, shelter, and so on that can be purchased for £606. Visualise it (so far as you can) in one heap. What a niggardly collection. Pull out

the meagre little lot of cotton goods which you have allotted to yourself. Then consider that in Lancashire alone are more than one-third the spindles in the world, and that it is estimated that 60 per cent. of these spindles are considered sufficient to meet the world's demand for cotton goods. Go on analysing your heap and referring each item to the efficiency of the industry which makes it, and much the same measure of unused resourcefulness will become manifest as your inquiries radiate in every direction. What, then, is the conclusion? It is that since, in the ultimate aspect, it is commodities and services such as these that you work for—not "money"—you ought to demand, not so many pounds sterling, but so many heaps of goods for your pounds sterling—whatever the amount may be. "But the 'price' of one heap is £606 all the same," someone may remind you. Good gracious; and if it is? Suppose we call the "price" £150 or so, and see what happens? Four heaps for £600! Why not?—seeing that idle masters, men, and mechanisms are only waiting to make enough to supply you that and more, whoever you are—as well as a fat surplus for themselves. If you want a proof go up to Lancashire. There you'll hear teeth chattering in terror. At what? At Gandhi's attempt to get Indian peasants to revive hand-weaving and spinning in their villages. Why? Because Lancashire thinks it will die if it cannot dump its cotton goods on India. Yet, suggest that the goods be dumped instead on the members of the National Union of Teachers, and Lancashire's terrors would dissolve in amazement. "Oh, yes," intervenes your political economist, "but India would pay for its cotton: the N.U.T. could not; it has not got the money." But that will not do. If India pays at all, India pays in goods and services. Rupees do not circulate here. Apparently, then, what Lancashire proposes to do is to exchange its cotton for Indian produce. But Lancashire does not want Indian produce; Lancashire wants money. It wants to sell its cotton. So some other organisation in Britain must be found to accept delivery of the Indian produce and pay Lancashire the money. Very good so far. But then this organisation will, in its turn,

want to sell the Indian produce for money. Where? The public is always the final milch-cow in all these transactions; but if there was a fund in the public's purse to buy and consume the Indian produce, the same fund could have bought the original Lancashire cotton. But as there was no such fund, the "surplus" British goods have simply been changed into "surplus" Indian goods, which must therefore remain unpurchasable by the British public. The National Union of Teachers might as well have had the cotton in the first place!

But there has been something missed out. The missing link is the banking system. It is because of the policy of finance that the National Union of Teachers could not get that cotton. The teachers would have worn it, or slept in it—so the idea of providing them with costless pieces of paper called "money" would be highly repugnant to the authorities who manufacture and dispose of them. But quite otherwise if the cotton is going abroad to fetch back something which can be used for further "production." Then, and then only, the money is created and issued to whomsoever will assist in that transaction. Credits for production (although the country has already produced beyond the reach of its own purchasing power)—oh, yes! But credits for the consumption of any surplus—oh, no! So, however the problem of the teachers' salaries—and, of course, everyone else's salary—is approached, the remedy is, in the last analysis, seen to be bound up with the question of credit policy. The elements in the situation are quite clear. The adult population of this country is so many. The average consumption of goods and services by, let us say, a £600-a-year person can be estimated quantitatively. Therefore we can calculate the volume of concrete output required for the whole population to live at a £600-a-year scale of comfort. The next question is: Can we command the human and mechanical energy to make the required energy products? The answer is certainly yes. Next: Is everybody willing to co-operate in the work? Again the answer is yes. Last: Is everybody who is now living below the projected new standard of comfort willing to increase his consumption of goods, and so on, so as to absorb the increased production? (No, you need not shout!) Then what? Why, money. What is money? Merely (a) a licence to change one material into another, and (b) a licence to take home the product. "Oh, but," says your financier, "do you not know about 'inflation'—have you not heard that the more money that is issued the dearer prices will be and the less you can buy with each £?" "Yes, we have heard you say so," must be the reply of intelligent men, "but when we come to interpret your warning in terms of 'licences,' the truth you vouch for does not square with common sense; for it is as though you said that no matter how much more energy we applied to producing the additional things we desire to have, we should not get them. What is to stop us?" This concluding challenge will become more and more clearly the keynote of future economic inquiry. "What is to stop us?" That "us," remember, comprises every party to co-operative enterprise, from the navy to the director. Between us all we can quadruple output and can control its character. Are we then to sit down in weeping idleness just because someone says we can never own and distribute it? Ought we not rather to put him in an observation ward while we test his theory for ourselves? The teachers have now, so we are informed, "six years of peace" before them. We doubt it. But if they feel so assured as that, may we invite them to apply some of their secure leisure to an examination of the challenge herein formulated? It will be found a fruitful intellectual exercise—and incidentally it may help to hasten the coming of that

Thousand Years of Peace which has for so long symbolised the hopes of humanity.

The proceedings of the Independent Labour Party Conference at Gloucester, in so far as they touch on matters of immediate interest to our readers, are reported elsewhere. As the speeches of Mr. Hugh Dalton, Mr. J. Maxton, and Mr. Oswald Mosley were fully reproduced in the daily Press, we have restored the balance by giving an extended account of the speech of Mr. Symons. In regard to the speech itself we need make no comment; we are more concerned to point out the significance of the fact that this contribution to the debate from Mr. Symons, whose prime allegiance to New Economic principles has never been concealed, was not only permitted, but was actually facilitated by the well-known leaders of the I.L.P. who were associated with him on the committee appointed to advise the party on the question of financing a policy of Nationalisation. Those who know how intense is the competition to make speeches at these conferences—where practically every delegate is probably an orator of sorts in his own district—will be able to appreciate the courtesy shown in this way by those who had the general conduct of the proceedings in their control. The episode underlines what we had to say a fortnight ago on the question of organisation and propaganda. Most speakers on Social Credit will agree that when they have gone to an ordinary branch meeting of the I.L.P. there has been a disposition on the part of the audience to regard him as someone who is trying to detach them from their Socialist allegiance in favour of something else. We once heard one of these members declare as follows: "The day that Social Credit is taken up by the Labour Party, I walk out of it." That is a reminder of the essential weakness of Social Credit as a subject of comprehensive popular propaganda. To the rank and file of Labour it appears to be Capitalism, while to the rank and file of Capitalism it appears to be Labour. This is natural, for indeed it is in fact both. But the danger is that it will be rejected by these "ranks and files" as neither. The proper method of advocating constructive reconciliation is to do so directly to the respective leaders of these masses of irreconcilables. (How many thousands of times have noses been broken in the streets by rival hero-worshippers while the heroes themselves were drinking cocktails in the local hostelry?) One should never forget that there is an *esprit de corps* pervading the circles of Responsibility. There are, and must be, consultations, conferences, "collusions" if you like, between political hierarchies or members thereof—whether Trade Union, Capital, Conservative, Liberal, Labour, or what not. They may not always be direct, nor need they be continuous, but they proceed. Because of this, responsible leaders are always more amenable to reasoning from facts than those they lead. For the sake of their own prestige they will listen. If their public policy can be shown to be untenable, they are not only willing but anxious to hear about it. Now and again evidences of this attitude escape, and there is an outcry from below that "our leaders are selling us." Often this may be well founded; but often again, what has happened is that these leaders have learned some unpalatable but inescapable truth from their traditional opponents, and have been obliged to deflect their policy accordingly. There are instances and to spare of this in the reports from Gloucester. You have Mr. Dalton saying point-blank that there can be no nationalisation without compensation; you have Dr. Salter saying that industry cannot afford to pay a living wage under existing conditions. It was to be expected that a protest would be raised, and Mr. Maxton member of the I.L.P.—"Once upon a time the I.L.P. banners bore the inscription 'Rent is Robbery; Pro-

fits are Plunder': I may be wrong, but I believe that." He prophesied that the Finance Committee's report—which the Conference decided to remit to the local branches for consideration—would come back a "battered wreck." We can easily imagine it. In fact, we can hear the debate already—"What do you feel about this, Comrade?" "Don't like it a bit." But what is "felt" about the matter will not alter the facts, and we can only suggest that the average Socialist should attend to this observation of Mr. MacDonald's at the Conference: "It is not enough to express sound ideas—for instance, in favour of the living wage; you have got to produce a sound method of applying them to existing conditions." And we will add this word of our own, no method is "sound" which will not elicit general satisfaction with its results when administered.

It is unique for the *Daily Mail* to allow two columns for the publication of a letter. The letter appeared on April 17, over the signature of a Mr. Thomas J. Kelley, who is described as a "leader of industry in Hartford, Connecticut, U.S.A." Mr. Kelley's purpose is to recommend to British industrialists the policy of the "open shop," that is, "an establishment in which the applicant can obtain work solely on the basis of ability, and irrespective of his membership or non-membership of a trade union—in short, a non-union house." He says that America has found this policy one of the "surest safeguards against the strangulation policies of trade unionism." It is enforced, he says, in all of the metal trades industries and in many other lines of business. In its operation "walking delegates" (trade union officials) are not recognised, because it is realised that "their material welfare is promoted through the creation of strife and discord." Restriction of output is "not tolerated," and interference with apprentice training is banned. This, he claims, is the "philosophy of individualism in practice." "It recognises and rewards enterprise, ability, and loyalty." And what has been the outcome? Speaking for his own district, which is "100 per cent. Open Shop," Mr. Kelley says it has created economic advantages which have "attracted industrial capital amounting to millions of dollars." It has "placed a premium" on enterprise, and has enabled the employee to "forge ahead on his merits." It has "safeguarded public interests by eliminating agreements which would place the burden of unearned wages and unfair profits on the shoulders of the consumer." "It has reduced strikes to a minimum." In an accompanying leading article the *Daily Mail* endorses this letter, pointing out that "the system of trade union control of production has been pushed to an extreme point." It supports Mr. Kelley's view that because of this we have been standing still in recent years while America has been making "astounding progress." It turns for an illustration to the Socialist demand for a living wage of £4 a week, and replies that "if the worker only produces £3 worth of goods a week" such a wage cannot be paid "where there is any foreign competition." If paid in a "sheltered trade" "the cost of living would rise at once," and "the £4 a week would buy even less than the much smaller wage of to-day buys." It quotes Dr. Salter's assertion that such a wage is "absolutely impossible," and his statement that 250,000 of the British miners are superfluous, and that they are producing coal at such a cost that it cannot be sold. "To this tragic condition," comments the *Daily Mail*, "has the meddling of the modern Socialist trade union leaders reduced a once great and prosperous industry."

We speak subject to correction, but we have always understood that trade union rates were minima only, and that there was no official restriction on any employers rewarding workers for their extra merit by

means of an addition to these basic rates. The trouble, so say the trade unionists, is that when they have agreed a minimum rate with the employer he makes it the maximum as well. If this is true, clearly the remedy is in the coffers of capitalists like Mr. Kelley—unless what he really means is that the rates should be scaled down so that the present general figure should represent the maximum reward of exceptional merit in the future. Just as "In the country of the blind, the one-eyed man is king," so in the shop of the £1-a-weeks the £2 man "has forged ahead on his merits." However, the controversy does not interest us particularly. It is childish. The issue will doubtlessly be efficiently and forcefully handled by trade unionists if ever anybody is stupid enough to visit it upon them. We think it of more moment to emphasise again, for the benefit of both parties, the truth that until an entirely new method of pricing production for private consumption is instituted on a national scale, not only will the mass of wage earners be poor on any wages they may draw, but the administrators of productive organisations in general will still remain in the shadow of insolvency, no matter how far they depress wages. In a closed field of production it does not matter whether wages are 1d. a week or £10 a week, for that 1d. or that £10 not only measures the cost of the product, but also the ability of the community to pay that cost. But it does matter if wages, being 1d., are raised to £10, or, being £10, are lowered to 1d.; for in the first instance capital is immediately drained of its profits through new costs, while in the second, Labour is ruined through prices. That is to say, the consequence during the transition period would be to bankrupt the one or the other—really both. It is this transition period that is the dragon in the path of all reforms. It was a dragon even to the powerful "Deflationists." How easy these programmes would be but for "this damned evolution,"—this necessity, as Mr. Ramsay MacDonald has found, of "applying your sound ideas to existing conditions." How can Labour take lower wages to-morrow when its higher wages of to-day must be accounted into to-morrow's prices? How can Capital afford to pay lower wages to-morrow when it must recover the wage-costs of to-day out of its workers' money earnings to-morrow? The impossibility is arithmetically obvious; and there is no surmounting it but by an arithmetical something which can change the ratio of Costs to personal Incomes. That something will have to be the creation of new financial credit, and the distribution of it in such manner that it reaches the pockets of private individuals without having first been entered as a cost in the ledgers of the industrial system. Then, being expended on consumption, it will repay costs of production without having first increased them—which is the fundamental problem confronting Society everywhere.

We referred recently to the Farmers' Union of Canada as having undertaken a thorough investigation of the Social Credit analysis. Our readers will be interested to know that the Department of Statistics of that organisation is now issuing a series of pamphlets. The first was published in the *Western Producer* of March 12 under the title of "An Economic Remedy," the author being Mr. J. W. Robson—one of the members of the Department. The following is an outline of the article. "By interlocking directorate the Bank of Montreal, the Bank of Commerce, and the Royal Bank, across whose counters pass 75 per cent. of the deposits of the people of Canada, control the industrial system of Canada." He quotes the six points about the nature and control of money which were made in the article "Through Consumption to Prosperity," published in THE NEW AGE some months ago. (This article was reproduced in the *Western Producer* last December.) He shows

that during the period of war inflation "we learned the lesson of production thoroughly, and by our activities increased enormously the wealth—and, at the same time, the Real Credit—of the Nation." As a result of deflation "we have been stripped of all benefits accruing to our efforts during the war, and now we stand to lose our interest in the country which we, by our brain and brawn, have made." But there is one consolation for the future—"the potential and actual power to produce, which, under a proper economic system, would also give us the power to buy." Meanwhile, however, more than anyone, the farmer is being made the "goat of the system"; all the expansion of the war is being collected from him in price. Then follows a description of how the farmer has been fleeced by the grain trade, which fixed the price he should receive, and how in 1921 he began to see that his only protection was to keep the market short. Hence the policy of the Wheat Pool, whereby the grain growers co-operate in scientific marketing. Until the farmer "has the power to add together all costs plus profit and collect them in price," he can find no escape from his position. Mr. Robson next applies the "A + B" reasoning to the case of agriculture, and finds it supported by the Dominion Government's index figures, where it assigns the index of 100 to represent outflow of purchasing power (representing the crop return), while assigning what is taken back in price as 175. There might have been a little elaboration here, but the bearing of the indices is indicated by his pointing out that "the farmer must meet the deficiency either by reducing his standard of living or drawing upon his capital account." This, he says, is the "riddle which the sphinx of fate propounds to our civilisation; and which not to answer is to be destroyed." "No solution," he concludes, "has yet been found save in the Credit Theorem advanced by Major Douglas." Then follows an extended analysis of the current system, of which the following is typical:—

When consumption stops, production slows up and would stop entirely if not for overdrafts granted by the Banks to industry. The manufacturer must produce or go broke; and with lessening production and more credits to enable him to continue his operations, his overhead is enormously increased, and to this overhead must be added his war expansion, which he is not utilising in these hard times. These are all additional costs, and if the Banks are to be repaid, must be collected in price from the consumer—which fact further reduces the consumer's purchasing power. Let the chain break at any link and we have a financial breakdown; nor is there any relief in expansion. All nations are in the same condition, and all are bidding for export credits in the insane endeavour to sell abroad what the people cannot buy at home. The end of this is war. The only solution the financial interest can find is to produce more and consume less—confusion worse confounded. Had their policy of deflation not been pursued, there would have been no trade depression at this time, any more than there was during the war. So we have to thank them for the situation of to-day, with all its dull, deadening pain and keen, maddening anguish.

Mr. Robson concludes his article by advising his farmer readers "to organise—to carry your Pools forward with confidence and energy." "You and you only can bring about this much overdue monetary reform and change this sordid struggle for mere existence into a social state where every noble aspiration and true ideal will have room to grow." In a final paragraph he expresses his belief that the pooling system "fits in admirably with the Douglas Credit Theorem" and proposes to deal with this matter in a following article. It will be interesting to see how Mr. Robson develops his idea. It is easy to see that so long as the farmers have not sufficient power to control the pricing of their own product, they are no more able to influence modifications in the price system itself than is the ordinary consumer. Therefore the policy of the Wheat Pool is a sound first step. The important thing is for them to realise that it is only a first step.

## The New Economics at Gloucester.

The Annual Conference of the Independent Labour Party, held at Gloucester during Easter week-end, was of interest to our readers chiefly on account of the speeches made by members of the Finance Enquiry Committee in recommendation of and dissent from the proposals for Nationalisation and taxation, of which we quoted the essential clauses last week. The Conference had on the previous day discussed the subject of a "Living Wage," in favour of which an official resolution was tabled, and passed by a large majority after an earnest debate. The resolution was moved by Mr. James Maxton, M.P., and the present intolerable conditions were reviewed in stirring language by Mr. Robert Smillie, the seconder, and others. The Conference was shocked when Dr. Alfred Salter stated that industry in this country to-day could not pay a minimum living wage, and that even if the whole national income were available, and the "Capitalists'" profits eliminated altogether, the situation would not be very greatly changed. He urged that Socialism alone could remedy the terrible situation.

The Finance Enquiry Committee's main report was presented by Dr. Hugh Dalton, who explained the proposals for Nationalisation and increased taxation, and justified the principle of compensation in transfer of property from private to public ownership on grounds both of justice and expediency. He pointed out that absolute and immediate confiscation would involve alienation of the "4,500,000 small capitalists" in the Co-operative Movement in this country." Mr. James Maxton, M.P., dissented from the compensation proposals in the report, and stood for a policy of complete confiscation on the grounds that "private ownership of the means of life is absolutely wrong and indefensible, and is working havoc with the life of the nation." He could not follow the majority of the committee in perpetuating the evil, even for a limited length of time.

The second part of the report, on "The Application of Socialism to the Banking and Financial System" was presented by Mr. William Graham, M.P. (ex-Financial Secretary to the Treasury), who summarised very clearly the plans for a process of complete Nationalisation of banking institutions, commencing with the Bank of England, and explained the proposals for development of Municipal and Agricultural Banks to provide for the financial needs of enterprises requiring long-term credits. The dissenting view was expressed by Mr. W. T. Symons, who recommended the reference back of the reports to the committee, on the ground that the committee had not done its work, in that the terms of reference had not been complied with. The machinery of industry and banking had been considered, but the application of Socialism to the *Financial System* had not. The proposals submitted were made within the ambit of the financial system, and could only perpetuate the major evils of "capitalism," with the onus transferred from private shoulders to the State. In his view, two fundamental errors underlay the proposals: one, that the aggregate effect of the procedure would be to continue and intensify deflation, the dire consequences of which, in unemployment and general poverty, had been sufficiently brought home to all since 1921. The pool of money was to be steadily contracted by elimination of unearned income, and whether that were accomplished suddenly, as Mr. Maxton proposed, or gradually, as Dr. Dalton recommended, was relatively immaterial; no measures were suggested in the reports for counteracting the evils of this result. You would only stabilise poverty and unemployment along those lines. The second basic error lay in condemnation of unearned income as such, which was implicit throughout the reports. The poignant discussion of the previous day on the subject of a "Living Wage," and the declarations of Dr. Salter and others on the

subject should give them pause. The idea underlying these proposals was that the workman who turns the lever of a machine to-day is entitled to the value of the produce of the machine under his care, *as a wage*. That was a complete fallacy. His contribution to the process is probably overpaid by his present wage; but, as sharer in the cultural inheritance represented by the machine, he is entitled to far more than we should ever dare to name as a "living wage"; his share in the "cultural inheritance" could only be paid to him by dividend, by an indefinite extension of "unearned income" until everybody participated in the incalculable wealth built up by inventions since the Industrial Revolution. The committee's proposals rested upon the supposition that the economic situation of a century ago was operative to-day; but the basis had been shifted with every transfer of labour from men to machines, until now we might have leisure without poverty, *not* by reversing the progress of the world, but by modifying the financial system so as to make that progress a common value. The working out of that modification was not a matter to be left to branches and individuals within the I.L.P. to discover; it was essentially a technical matter within the committee's terms of reference, on which a lead must be given before the proposals contained in the reports could be usefully discussed. He would add that in his opinion the general tendency towards an immense centralised control was psychologically wrong and against the spirit of the world, which is passionately seeking individual liberty, in revolt against the present centralised control of Finance and Combines. If these proposals were adopted the cause of Labour would be set back for a generation, because they accepted the essential financial principles upon which the world is held in thrall. The speaker made one specific comment on the Banking Report: that, although the term "communal credit" is used in the report, it appears from the context to mean only the "savings" of the community, not the reserve of capacity to produce and consume, which is the true "communal credit," and for which there is no money until it is created.

The reports were referred to the branches for discussion during the year, and amendments and proposals would be considered at the next Annual Conference. Meanwhile the committee would continue their labours and pursue their inquiry into "the use of credit power by the State."

Mr. Oswald Moseley moved a resolution on behalf of several branches, demanding public control of credit and currency, with control and extension of the banks. He recommended the direct issue of money to consumers, which, he argued, could be recovered by the State through taxation, but which would meanwhile have got the wheels of industry moving, and would have provided goods for the people needing them. Mr. Fred Tait denounced the scheme as self-contradictory in that the credit advanced had to be recorded in prices if it was to be collected in taxation. In his opinion, though his view must not be taken as shared by his fellow members of the National Administrative Council, there was no solution of the problem but "by controlling credit and regulating prices on the principles laid down by Major Douglas," regarding money not as wealth, but as a ticket system for the distribution of wealth.

The Conference showed a keen interest in financial problems and a growing realisation of the importance of determining financial *policy* in relation to reforms. The spirit of service, which constitutes the driving power of the I.L.P., has been given the hint of a new direction by the discussions at Gloucester. It is to be hoped that the march of events will compel attention to realities, and bring about a re-orientation of Socialist thought, so that the fine energy of this body may be directed to the accomplishment of something greater than a mere change of masters.

## Propaganda,

By C. H. Douglas.

The appearance of Captain Adams's most admirable book, "Real Wealth and Financial Poverty" (reviewed in last week's NEW AGE), and the letter of "F. H. A." in the same number, seem to me to afford a convenient opportunity to express my own views on matters which have been agitating some sections of those interested in Social Credit.

It is a well-known phenomenon in matters of propaganda that counter-propaganda almost invariably starts by an appeal to broad-mindedness. There has been a concrete instance of this sort of thing in Western Canada in connection with the United Farmers' Movement, where the efforts have been made to draw the sting of the fairly formidable attack on financial institutions, which has been made by the United Farmers of Alberta, and the still more formidable attack which is threatened from the same and similar quarters, by the formation of what is specifically named the Broadening-Out Movement.

It is quite plausible that in some sense the springs of these movements are unconscious. The decision in regard to this is of the same nature as that in regard to the consciousness or unconsciousness of the financial system itself. But the fact remains that this phenomenon recurs, and I am told that there is some sign of its appearance in regard to the ideas which have been propagated through the medium of THE NEW AGE.

It is an insidious appeal. There is something very attractive about broad-mindedness; it does not offend anybody. If you are sufficiently broad-minded you can agree with almost anybody about anything. But it is thoroughly out of place in connection with technical matters in which exactitude is of the first and final importance. The broad-minded engineer who is willing to agree that any sort of steel made into any sort of girder is equally good for any sort of bridge is not likely to build many bridges.

The value, or otherwise, of the ideas which we are considering, depends fundamentally on their exactitude, their relevance to the facts of the world as it is. But one may go further and say that their value is almost equally dependent on their relation to each other. The financial system, as it exists at the present time, is an articulated whole, and interference with any one part if it, unless that interference is compensated for by considered action in regard to the remainder of it, can, in the very nature of things, only be mischievous. It is necessary to emphasise this elementary truth because the attack of broad-mindedness with which we are threatened seems to suggest that it really does not matter very much what you do with the present financial system, as long as you do something. From various sources we are asked to strive for unity with other claimants to attention in regard to matters of finance, and in this unity there seems a very considerable danger of achieving that progress to which Mr. Brenton has frequently referred, which consists in progress in every direction at once; a conception more suited to the realms of pure mathematics than to matters involving concrete movement.

It is fairly safe to say that many of the constructive proposals which are being made at the present time in regard to matters of finance are worse than any of the worst of the schemes which emanate from bank parlours, and it seems desirable to state quite clearly that while portions of these schemes may be similar to portions of proposals which have appeared in these pages, that in itself is no argument for them when they are separated from their context. For instance, the abolition of the gold standard in itself has nothing to do with Social Credit, though Social Credit demands the abolition of the gold standard. The unlimited issue of credit by banks has nothing whatever to do with Social Credit,

although Social Credit might greatly increase the issue of credits by banks, or otherwise. The denunciation of interest (frequently accompanied by inability to distinguish between interest and dividends) does not in itself materially assist matters. You are only to a very limited extent assisting the cause of Social Credit by declaiming against the iniquity of the present Social System, unless you are prepared to refer to a specific remedy for those ills which is technically accurate; just as it is of very little use complaining that a motor car engine is misfiring, unless you know how to deal with ignition problems. Even an engine that is misfiring is a good deal better than one that will not fire at all. Now the analysis and the general lines of the proposals which I have put forward through the pages of THE NEW AGE and elsewhere are perfectly defined and concrete. It is, of course, open to anyone to say that they are unsound. I have, myself, devoted nearly eight years to the study and consideration of objections which have been brought against them, and I am satisfied that the proposals are sound, and that such objections proceed from unfamiliarity with the facts of the existing system. An extraordinary degree of success, far exceeding that, I think, achieved by any other propaganda of the same nature, has been achieved in respect of them in the very short space of time during which they have been available for consideration. In the very nature of things this success rests to some extent on a basis of faith as well as on a basis of understanding; for this reason it seems necessary to say explicitly that no statement, either of aims, philosophy, methods or activities to which my signature is not appended, either alone or with that of others, can be said to derive any authority from me. In particular, no appeal for funds, for any purpose whatever, and especially for purposes of propaganda, has at present any authority to use my name.

So far as the technical and financial provisions of the Social Credit Theory, with which I myself and THE NEW AGE are identified, are concerned, they may be summarised as follows:—

(a) That the cash credits of the population of any country shall at any moment be collectively equal to the collective cash prices for consumable goods for sale in that country (irrespective of the cost prices of such goods), and such cash credits shall be cancelled or depreciated only on the purchase or depreciation of goods for consumption.

(b) That the credits required to finance production shall be supplied, not from savings, but be new credits relating to new production, and shall be re-called only in the ratio of general depreciation to general appreciation.

(c) That the distribution of cash credits to individuals shall be progressively less dependent upon employment. That is to say, that the dividend shall progressively displace the wage and salary, as productive capacity increases per man-hour.

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#### RESPONSE.

By D. R. Guttery.

Would you a song?  
Out of the silence born  
For you, afar, forlorn,  
With many watches worn,  
Here is my song.

Hear you my song!  
Cunning it finds you there,  
Mingles its words with air,  
Warm with your anxious prayer,  
Hear you my song?

Sing me my song!  
Borne back on swiftest wings,  
Laden with precious things,  
Now deep within it sings,  
Welcome, my song!

## Towards a New Order.

By C. M. Grieve.

### III.

"There are three witnesses of Awen from God: the love of Truth, the understanding of Truth, and the maintenance of Truth, so that nothing may prevail against it. There are three foundations of Awen: the gift of God, the exertion of man, and the events of life. There are three primary requisites of Awen: the vision to see its nature, the heart to feel its nature, and the faith to dare to follow its nature. There are three indispensables for manifesting Awen: intelligence, feeling, and perseverance."

Taking these *seriatim*, the love of truth may be, for our purpose, defined as an overwhelming desire for alignment with, or conscious participation in, universal purpose: the individual must be continuously assured that not only is there nothing in his life and work at variance with what he is, at what he recognises as his best, capable of conceiving as universal purpose and his relation thereto. He must be ceaselessly intent upon improving his conceptions of these. In this way he will come to eliminate irrelevant impulses and the waste of time and energy involved in maintaining psychological antinomies and in engaging himself in directions where he is not definitely informed by purposes which he can relate to his central aim. He will develop steadily that sense of direction, the absence of which—except, intermittently, in an infinitesimal minority—has thus far stultified and rendered null and void the great bulk of the actions and aspirations of humanity. To the extent to which any individual organises his life to the end that at each given moment he has the maximum appreciation of the ultimate meaning of his life, of which he is, by the utmost exercise of all his faculties, capable, the titanic tragedy of misspent effort and vain hope may be mitigated: and the time may come when the fate of the world may depend upon the timeous realisation of a single individual—the atom that tips the balance! A single individual may not, by leaving it, perceptibly reduce the mass of the purposeless, but he cannot but perceptibly increase the number of the purposeful. The prime characteristic of Awen, then, is an exultant sense of progressive consciousness of destiny—an avidity in seizing upon everything that may promote that consciousness—a sustained effort to achieve or retain maximum clairvoyance—and a ceaseless vigilance to defeat any instinct or influence that would impair or diminish it.

The second witness is the understanding of Truth. "*De gustibus non est disputandum.*" So of Truth. Where Awen is Truth is understood. Doubt is evidence of lack or lapse of Awen. Confidence in consciousness of the truth as conceived—within the limits of the consciousness—is an indispensable concomitant of Awen. Increase of Awen is a fuller understanding of truth. Those who are manifestly those who only evince Awen intermittently have no secure hold on the Truth. In other words, genius is the criterion of Truth. Life without genius is a lie or a libel. An individual who does not obviously possess Awen in some direction or other is an incarnate blasphemy.

The third witness is the maintenance of Truth at all hazards. If a man can compromise in regard to the Truth that is in him—if he is not perpetually seeking to strengthen and increase it—if what he stands for is not constantly becoming more and more clear, or, at any rate, not diminishing in its power of convincing those who come in contact with it, he is imperfectly imbued with Awen.

In other words, Awen is seen when a man's life displays an overwhelming passion which ceaselessly communicates a sense of its inevitability and its immanent

incapacity for anything but increase until it is coextensive with infinity.

The foundations of Awen as defined above, represent the only factors in the ultimate destiny of every individual. If the gift of God is there it summons up the necessary activity for its full utilisation, and the events of life present themselves as material. If the events of life that are presenting themselves to your consciousness are, or seem, irrelevant and inadaptable to any ends you have in view, then your Awen is inadequate to the extent of your purview, and you should not waste energy in subjecting yourself to events other than are relevant and adaptable. Refuse to experience more at any given moment than you know you can utilise to promote Awen. If your energy is inadequate to any task cease to attempt it until you recognise it as indispensable, and have accumulated a sufficient store of energy to guarantee that you will perform it satisfactorily. The events of life are only able to affect the possessor of Awen in so far as he has sufficient energy to employ them successfully for the ever fuller exploitation of the gift of God of which he is conscious.

As to the requisites of Awen—Genius does not exist until it knows that it does; Genius cannot exist without understanding exactly what it exists for: Genius is incapable of failure.

There are no such things as "mute inglorious Miltons"—a meaningless contradiction in terms. Genius ceases to exist when—and while—it has any doubts about itself and the direction it must take. Genius cannot be false to its own nature.

Perseverance is useless in itself; "an infinite capacity for taking pains" only becomes Genius when it is associated with a passionate delight in its own activities and a perfect perception of its purpose in them.

## The Arts in Utopia.

By Haydn Mackey.

### III.

Just as our financial system must be based on an efficient use of Communal Credit, so must our useful arts be based on an efficient use of our powers, means, materials.

In no age has the art of that age found clear expression in a method archaic to that age. The glory of the Gothic, the reason which made it so perfect an art expression of its time, was its throwing off of its Roman archaism in the development of the pointed arch. One of the essential characteristics of the useful arts is a just use of the right processes, materials, tools of its period and purpose, and expression by any other or older methods tends to be mere insincere affectation, and bears no true relation to the time-spirit; can never be a national or community expression; can, in fact, be only a pedantic whim; an ephemeral fashion; a cult for the "appreciators"; the "precious" and the lovers of the sham antique.

The Gothic was the result of the engineering use made of the materials, conditions at hand; the artistic use of the suggestions, inspirations of those conditions, materials. A "characteristic of a work of art is that it must obey what we may term the law of 'congruity'; that is to say, it must loyally conform to the limiting conditions imposed by the materials and other technical conditions of its production. . . . If, now, we combine the principle of 'congruity' with the principle of 'economic fitness' . . . we describe dimly a possible law of art production somewhat analogous to the 'Law of Least Action' in mechanics, or the 'Law of Least Effort' in ordinary economic theory. Such a law might be tentatively formulated as follows: 'Other conditions being equal, the art-value of a product is maximised if the result is obtained at the minimum of economic cost.'" ("The

Economic Laws of Art Production," Sir Hubert Llewellyn Smith.)

Creative art is a strange pioneer, something which creeps into man's work, tending to an extension of consciousness in its result, and is born partly of the reaction of his mind and spirit to the behaviour of the materials, tools in use; the circumstances attending production in some conscious aim; and partly from the unconscious rules of his faculties; but in no way the really pre-conceived conscious aim of the worker; the conscious aim being always of a derivative or traditional nature, for man, consciously, is an imitator. Thus it will be seen that tools, materials, methods exercise a vast control; are a great part of the tyranny-of-all-the-circumstances; a tyranny which must change as the circumstances change.

The methods, materials, and tools which have been so largely responsible for the various styles and types of design are being rapidly altered or superseded, an increasing elasticity of choice as regards production, purpose, materials becoming possible; as, for example, a moulded mass of concrete in place of carved and builded stones. The elimination of many of the old engineers' problems of scarcity—such problems of poverty as the strict limitation of physical power to man-power; of transport, to oxen or horse-power; such constructional problems as the necessity of using a large number of small stones to span great spaces; or the construction of floors out of timber too short to bear across the space (a note on which occurs in the sketch-book of the architect Villard de Honneourt was developed into the principle of the Japanese lattice by Leonardo da Vinci; still later published by Serlio, and made a wonder of at our Royal Society—see Prof. Lethaby in "Form in Civilisation"), together with the enhanced possibilities of our harnessed mechanical powers, machinery, tools; our production of new materials for old uses, and old materials for use in new rôles; the invention and use of our cement, for example (in the Panama Canal works in concrete have been built of greater magnitude than anything the Romans ever attempted), must mean greater latitude and power in construction for efficiency.

The elimination of much manual labour and dexterity means the loss of much of the suggestion and inspiration of tool and material whilst the work is in progress; the great loss of the power of improvement, alteration, adaptation of first intentions, original designs during progress of work, of manual character and expression in the work—all of which must be exchanged for speed, accuracy and scientific efficiency to purpose, which teaches us that man's philosophy, so largely learnt and controlled in the ages of scarcity through the teaching of the hand, will tend to be more closely based on the æsthetic, ethic, intellectual motions of the spirit in the Age of Plenty.

So I come back to my conclusion. The architecture of the future will be trabecated like the Greek or moulded as were some of the details of the Roman. ("The heavy Roman vaults and domes, wrought in solid masses of concrete, stuck on like the lid of a saucepan, offer no illustration of the capabilities of the arch principle."—March Phillipps.) Trabecated as was the Greek, because that appears to be, so far as we can see, the most perfect method of construction, and not an archaism. In the expression of our "English Leonardo," Sir Christopher Wren: "There are only two beautiful positions of straight lines, perpendicular and horizontal; this is from Nature, and consequently necessity, no other than upright being firm."

The architecture of the future will not be arcuated like the Gothic—firstly, because a similar scarcity of materials or poverty of circumstances will not command; and, secondly, because the arch, expressing energy, "strength in action in contradistinction to strength in repose," would not express an age of enor-

mous leisure and profound thought—resultant power. *Strength in repose* will be the normal expression as with the Greeks of the great age, who "detested the arch on principle. Its unintelligible methods seemed consonant with no clear and simple effects, with no precise intellectual definitions. Ideal beauty had no part or lot in the accursed thing."—March Philipps.

"Beauty, firmness, and convenience are the principles (of architecture): The two first depend upon geometrical reasons of optics and statics; the third only makes the variety."—Sir Christopher Wren.

In our building of the Age of Plenty we must achieve structural and material efficiency, and aesthetically the harmony, proportion, "significant form," dictated by the abstract faculty of sight. Such a view seems to me a corollary of the philosophy involved in our demand for escape from the ages of hand-made scarcity and economic want; of the glorious achievement of the Age of Power-made Plenty; of the Utopia of universal leisure, the Social Dividend, and the Just Price.

## Music.

Two happenings of the greatest importance have taken place during the past few weeks within a day or two of each other: the first performance of the 4th van Dieren string quartet at the British Music Society's concert and the "Mass of Life" of Delius, to the performance of which, by the Royal Philharmonic Society, I drew attention some time ago. At the B.M.S. the audience that assembled appear to have imagined that they were going to hear a work sounding like Schönberg multiplied by Béla Bartok and Stravinsky. Actually what they heard was a two-movement work of perfect clarity of style and texture—in the first movement, delicately and beautifully woven with a subtle and supple interplay of warp and woof of rare and thoroughly typical van Dieren melodic lines, and in the second, an admirable sparkling and occasionally delightfully eldritch scherzoso.

In place of the 'cello a double bass is used, an innovation as remarkable as it is successful, for with greater downward range, a well-played double bass lacks entirely that rather coarsely obese richness of tone that almost always (except in the rarest instances) upsets the balance of a string quartet. Of technical mastery it is an impertinence to speak in connection with van Dieren's work, but apart from its purely musical qualities, if it be possible to consider the two things separately (which is doubtful, to say the least), one would think that this work is so incontestable a proof of his powers in this respect that this alone should be sufficient to establish him in the recognition of musicians at a time when so many incompetent fumlbers and stammering futilitarians are hailed as masters of musical eloquence. The difficulty, indeed the impossibility, of "placing" or "pigeon-holing" van Dieren, as of Delius, is not the least important of the reasons why both are denied the homage that is their due by those who have no room or use for what they cannot label with a convenient catch-phrase that helps them to lump a number of more-or-less nonentities into one inchoate mass, and this saves them the trouble of trying to think intelligently about the matter. Van Dieren, as Mr. Gray, who is so much better qualified than I to speak of this master's work, has pointed out in his "Survey of Contemporary Music," stands outside and aloof from all the fashionable musical movements of the day, as did Busoni. At no single point can he be linked up with the modern Frenchmen, Russians, or Austrians (by no means the least indication of his greatness). They have always one technique, one mode of expression, for everything they write. Van Dieren's means of ex-

pression, as Henri Pène du Bois says, "are as varied as are his infinite and diversified sensations," and he is another proof, as also is Delius, in a lesser degree perhaps, that "a master has no process," and that "there are no schools in art, there are only individuals." Hence the hostility of the little mediocrities who, on the principle of "union fait la force," band themselves together in "schools," coteries and cliques against the genius. The performance of the quartet was no more than moderately competent. The Philipp Jarnach septet, which was also played, seemed at the time an agreeable and thoughtful piece of music-making, but writing this some fortnight after the concert, one's memory of the work is of the haziest, in contrast with that of the van Dieren, which remains sharply defined and distinct—not at all a negligible criterion of value, one ventures to think!

Than Delius' "Mass of Life" I feel convinced that there has been no greater nor more truly lofty and sublime work since the B minor Mass. Although as Pagan as the B minor Mass is Catholic (surely nothing could be more inept or mistaken than to speak of the sturdy Protestant feeling of this work as do some people), yet a deep religious emotion quite indefinable and inexplicable of analysis breaks through every note, and the work is as much a great celebration as a High Mass. The power and sweep of the genius manifested in it, the sustained level of ecstasy, the "elevating excitement of the soul," the radiant and glowing quality of the work, those things can only be catalogued dully, and almost make one inclined to go farther even than Mr. Emile van Loo, and declare that *all* musical criticism, ante or post factum, is entirely useless and worthless! Paul von Klenan, the conductor, the orchestra, and the Philharmonic Choir, all did their work finely. The choir especially seemed to throw themselves heart and soul into the stupendous and very arduous choruses. But the four soloists! It is difficult to imagine worse. One deviated into accurate pitch as rarely as Shadwell into sense, another wobbled so that it was virtually impossible to tell what note she was supposed to be singing, another sounded like a raucous newsboy, and Miss Astra Desmond, who one knows to be a brilliant, accomplished, and most musicianly singer on other occasions, on this sang her part as though it were in "Elijah," with a seeming complete lack of grasp of its demands or emotional character, and her misguided attempts to infuse an utterly false sentiment into the music were most regrettable. One hopes devoutly that the apparent success of the work with the audience will not encourage less competent choirs and conductors to risk their necks and incidentally massacre this masterpiece. Before the one under notice, but two performances have been given in England, both under the supreme interpreter of Delius—Sir Thomas Beecham—the last during a Beecham opera season at Covent Garden twelve years ago, at which I had the good fortune to be present.

We have now heard from the Philharmonic Choir the "Song of the High Hills," that poignantly beautiful and nostalgic twilight after the glowing mid-day of the "Mass of Life," and "The Mass of Life" itself. It remains for them to complete the cycle of the great Delius choral works by doing "Sea-drift," which has been neglected for at least ten years, "Songs of Sunset," which I believe has only ever been done once in London and longer ago even than the last Beecham performance of the "Mass of Life." The heavily perfume-laden "Arabesque," for baritone solo, chorus and orchestra, another smaller work, has, I believe, never yet been done in London; with its poisonous sweetness and "Fleur-du-Mal" beauty, this work is unique in Delius' art.

KAIKHOSRU SORABJI.

## "Whose Service is Perfect Freedom."

By "Old and Crusted."

The arras-folds that variegated  
The earth, God's antechamber, well!  
The wise, who waited there, could tell  
By these, what royalties in store  
Lay one step past the entrance-door.

Conceive, then, earth's resources! Vast  
Exhaustless beauty, endless change  
Of wonder!

Did God pronounce earth 'very good'?  
Needs must it be, —and drear

Deficiency gapes every side!  
(R. Browning, "Easter-day.")

And for the consolation of the old  
He made the delicate, swift, tumultuous Spring;  
That every year they might again behold

The image of their youth in everything  
And bless the fruit-trees flowering in the cold  
Whose harvest is not for their gathering.  
(Mary Robinson (Madame Duclaux),  
"Spring and Autumn.")

Easter morn this year heralded one of those perfect spring days which our capricious climate occasionally vouchsafes to a winter-weary land. The dawn broke on a still, expectant world, all a-shimmer with the green and gold of daffodil and celandine. In the hollows of our billowy fields the mist lay in drifts of blue-grey, and in the orchard the first faint sprinkle of the blossom—that makes this homely village a camping-ground for fairies for one brief week of the year—powdered the olive-tinted branches of the damson trees with creamy buds.

The village folk were sauntering in twos and threes across the fields and down the lanes to the parish church, by the same paths, and on the same holy errand, as their fathers before them for the last eight hundred years or more. After our little group had joined the familiar throng I tried to picture to myself what an Easter-day would be like when a "greater festival" was no longer a brief holiday snatched between spells of toil, but the sanctification of leisure and a re-dedication of life to that new spirit which is even now breathing life into the dry bones of a worn-out system—and, "whose service is perfect freedom."

But the vision would not materialise. The consciousness of all the needless suffering in slum and hamlet blurred the outlines and dimmed the sunshine of the one day in the calendar when even the dullest of us has a glimpse of the glory to come.

It was the ubiquitous Dean who was at the bottom of the mischief.

I do apologise, most humbly, for yet another reference to the Very Revd. publicist; but one of his recent assertions is of so outrageous a nature that it would be high treason to humanity to permit it to pass unchallenged.

In the *Morning Post* of April 9, under the heading "Industry and Civilisation," with the sub-title, "The Moralising of Consumption," this inheritor of the great injunction to "feed My lambs" has the audacity to state that

"there are very few families who have not something over after providing for their necessities."

Unfortunately for the Dean, there appears in the "Personal" column on the front page of the same issue an appeal for funds by the South London Mission, from which the following is abstracted:—

"Visiting with our Mission nurse, we climbed a tenement of 99 steps, and there found a starved-looking woman in a bare room. A baby was in her arms, and there were two other children looking thin and ill. The mother had pawned all the bedclothes for food, and had even been compelled to take the boots off her feet and pawn them to get bread for her children, who were crying bitterly with hunger and cold.

"From just such homes as this, a crowd of famished slum children, who otherwise would go breakfastless, is fed every morning by the South London Mission. Over 60,000 free meals are given during the year."

Not even the most obdurate of the high priests of orthodox economics would pretend that the recipients of the 60,000 free meals are members of families who have "something over after providing for their necessities": one might even surmise that their "standard of living" is low enough to satisfy a city editor eager to reduce the costs of production!

It would help matters if the Dean were to compile a list of what he holds to be "necessaries," and if he is in any doubt as to certain items to be included, let him consult some of his humbler brethren in holy orders who have raised domestic budgeting to a fine art!

Personally, I should like to ask him whether his list would include claret—say, "one pint per man per diem and an extra glass for highdays and holidays"—if not, then I am not with him. Then there is his confrère, Mr. Strachey, who has been dabbling a timid toe in the dangerous waters of the New Economics. He plumps for tobacco amongst other things and deplores that there are "too few pleasures, too few of all the things which man requires for his material comfort"—a most encouraging admission considering the source from which it emanates. No, Mr. Dean, I am afraid we must join issue with you. There are, alas! only too many families who have no margin after providing for their necessities—even on a most meagre computation—and it would perhaps surprise you to learn how many there are amongst your immediate acquaintances who are in this nerve-racking predicament! It is the old, old story. These would-be reformers always begin at the wrong end. Before we discuss the "moralising of consumption" let us have a little more consumption whereon to moralise. Now, the right time for this uplifting occupation is after dinner, when, as is still the custom in old-fashioned circles I wot of, the cloth has been removed and the port has begun its orderly and stately progress round the table—a table of polished mahogany reflecting the light from silver candlesticks and with the ruby wine winking wisely through the facets of cut-glass decanters—not after a futile apology for a meal yclept a "high tea," or still less after submitting to that painful form of dysphagia a "free meal." All sound philosophy is eupeptic. . . . And I have hopes of the Dean; for he is no sour ascetic. When he has realised—as he may—"what royalties" are "in store," "one step past the entrance-door" he is big enough to take that step and help us to fill that "deficiency" which "gapes every side."

Then those words, "whose service is perfect freedom," which he has repeated so often and so reverently may take on a new and wider meaning.

'Tis uncanny how, at times, a phrase or a melody will haunt one for days. Those five words have dogged me, sleeping and waking, ever since I last heard the collect for peace. They seem to me to sum up the whole attitude of the servants of Social Credit: to embody the very spirit of what poverty of language compels one to describe as the "movement." Freedom as its final goal. Freedom in the methods of its propaganda and in the activities of its protagonists. Freedom as wide as the seas, and unfettered as the winds that career o'er the downs in April.

## 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.

IV.

Mr. M. N. Campbell (Mackenzie): Mr. Speaker, the Right Hon. Reginald McKenna, former Chancellor of the Exchequer of Great Britain, has said that:

Those who control credit direct the policy of Govern-

ments and hold in the hollow of their hand the destiny of the nation.

If anything were necessary to prove the truth of the above assertion, it is supplied by the effects of the drastic deflation of the currency which in the fall of 1920 was carried out concurrently in Great Britain, the United States, and Canada. The almost immediate effects were a general stagnation of business and unemployment that totalled 2,000,000 people in the British Isles and nearly 6,000,000 in the United States. In Canada it has resulted in the ruin of tens of thousands of farmers, business men, and manufacturers; it has been responsible for the exodus of hundreds of thousands of our best working people to another country; and it has set the clock of our country's progress back for a generation.

The masses are being told that present economic conditions are a result of the war. I often think that in their private moments of devotion members of an exploiting class must give thanks to heaven that there was a great war since they find in it such a convenient means of passing responsibility from their own shoulders. It cannot be denied that the period during which the greatest inflation of the currency occurred was the two years immediately following the war. In September, 1920, the current bank loans in Canada reached the amount of \$1,417,520,756 and in October, 1920, the Bank note circulation touched the highest point recorded in the history of Canada, being \$249,165,000. There was a gradual incline in the current loans and the note circulation from November, 1918, the month of the Armistice, until the peak of September and October, 1920. This period of inflation subsequent to the Armistice was responsible for a gigantic agricultural development in western Canada, as is shown by the fact that the acreage under cultivation in the prairie provinces in 1918 was 30,398,000 acres, but had increased to 38,614,000 in 1921, the greatest agricultural expansion that had ever taken place in Canada in a similar period of time. The farmers were appealed to by Provincial and Dominion Governments, by banking, manufacturing, and commercial men to increase production to the utmost limit, the ostensible object being to pay off the war debt. Concurrently a great commercial and industrial expansion took place in eastern Canada such as this country had not previously known. There was no unemployment; manufacturers, business men, and farmers were alike prosperous. Prices were high and measured in terms of wages, of farm or factory products, the payment of our war debt offered no serious obstacle to continued prosperity.

Then, in the fall of 1920, came the deflation that, according to many economists, has caused more misery and suffering and probably more actual deaths than the great war. It is contended by some of the disciples of the orthodox system that it was the deflation of business that caused the deflation of the currency, but this is not taken seriously by any economists of note.

It would appear that the United States financiers, realising that the deflation had been too drastic, adopted a measure of inflation in 1922 which was reflected in a period of considerable industrial activity and the elimination of unemployment.

France and Belgium are two countries which refused to deflate in 1920 in conjunction with Great Britain and the United States. The currency of these countries is still on a depreciated basis, which means that debts contracted during the inflation period still bear the same relation to wages and value of products as when they were contracted. The common opinion that a currency below par value is indicative of national weakness does not necessarily follow. It simply means that money is of low value and the holder of money securities is in a position to demand less in goods and services than he would be if the currency were contracted to bring it to a par value. In fact, the low value of money means a lessening of the burden of taxation on industry and labour. I wish to quote a Press dispatch which appeared in a Western paper some few weeks ago, in which the former Finance Minister (Sir Henry Drayton) who had just returned from France was quoted as saying that the

people of France were remarkably prosperous. There was no unemployment and the people, he said, seemed to be saving money. I think he said that France had absorbed about 1,500,000 immigrants since the war and had jobs for all of them, and that she was still absorbing immigrants at the rate of 5,000 per week. Of course, the ex-Minister of Finance attributes this to Protection, but I do not think he expects us all to take him very seriously. I think he and, indeed, any other hon. gentleman will admit that France today would not be in that prosperous condition had she deflated, in conjunction with Great Britain, the United States and Canada, in the fall of 1920.

One of the greatest obstacles in the way of monetary reform is the fear of a system, the ramifications of which touch every man, woman, and child in the nation. The business man or politician who dares to lay unholy hands on the hitherto inviolable Ark of the Covenant called finance, is considered extremely venturesome. In this connection I should like to quote the late President Wilson, who said:

Some of the biggest men in the United States, in the field of commerce and manufacture, are afraid of somebody, are afraid of something. They know there is a power somewhere so organised, so subtle, so watchful, so interlocked, so complete, so pervasive, that they had better not speak above their breath when they speak in condemnation of it.

Henry George said:

There is danger in radical change, but far greater danger in blind conservatism.

We may evade the demands of common sense to-day, but that public control of credit will eventually come is just as predictable as sunrise and sunset. The Government of the day may evade the responsibility of action and shift the burden on to another generation; but, to do so, is to face the dangers of national bankruptcy and is an admission to posterity that this generation is bankrupt in imagination, vision and statesmanship.

## LETTERS TO THE EDITOR.

### WHAT CAN WE DO?

Sir,—Along with this week's NEW AGE I received a postcard from a friend asking how I proposed to supply people with spades. So perhaps I had better say frankly that I am about the most powerless person in the Movement to initiate any action, having very little money, as little leisure, no business experience except in a quite subordinate capacity, and absolutely no standing in the business world. At Swanwick I meant, in the name of all those who cannot lead but would gladly follow, to implore our business men to start *something*; but the much more businesslike action of Mr. Abrams made it needless for me to say anything.

Most of us may now be content to wait for a lead till June, perhaps occupying ourselves meanwhile in gathering what information we can; but if Mr. Gibson and his friends can start or plan anything promising before then, there is no reason why they should not seek the help, if they want it, even of those who were most strenuously opposed to them in the debate on the Constitution.

This debate, by the way, has illustrated a point which I have been, not very successfully, trying to make. The Movement was defined as a "spiritual association" consisting of those persons who "wish to associate themselves" with certain economic principles. Mr. Gibson and his friends are opposed to the statement that such an association "is not susceptible of organisation beyond a simple secretarial or liaison appointment." But this statement seems to me to embody a needed truth. The whole body of those who believe in any theory, philosophy, or religion cannot be any more closely organised than this. Any closer organisation, if it is to have any practical value, must consist of those who are engaged on some particular form of propaganda ("propaganda" being here used in the widest sense, to include every conceivable way of trying to get one's ideal realised). Even people who believe in a particular form of work have no place in the organisation of such work (except as givers of money) unless they have the ability and the opportunity to take part; but if people do not even believe in the same form or forms of activity, no amount of agreement on theory or ideals will enable them to work in the same harness; indeed, the more "spiritual association" there is, the greater the ideal that unites them, the more do they

fight among themselves about means—as is observable both among ourselves and elsewhere. Reformers anywhere in the world are divided into various organisations, according to whether they expect to realise their ideals through Parliament, through arms, or otherwise, at least as much as by any difference in the ideals themselves. So I don't at all see that the form of the Constitution proves the practical inefficiency of its framers, though, as both sides seem to agree, it was a pity that so much time had to be spent in discussing such a subject. The form of constitution adopted may yet prove to facilitate practical action greatly; this remark is cryptic, I know; but to explain it would involve discussing business in THE NEW AGE which is much too public.

H. B. S. L.

Sir,—Mr. Ludlam seems fired by the necessity for wide organisation and unification of effort in order to bring the new era more quickly into being. The method is not new; the Bankers have been giving demonstrations for some years past, and their very latest effort towards that end is even now in process of working itself out. Without broaching the question whether the Bankers can be beaten at their own special game, it does seem somewhat strange that a structure suited to the attainment of centralised power and the crushing of individual freedom should serve equally well for the very opposite purpose. If the suggestion means anything, it is that the real, personal and financial credit of followers of the Douglas idea shall be trusted with the object of establishing "men and women of action," "a virile minority," in a position of control, certainly over them, and possibly, if it can be done, over a wider sphere. The world is being driven to destruction by those members of the species whose vitals warm to that outlook.

Unlike Mr. Ludlam I believe that History illustrates the effect of ideas, rather than the power of forceful minorities. Their works come and go, while the only things unchanged are a few truths, which make life emotionally and intellectually possible because they reach down to the nature of man. Without the Douglas idea to direct the will to live, it seems that the mainstream of life, as it exists to-day, might disappear in a conflict of wills: with it, the mind of man can move forward in peace to a higher plane. The wages of sin may be death, but the wages of life is plenty. Truth asks apostles not a Salvation Army.

The fate of the Guilds should certainly be taken to heart. They were broken up because they forged themselves into a hammer instead of growing, if they could, into a forest, over the country—over the world.

As for evolutionary sequences, the next step would seem to be the sousing of the trades, professions, and industries of the Country, not with New Economics, but with Douglas schemes, prepared, explained, and defended by the 2,000 or so believers.

S. P. A.

### THE SWANWICK CONFERENCE.

Sir,—All good adherents of Social Credit teachings are much concerned at the divergencies of opinion as to tactics which apparently have arisen amongst the "General Staff at Headquarters," and which are dealt with in your usual skilful manner in the recent article on the Swanwick Conference. The "rank and file" are not to be blamed if in the circumstances they become restive, and, as one of them, I should like to take off my tunic and start in to replace such of the pictures as have not been damaged, sweep away the broken crockery, and set the table and chairs in order preliminary to having the m $\acute{e}$ lée all over again, especially as it has ceased to be a private one.

I must say that I detect a note of insincerity (if you will for the moment permit me to say so) in the article already referred to. To be organised, or not to be organised, that is the question, I take it. I assume that there is no personal danger in being organised—rather the contrary; but if there was, then a little danger undertaken on behalf of our principles would do some of us a lot of good.

I cannot answer your arguments against organisation, nor have I any desire to do so, but granted that the time and energy spent in perfecting the "fiddle" (not the one that you are thinking of but the one used by farmers), might be the better spent in sowing seed, and, put at its lowest, that the aforesaid fiddle is a mere plaything. Well! and why should those who desire amusement not have their toy? Why go out of your way to create trouble by denying them their amusement, which in this case appears to be innocent and legitimate enough, and especially when those concerned are going to have it, willy-nilly?

THE NEW AGE is in need of fuel, you say, which, it appears to me (and to you also) that an organised body could, and probably would, quite easily supply. Can THE NEW AGE

afford to ignore, or pretend to be independent of, such an organised body of support? I do not know, you are the better judge. But to me, and I am sure to many others (I am writing detachedly), the "London" attitude is, in all the known circumstances, incomprehensible.

I am concerned only with having Social Credit principles understood and applied immediately, and I should be willing to take advantage of all forms of activity for that purpose. For instance, the Belfast group utilised the services and willing public spirit of Mr. A. Kitson a year or so ago. By his aid they made a deep and lasting impression on all who heard him. Public interest to a certain definite extent was aroused in Social Credit, as a result of only local organised effort which might be extended without limit. Your own inestimable work backed by the ability and experience of men such as Kitson would sap in a little time, in propitious circumstances such as those of the present, the foundations of the enemy.

My conclusions are that unrestrained freedom of action and voluntary organised association are both good things and can co-exist. The un-associated cannot receive harm from the associated, but, on the contrary, much good.

ALEXR. THOMPSON.

### ST. PAUL'S.

Sir,—May I thank Mr. Kenway (at whom the opinions of authorities and men with "worthy names" are thrown in vain) for the extraordinary honour his agreeing confers on me.

That "me," the only word in italics in his letter, is good—for a self-styled "lay ignoramus".

With Mr. Mackey (see his letter of April 2), I rather desired Mr. Kenway to produce his "canons" and add something to his "glory"; but we must leave him, it seems, wondering how the contributor of "The Arts in Utopia" arrives at his ideas of what is good or bad in a work of art.

St. Paul's survives the argument—a great flower of a certain conception of Order or Design, revealing an aspect of the Creative Spirit in man, worthy of reverence.

One has one's preferences in the garden and in architecture, but that need not prevent one from appreciating what is fine of its kind; and the swift realisation that the pride of human endeavour, like the glory of great flowers, is passing, may well add to one's emotion in contemplating so considerable a manifestation.

SPRAD.

Sir,—I should not like any of your readers to think I had gone back on my word to see this correspondence through.

"Sprad's" letter, so far as it applied to me, contained no argument and did not call for a reasoned reply. I did not send one. I sent a brief comment on a postcard which you did not publish. I do not question your right; but as "Sprad" made no attempt to discuss my view of St. Paul's, merely calling me a swollen-header, I thought I was justified, having carefully surveyed and weighed up his performance, in replying in kind, and telling him what I thought about him. But I must not repeat it. I am on my best behaviour in this letter.

None of your correspondents who disagree with me about St. Paul's have made any attempt to answer my case. There have been gibes and sneers about my catholic interest in life and my lack of expert knowledge. If it is a sin to have more than one interest in life I plead guilty. As for the deification of the experts, the pages of THE NEW AGE are the last place in which I should have expected to find an attempt to settle a question by reference to authorities. What would happen to the New Economics if it were left to the judgment of so-called experts? The experts who surveyed the first railway in Lancashire were in favour of having stationary engines every mile and a half to pull the vehicles along, instead of a locomotive.

I have all the knowledge I require for the position I took up, perhaps a little more. My case does not depend in its general outline on technical knowledge. Even the policeman at the National Gallery ought to be able to understand it. Let me restate it:—

Good architecture must be concerned primarily with sound construction.

A building should not merely be strong: it should have the appearance of strength.

St. Paul's, in my view, fails to comply with this condition. The dome seems too heavy for the supports.

I shall continue to think so whatever expert opinion may say, but if it were clearly shown that the building as Wren planned it had an ample margin of strength from the founda-

tion to the top of the dome, I should have to respect this evidence. My only complaint would then be that it lacked the appearance of strength, and that is a defect. If this evidence could not be produced, and the experts seem very doubtful about it, then I say that the building is not a good one, and that there can be no good reason on æsthetic grounds for preserving it.

Let me add that a correspondence which consists in calling names gives me no satisfaction. I want to find out what is true. Anything else is a waste of time.

PETER F. SOMERVILLE.

Sir,—“ I have given reason, I cannot give understanding.” Real “ taste ” in appreciation is the product of understanding. Understanding gives authority to Authority.

HAYDN MACKEY.

[This correspondence is now closed.—ED.]

#### MUSICAL CRITICISM.

Sir,—The context of my quotation from Dr. Coomaraswamy leaves no doubt as to its meaning—it is, one would have thought, evident from the quotation alone—which is that the “ musical cultivation of the public ” consists in reverence for the Art and intelligent appreciation (appreciation in its strict meaning). The gist of Coomaraswamy's remarks is that in India, on one side you have the artist, on the other a keenly critical and cultured audience, but that this audience is not the result of the encouragement in promiscuous dabbling in the *practice* of the Art. As I have already pointed out at some length and in some detail, there is *no* evidence to show that such encouragement in the *practice* (as distinct from the *knowledge*) of the art as far as music is concerned does produce an intelligent audience or even an audience at all. At this very moment there is a general outcry among concert givers of the falling off of audiences, and at concerts of the best type. That even the schools, colleges, and academies have recognised this in a vague way is proved by the growth of the “ musical appreciation ” class—which, farcical and preposterous though it be, in actual practice, does indicate a consciousness that something more is wanted than swarms of tenth-rate performers.

I am not in the habit of misquoting—my opponents generally do their share and mine of that. My reference to Mr. Newman's opinion was based on some remarks of his elicited by a plea, if I remember rightly, by Mr. Frederick Corder, on behalf of the encouragement of the minor composer, i.e., the mediocrity, and I am quite sure I have not misrepresented the substance of Mr. Newman's comments, although the matter is several years ago now, and I have no means of verifying it at hand.

KAIKHOSRU SORABJI.

#### “ FOR WHAT ARE WE EDUCATING OUR CHILDREN ? ”

Sir,—I do not propose to reply in detail to “ Arembly's ” further letter on this subject—to do so would be to wander yet further from the original points at issue. My object in writing in the first place was to challenge one or two statements which I considered to be incorrect or misleading. “ Arembly ” has replied by ignoring or lightly dismissing the important points in my criticism and introducing others which have little—if any—bearing on the points at dispute.

As “ Arembly ” is so confident that he “ knows,” I am content to leave the matter for those of your readers who have had the patience to wade through the correspondence to judge for themselves of the accuracy of the original statements.

N. F. EILOART.

#### EXPERTS IN ECONOMICS.

Sir,—The letter from “ K. O. G. ” appearing in your issue of the 9th inst. is opportune, for it directs attention to a ridiculous state of affairs.

If, as appears to be the case, the only test of ability in economics is the ease with which one can get one's personal views put before the public, then small wonder that the average citizen prefers to rely on the magic of common sense rather than on confused economic theories.

If the report of the National Debt Committee is to be of national value, the reason for accepting evidence from every witness should be disclosed. It would be interesting to know on behalf of what body the gentleman named by your correspondent gave evidence.

A. B.

#### CENTRAL LONDON GROUP.

Meeting at 70, HIGH HOLBORN, at 7 o'clock, on THURSDAY, APRIL 23. A proposal to hold a meeting in London next month—to be addressed by MAJOR DOUGLAS—will be considered.

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All communications should be addressed, Manager, THE NEW AGE, 70, High Holborn, W.C.1.

“ Letters to the Editor ” should arrive not later than the first post on Saturday morning if intended for publication in the following week's issue.

#### SUBSCRIPTION RATES.

The Subscription Rates for “ The New Age,” to any address in Great Britain or Abroad, are 30s. for 12 months; 15s. for 6 months; 7s. 6d. for 3 months.

Published by the Proprietor (ARTHUR BRENTON), 70 High Holborn, London, W.C.1, and printed for him by THE ARGUS PRESS, LIMITED, Temple-avenue and Tudor-street, London E.C.4.