

# THE NEW AGE

INCORPORATING "CREDIT POWER"

A WEEKLY REVIEW OF POLITICS, LITERATURE, AND ART

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## NOTES OF THE WEEK.

Mr. Arthur Collins, a financial expert, in a report on the Liverpool Corporation's finances, urges that a complete costs system, carried out by a centralised costing staff, should be adopted to secure greater control of expenditure by spending committees. He contends that much clerical work could be performed better and more cheaply by mechanical means, and that altogether economies amounting to £22,500 a year can be effected at once, while, by better co-ordination, a further £20,000 a year may be saved. He believes that the services of nearly one hundred men could be dispensed with. A further recommendation of his is that there should be a "rationed rate," that there should be a fixed decision not to increase the city rates for a period of, say, three years, and he argues that the "atmosphere created" by such a decision would "foster the growth of the spirit of enforced economy upon which a rationed rate depends." To take these recommendations in order: we support the principle of centralised costing, but the point where it should be centralised is at the apex of the economic triangle where all costs have their beginning as issues of financial credit. At that point one could do things which cannot be done at any other, and the most important would be that of ascertaining the *content* of Cost—only after which should its incidence be discussed. But that argument is irrelevant to Mr. Collins's immediate purpose, which is to relieve the burden on the ratepayers of Liverpool, without reference, of course, to what consequences may ensue elsewhere. Even so, we miss from his report any information showing that the manufacturers, merchants, etc., of Liverpool have jobs waiting for the hundred men whom he proposes to hew down to make a clearing for the installation of (presumably) Adding Machines. In fact, the "atmosphere created" by this lopping off of dispensable labour is likely to "foster the spread and growth" of the use of adding machines by these commercial houses themselves. So it looks as though the hundred men, after taking affectionate leave of their confreres in certain spending departments of the municipality, will make an early and disconcert-

ing appearance the next week at the door of its chief spending department, the Board of Guardians. "This is too bad," the financial experts will bluster; "How can we save your salaries if you insist on drawing relief?" The sacked hundred, having probably one or two little private anxieties arising from their domestic affairs, will not be too ready with an effective answer to this poser. They will, as good Liverpoolians, wish to enter heartily into the "spirit of enforced economy," but as husbands and fathers they will, like Paul, be troubled by a thorn in the flesh in the form of a sinful impulse whispering to them, "I must take some money home." Nevertheless, the inexorable logic of the "rationed rate" means that they must not have money. Of course, there is a way out. Enter the economist, who asserts that labour-saving machines ultimately create more jobs than they eliminate. It does not sound conclusive to the plain man, but then your plain man can't think beautiful things. Just imagine for the moment that the Liverpool Corporation finds a Liverpool manufacturer of adding machines, and gives him the order for the installation. Well, there you are. The hundred men can be taken on by him and paid £20,000 a year to make the machines. Yes; but how many? Oh, just the number that the Corporation wants. But in that case, you will object, the cost of the machines to the Corporation will be even greater than the old cost of its wage bill. Good gracious—and you're right. Yes; that won't do. The adding machine maker will have to produce many times the number if the Corporation is to show a substantial saving on its purchase. But as he can "export" the surplus machines to Leeds, Birmingham, Nottingham, and elsewhere, everything's all right. You see it clearly now? . . . What? . . . Yes; but *don't* you? . . . You think you had better go to Birmingham to reason it out? Well, get on with it—we're too busy to argue any more. One general reflection on the economy-dole problem. We are glad that the Labour element on the Borough Councils has been strengthened as a result of the recent elections. The result is, so far as it goes, a mandate to municipal administrators to adjust their financial policy to the exigencies of human needs

and not human needs to financial policy. Let them see to it, and let Labour see that they see to it. Labour's prime duty is to insist on a transvaluation of "Dole" values—to completely invert the current concept about the dole. The money now being distributed throughout the country is not a subsidy from employed citizens to unemployed citizens, it is really a reserved commission on a much larger subsidy being paid out by unemployed citizens to employed citizens. Take the Liverpool instance. If those 100 men are sacked from jobs worth, say, £4 a week and draw doles worth, say, £2 a week, is not the net effect this, that the citizens of Liverpool are drawing a dole of £2 every week from each of those hundred men? In every true sense the unemployed are the Guardians of the Rich. Society says to them: "If you drop out of the boat the rest of us will have more room." And over they go. Yet the occupants of the boat call it "charity" when they ungraciously allow the submerged to lay hands on the rowlocks to keep themselves afloat. Just imagine the 100 Liverpool "dispensables" being sacrificed in an honest and open manner. They would be sacked, and then sent to a building called the Civic Relief Institute. There they would be handed their full wages just the same, and be instructed that they could keep half of them, but must hand out the other half to their employed fellow citizens, who would apply in person for this relief. We just wonder what proportion of the total number of ratepayers would have the courage to face those hundred "Guardians." . . . No; it would not work that way. The "burdened" ratepayer would discover that he also carried a burden of conscience. He would even get in a temper—"No; I'll be damned if I do it" (and he ought to be if he did). But our rulers are too cunning to expose the realities of their policy in that way. Only too well do they play up to the mass selfishness of unselfish individuals who want their steak for lunch, but do not want to hear anything about the slaughter of bullocks.

It is possible for a bankrupt business organisation to persist for some time in apparent solvency. The reason is the same as that which used to enable the banks before the war to diffuse the conviction that anybody who wanted to draw out gold against his deposits could do so. That is to say, the fiction of solvency can be kept up quite well so long as creditors take their turn in demanding settlement of their claims, and do not all "get nasty" simultaneously. The crisis of 1914 merged bank-creditors' rights into a single, mass-demand for gold. This compelled a virtual declaration of insolvency on the part of the banks; but, as it took the form of compelling these creditors to take paper instead of gold, nobody thought of looking at the matter quite in that way. It is unfortunate in these hard times, when pressure for the repayment of overdrafts is all the fashion, that manufacturers and traders cannot similarly substitute promises to repay credit for the repayment of the credit itself. But we are digressing. This point we are coming to is that just as it is with producers and banks in regard to postponements of declared bankruptcy, so it is with nations. For seven years this country has muddled along, and upon each escape from a domestic or international crisis, has appeared to the unobserved onlooker to be one step nearer to muddling through. Nothing is further from the truth. There are, so to speak, so many "creditors," whom we may sum up in the expression "economic realities" each with a bill to present. By pure luck these bills have been presented in turn, and have been severally dealt with by makeshift devices. But every day now sees a shortening of the time lag between one demand and another, and very soon all the bills will fall due for settlement on one day. The inexorable "logics" of our various commitments are being gathered into the

point of one burning focus—and after that the conflagration. The only consolation—if consolation it be—is that this country is not alone in the shadow of the menace. All are; and of them all, probably the most nearly threatened is, strangely enough to the undiscerning, that country which seems to be the most remotely so—we mean, of course, America.

"Whom the gods would bankrupt they first make creditors." So might America parody the ancient saying. Quite recently the *Manufacturers' Record* of Baltimore published a forceful article urging all-round cancellation of international debt! To those of our readers who recollect what was said on the other side of the Atlantic when this very suggestion was timorously and tentatively hinted at on this side three or four years ago, the appropriate comments will suggest themselves without prompting from us. In what a short time has an economic blasphemy become the first article of an economic creed. Since then, the Royal Bank of Canada has thought proper to direct attention to the fact that many financial and business periodicals, such as the *Chase Economic Bulletins* and the *Magazine of the American Chamber of Commerce*, are beginning to give serious discussion to the possible methods of receiving payments from Europe. The various writers all come to the conclusion that the American Tariff is too high to allow of America's receiving payment in goods, and further suggest that the longer America maintains, on the contrary, an export surplus, the more difficult the eventual repayment will become. When we remember that it was by saying this very thing at Brussels only a month or two ago that Sir Josiah Stamp made President Coolidge so wild, we are justified in supposing that our trans-Atlantic Philips are just now emerging into the morning headache stage after their money-lending night out. Now the reaction of every believer in the New Economics will be that of impatience; "What a pity it is that we cannot broadcast such facts as these to the whole population." But on this occasion they need not flidget. The *Financial Times*—our own safe, reliable, and oh so orthodox *Financial Times*, of 72 Coleman Street, in the City of London—is "telling the world" all about it. And better still, than the phenomena it makes is even more startling than the article of its issue of November 11 (Armistice Day, most appropriately), under the headlines "Changing Views on War Debts—From Finance to Goods. Recalling the slogan of most Americans—"What we have lent we claim," it says:—

"The satisfactory point to note is that into the mind of the public there is being instilled a clearer apprehension of the fact that the problem is not merely financial, but that finance must be merely the vehicle of payments derived from international trade. It is the commodity point of view which is the only sound one from which to regard the debt situation. People and newspapers who say these things unquestionably deserve credit for their intrepidity and readiness to face certain unpopularity. That they are being said, at a time when ethical and moral considerations affecting war debts have been definitely excluded from further consideration, gives them more value."

America, having expressly ruled out all appeals to ethical moral contra-accounts such as the French Government have so persistently pressed, there remains only the appeal to pure business. Leaving out all questions of whether debtor nations ought to pay America, the point now is, will the payments pay America? The *Financial Times* proceeds:—

"Experience will demonstrate the truth of the contention that settlement must be made in goods and services, and that unless the United States is prepared to accept them she cannot receive her dues. Profound modifications of existing policy appear inevitable."

They do. For as the writer remarks, neither the lending of dollars abroad, nor the endeavour of

America to take all her repayments in the form of raw materials and of products which cannot be made at home, would, in the long run, enable her to escape the logic necessitating the "opening of her borders freely" to the products of other countries. "If the tariff is not reduced . . . the collection of debts cannot take place." The writer recognises that the application of this logic will be "distasteful and undesirable," for, not only would it compel American manufacturers to make both ends meet while their markets were being filled up from abroad, but it would necessitate "a conscious policy of economy in the products the United States exports"—in other words it would require these manufacturers to refrain from competing for foreign trade. Effective collection of war debts, in a word, can only be realised by an "unfavourable balance" of international trade. Under the existing financial régime this spells unemployment and widespread insolvency for American workers and their masters.

"It is conceivable that the United States could maintain its protective tariffs for a long time if the position were not complicated by debt questions; but there is serious reason to think that the next five to ten years will establish a situation where the creditor will have perforce to choose between the two. Those people whose plea is for a conference on an all-round cancellation or reduction of war debts should then come into their own. It will be a case not of debtors petitioning a creditor, but the creditor begging the debtors not to pay. Probably the period of initiation will be shortened, too, by the effect of the weight of reparations and debt payments on the exchanges of the chief countries. Obviously, if the United States will not buy, the debtors cannot sell and earn the revenues to meet outstanding charges. It would pass the wit of a man to devise a workable scheme of payment in the presence of deliberate restrictions upon international trade.

And yet, unless the principles of costing goods and pricing them to the consumer are "profoundly modified," every national industrial system will be compelled to impose these "deliberate restrictions." When the total consumer income of every country is much below the total cost of production, what manufacturer is going to sit still and watch part of that already inadequate consumer income being exhausted in purchases overseas instead of being brought to his cash desk to help him defray his costs? The article from which we quote concludes with this passage:—

The movement for a review will emanate from the United States itself as experience, aided by the lectures of some of her far-sighted economists, drives home a recognition of the basic fact that the solution of the war debts problem is inextricably bound up with the purchase and sale of commodities.

This is undoubtedly a true forecast, and we congratulate the *Financial Times* on publishing it, no less sincerely than we accept its implied congratulations to ourselves on our "intrepidity" in having made it and repeated it with almost sickening frequency during the past seven years. Our gratification at hearing our teaching cried through the City—and the world—by this clear-throated organ of opinion is all the greater since we are very husky ourselves, and are not too well stocked with voice lozenges. Lastly, with this authoritative public lead, is it too much to hope that Mr. Lloyd George will have another glance at Major Douglas's outlined plan for repaying America that was submitted to him when Prime Minister in September, 1922? It opens up a policy which will bring rarer and more refreshing fruit than all the others put together.

This is an appropriate point at which to resume our quotations from Foster and Catchings "Profits."

"Little wonder, then, that the man in the street is bewildered." . . . with scarcely a man, woman, or child who is not eager for more of the good things of life, the industrial world stops short of creating the good

things well within its power to create, because of the ever-imminent danger of creating too much: consumers in constant fear that they cannot get enough, and producers in constant fear that they will produce too much!"

"More pay and less work"—the aim which organised labour has often been censured for pursuing—should, indeed, be the aim of society; not necessarily less work of all kinds, voluntarily undertaken, but less work imposed on the average worker as a condition of survival."

"The 'enquiry' conducted by the engineering societies under the direction of Herbert Hoover shows that our present resources would enable us to double the volume of production, provided both labour and capital could be sure of the one factor—adequate demand—which they now have reason to fear will never last long."

"Yet they (the workers) know from experience . . . that at times the more efficiently they work, the sooner they work themselves out of a job."

"In our day, consequently, we can continue to raise the standard of living only so long as increased per capita production induces a flow of money to consumers sufficient to enable them to buy the increased output; sufficient, that is to say, to buy the increased output without a fall in the price level."

"The flow of money to consumers depends mainly on productive activity; but productive activity depends mainly on the flow of money to consumers. Where are we to break into this circle in order to find the places where influence should be brought to bear to sustain prosperity?"

(On theories that "ascribe business cycles mainly to states of mind:") "The sunshine cure for business anæmia is a quick remedy, because it takes no account of the function of the buyer in stimulating business, and the only conditions under which he can continue to buy. Artificial respiration cannot keep the patient alive indefinitely. Neither can a spirit of optimism. . . . operate a blast furnace or take shoes off the retailers' shelves. It must first put enough money into consumers' hands. In-must first persuade business to prepare for an effective deed, to persuade business to prepare for an effective consumers' demand that is not forthcoming merely makes matters worse. . . . Business cannot run on optimism; reactions soon occur unless expectations are justified by en-sales. A self-starter may save time in starting an engine, but only a steady supply of gasoline can keep it running. Sunshine campaigns may start business, but only consumers' dollars can sustain it."

"The cause of the depression of 1921 in the United States, according to a common view, was a 'buyers' strike' among consumers against high prices. . . . The theory fails to explain why buyers did not 'strike' in 1919. Were they satisfied at the end of 1919 with prices 85 per cent. above the pre-War level, but outraged six months later because in the meantime prices had risen about 10 per cent.? . . . Nor does this theory explain what became of all the money that the outraged buyers are said to have withheld from the market." . . . in 1920 and 1921 savings bank deposits and total individual deposits did not increase at an unusual rate. (See Figs. 47 and 48.)"

"Give consumers the money, and organised business will look out for the rest. There will be no shortage of money on the producing side; the credit and investment world is always eager and able to take care of that. A willing buyer does not have to wait long, but a willing seller may have to wait forever."

"Although everybody agrees that the economic aim of society is increased production, yet the very fact that society is beginning to succeed is regarded by everybody as infallible proof that it is about to fail. If the country is producing steel at 90 per cent. of capacity, this is considered a sign of impending trouble. One statistician even declares that a rise in the number of blast furnaces in operation above a certain per cent. invariably forecasts a recession in business."

"No wonder, then, that the decline in basic output from 20 per cent. above normal in February of 1921 to 7 per cent. below normal in June was generally regarded as beneficial. 'This curtailment,' said *Trade Winds*,

'was a healthy corrective of the threatened over-production of last spring.' Why a healthy corrective?"

"If there were any guarantee in money markets, as there is in barter markets, this world demand would approximately equal world supply . . . there would be no occasion for this bitter international struggle for markets."

(On the "velocity" of money-circulation.) "Nor is money spent more frequently in retail markets merely because it is spent more frequently in wholesale markets; money may work faster in order to pass wool and woollen goods through more hands on their way to the clothiers' shops, without passing more wool through warehouses and more garments through the shops. This is in fact what happens as prices rise and speculation in commodities becomes profitable; additional middlemen make use of money without making additional sales to consumers."

"In general, whatever causes the flow of money to consumers to lag behind the flow of finished commodities interferes with future production."

"Indeed, as we have shown in Chapter XIII., corporations in the United States, taken as a whole, distribute as dividends only about half their profits. To plough the rest back into the business is, as the . . . head of the largest bank in the world (i.e., Mr. McKenna) once remarked, an established and approved policy. 'A growing business,' he declared, '—and at every period it is upon the growing business that the progress of the future depends—is one in which a large part of the profits each year are saved and put back into the concern.' (Speech at Ordinary General Meeting of the London Joint City and Midland Bank, January 27, 1922.)"

"In any event, there are no devices whereby corporations can get from consumers more money than consumers have. Trusts, trade associations, price agreements, and advertising enable some dealers to obtain larger shares of consumer income than otherwise they would obtain; but such gains are at the expense of dealers, not at the expense of consumers."

"Consequently, it is important for us to consider whether corporate savings are made in such a way as to withhold from consumers any of the money which corporations receive from consumers."

" . . . the creation of excess capital facilities, as long as they remain unused, does not necessarily have any part in preventing consumers from buying the output of the facilities that are actually used."

"'Overbuilt industries' may now have a depressing influence on business, because they may give rise to competitive conditions which reduce profits and discourage forward buying in those industries. But the over-building of industry in general would be impossible if consumer purchasing power was sufficient, after providing for individual savings, to buy the total output of consumers' goods." (Appendix, p. 431.)

"Income that is spent reaches consumers' markets much more quickly than income which is invested. There is no doubt about that. The route from the pay envelope to the retail store is short and direct; but the route from the bank, or insurance company, or investment house, via the corporation to the pay envelope, and thence to the retail store, is longer and more devious. And time, though it is commonly left out of account, is an essential part of the problem."

"In short, whenever money is used twice in succession to produce goods, as it is in many cases when individuals invest their income, it is doing its part . . . to stock the market beyond the capacity of consumers to buy at current prices."

"Thus" (after quoting statistics) "by a kind of short circuit, at least fifteen billion of individual savings were used twice in succession to bring about the production of goods."

"It is safe to conclude, therefore, that one-third of the income which individuals, instead of spending, turn over to insurance companies, is next invested in production."

That is to say, it is used twice in succession in creating supply instead of being used alternately in creating and in absorbing supply."

"But society, as a whole, cannot save anything worth saving at the expense of consumers as a whole, for the capacity of consumers to benefit by what is saved is the sole test of its worth."

"Up to this point, then, we have discovered no way whereby either corporations or individuals can accumulate savings without causing deficiencies in consumer purchasing power. For . . . two requirements must be fulfilled in order to prevent such a deficiency. . . . The first requirement is that all profits, if there are any profits, shall be returned to consumers. The second requirement is that consumers shall spend all the money that they receive. Under these conditions, however, savings are impossible either for corporations or for individuals. Yet both corporations and individuals must save. This, then, is the dilemma of thrift."

We shall conclude our quotations next week. In the meantime, correspondence received from one or two quarters makes it desirable for us to say now what we should have reserved until then. Firstly, there is no new idea in the book. Secondly, the authors show evidence of not having reached the fundamental concept of Credit and Costing, which underlies Major Douglas's analysis and proposals. One of our readers, in fact, sends us a quotation from a previous book by the same authors, entitled "Money," in which they criticise Major Douglas. That criticism is repeated in the present work; but of that, more can be said in due course. Thirdly, our eulogy of this book must not be given application outside the field which its authors survey; and even within that field a re-reading of our previous comments should make it clear that our tribute was concentrated on their teaching power as writers. They do not go all the way with us, but so far as they do they display an incomparable genius for hammering home the ideas they advocate. If we had to choose between a complete seven-course dinner mixed up in one basin, and, say, the first four courses in their scientific sequence, we should not hesitate. Bismarck's herring suggests soup; and soup asks pathetically for fish to swim in it. The God of palates and flavours has ordained it so. Therefore, the New Economic Menu, having been once for all written out to the stump of the last cigar, let us give praise to those who are training the public to appreciate the earlier courses of it. The time to object will be when alternative courses begin to be substituted. At present, as we have said, the authors of "Profits" are not risking any synthesis; they are stopping short at analysis. And analysis can be effective even when only partial. Synthesis can not. Economics embraces three sets of laws—physical, mathematical, and psychological. In each of Douglas's main works the three systems were distinguished and synthesised, once and for ever. In "Profits" one only—the psychological—is examined as a whole, although the arithmetical sub-section of mathematics comes in for a certain amount of attention. Martin's "Flaw in the Price System," it will be remembered, concentrated on this same arithmetical aspect, and a pretty accurate summary of "Profits" would be to say that it discusses Martin's arithmetic in its relationship with human instincts, with the interplay between "profit motives" and the exercise of "consumer options." It uses the sound device of reminding the reader of what he has always done under such and such conditions, and of inviting him to agree that unless those conditions are changed in the way indicated, he will act in the same way again. This needed doing. It has now been done. And in the doing of it the authors, wittingly or not, have effectually eliminated, for all logical minds, every means of escape from the economic impasse, but that

which we proclaim in the name of "Social Credit" or the "New Economics." This is no mean service. If they choose to inform the public in respect of every other barrister but ourselves that he either holds a hopeless brief, or is, in any case, not capable of speaking to any brief at all, it is pretty nearly the same thing as if they formally distinguished us as exclusively entitled to the ear of the court. And in that case, should we be worthy stewards of the truth if we hesitated even for a moment to pay our tribute to their discernment?

A correspondent writes to plead for another term than "Douglasite" to distinguish the advocates of Social Credit from those of minor theories. What has provoked this revival of an ancient request we cannot tell. It is a term we think we have hardly ever used in these columns. The writer supports his plea with the remark: "Douglas is not Jesus Christ." Well, admitting that he is not the same person, the logic yet escapes us. "Douglasite"—"Douglasism"—are terms which, to the best of our recollection, have been applied to us by our critics, who themselves would be the first to resent the implication assumed by our correspondent. Again, when we use terms like "Marxism," "Swedenborgian," and so on, are we to be considered as imputing divinity to those teachers? As a matter of pure candour, the only reason why we have not used Major Douglas's name is that there is no combination to which it lends itself which pleases our fastidious ear. That, and no other. To us every other consideration urges the use of it; for now that our pioneering work (and the term "our" includes every D—issemiator of the New Economics) we are beginning to long for a convenient and euphonious term which will distinguish the edifice of Douglas's analysis and proposals from the maze of credit-reform scaffolding which, for some inscrutable reason, is being run up all round it. "Social Credit," "The New Economics," and latterly "Consumer Credit," have all been used in connection with other theories and schemes, and can at any moment be monopolised by the society with the longest purse and loudest voice. The only possible term or title that we could rely on being permitted to monopolise would be the very term now objected to. If someone can think of another we shall be glad to hear what it is. Then a word on this "divinity" of Douglas. We recently heard it asserted deliberately and by one who, perhaps almost alone (in our opinion), possesses the qualifications to speak so, that Douglas, Einstein, and Freud (we put the names in alphabetical order to obviate the invidious) were three co-equal portents of an imminent transition into a new world-dispensation. Here, said he in effect, were three discoverers of revolutionary truth—truth involving in each of three stupendous domains of gnosis a complete inversion of preceding concepts. Three "challengers of axioms"—axioms in the three spheres of economics, cosmology and psychology—all of them involving consequences of illimitable import—these three persons have emerged out of the world-ferment of truth-searching within a few years of each other. How the speaker correlated this trinity of forces, and revealed their significances is an exercise in philosophic and even metaphysical reasoning which we shall not attempt to reproduce here. We simply set down his affirmation that these are three discoveries of dispensational magnitude.

Names! There is the Einstein theory, the Freudian theory, and the Douglas theory. By all means suppress the names of the persons—they are only vehicles for things greater than themselves; but in finding other names let us be sure that they are inseparable from the discoveries they are chosen to record.

### Political Dicta.

(By Goethe.)

(Translated for THE NEW AGE from the *Europäische Revue*.)

Our modern wars make many unhappy while they last, and no one happy when they are over.

*Journey in Italy, 1787.*

Yes, the German people gives promise of a future, has a future. The destiny of the Germans is—to use a phrase of Napoleon's—not yet fulfilled. If they had had no other task to perform than to break up the Roman empire and to create and set in order a new world, they would have collapsed long ago. But since they have survived, and in such strength and activity, they must, as I believe, yet have a great future, a destiny so much greater than that mighty work of the destruction of Roman empire and the fashioning of the Middle Ages, as their culture is now higher. But the time, the opportunity is not to be foreseen by human eyes, not to be hastened or brought about by human power. Meanwhile, it remains for us individuals, each according to his talents, his inclination, his position, to increase and strengthen the culture of the people and to spread it in all directions through the people downwards, but also and chiefly upwards, that it remain not behind the other nations, but in this at least take the lead, that its spirit may not languish, but may remain fresh and cheerful, that it become not despondent nor faint-hearted, but remain capable of every great deed when the day of fame shall dawn.

*Luden, 1813.*

If at any time I should have the misfortune to find myself in Opposition I would rather create uproar and revolution than for ever revolve in the gloomy circle of censure of the existing state of things.

*von Müller, 1823.*

I hate every violent revolution, because by it as much good is destroyed as is gained. I hate those who carry it out as well as those who give cause for it. But am I therefore no friend of the people?

*Eckermann, 1825.*

In politics as on the sick-bed, men throw themselves from side to side in the hope of improving their position.

*von Müller, 1825.*

It is for the United States absolutely indispensable to make for themselves a passage from the Gulf of Mexico to the Pacific Ocean, and I am certain that they will achieve this. I should like to live to see this, but I shall not.

Secondly, I should like to see a connection established between the Danube and the Rhine. But this undertaking also is so gigantic that I despair of its execution, especially having regard to the means at the disposal of us Germans.

And thirdly, and lastly, I should like to see the English in possession of a Suez Canal. These three great things I should like to live to see, and for their sake it would really be worth while to hold out for yet another fifty years.

*Eckermann, 1827.*

But if it be thought that the unity of Germany consists in having for the country, large as it is, one single great capital town, and that this one great capital shall suffice both for the development of great individual talents and for the welfare of the great mass of the people, then those who think so are in error.

*Eckermann, 1828.*

It is never to be expected that reason will become popular. Passions and feelings may become popular, but reason will always be the exclusive possession of a few privileged ones.

*Eckermann, 1829.*

The multitude, the majority is necessarily always absurd and wrong-headed; for it is fond of ease, and falsehood is always much easier than truth.

von Müller, 1820.

Wealth and speed are what the world admires, and what every one is striving for. Railways, postal facilities, steamships, "and all possible facilities" for communication, it is these with which the civilised world starts to over refine itself, and thus abides in mediocrity.

Zelter, 1831.

## Method.

By Allen Upward.

I.

### THE IDENTICAL METHOD.

The three mental processes which Kant failed to make quite distinct to his readers, and perhaps to himself in his technical terminology, as Pure Reason, Practical Reason and Judgment, may be illustrated by the action of a child (a) in counting a set of nine-pins as he puts them back into their box; (b) in sorting out a heap of glass beads according to their size and colour; and (c) in putting together the pieces of a jigsaw puzzle. These may be distinguished as the Identical, the Comparative, and the Symmetrical Methods.

The Identical Method is infallible within its own field, because it deals with sameness instead of likeness. The ninepins are all the same, and every child who counts them will arrive at the same result, unless he is careless or mentally deficient. The method is seen at its best in mathematics, and there is no better example of it than Euclid's "Elements of Geometry." Its principle is mere repetition or calculation, a word derived from the pebble (*calculus*), which primitive man used to reckon with, as he still does in West Africa. A multiplication sum is merely a mechanical device for shortening a long addition sum; as more elaborate calculations are shortened by the similar devices of logarithms and the differential calculus. The result is not so much a proof of anything that was in doubt as it is a demonstration, that is to say, a pointing out of something that has only to be seen to be accepted by every mind of sufficient intelligence to follow the process.

The certainty which attends the Identical Method has gained for it the veneration of minds deficient in the capacity to reason and to judge. But although the logicians have always considered it as true reasoning, and Kant treats it as Pure Reason, it is evidently a different and a humbler process, which it would be better to name Reckoning. The operations of arithmetic can be carried out by a machine even better than by a man. There is no element of reason in the statement that two and two are four. The word four means two and two, as is manifest in the language of the Queensland Blacks, whose word for two is *burla*, and for four, *burla-burla*.

The Identical Method has achieved its greatest triumphs in the domain of physical and chemical science. An experiment that always has the same result by whomsoever it is carried out, if he is competent and careful, is a practical demonstration, deserving almost as much confidence as one of Euclid's. But the same confidence cannot be properly extended to scientific theories based on such experiments. The facts may be well ascertained, and yet the explanation of them may be quite fallacious. A very competent observer and experimenter may be a comparatively poor reasoner and judge; and the more feeble his judgment is the more disposed he

will be to think it infallible, and to claim as much authority for his *reasoning* as for his *reckoning*. The extent to which a scientific theory is entitled to confidence depends on the extent to which it can be tested and confirmed by observation and experiment. In science, as in mathematics, no man is an authority. He either is, or is not, right.

It will be seen that even the Identical Method is infallible only in dealing with mental abstractions, with numbers, with ideal space, and with forces supposed to be constant, or to change under unvarying laws. As soon as the engineer or the astronomer brings his mathematical calculations to bear on physical realities he finds himself face to face with inexactness. Of two bars of iron which ought to be the same in every respect one is found to be weaker than the other—to have a different breaking strain. The Newtonian theory, during two hundred years' application, has not enabled astronomers to calculate with precision the mean distance of the earth from the sun, the estimate having varied from time to time between 90 and 100 millions of miles. Two observers give different measurements of the same celestial movement, owing to the differing activity of their nerves, which has to be allowed for as their personal equation. A method subject to so much error in dealing with the simplest physical phenomena is worse than useless for the investigation of problems that call for the exercise of critical reason and judgment, to say nothing of imagination. In the higher branches of science every great discovery has been made by means of the Symmetrical Method.

It must be added that the Identical Method, pursued too exclusively, is not a good training for the mind. It is a valuable corrective, but it has a tendency to narrow the judgment and to stunt the creative faculty of imagination. The man who asks of a poem or a painting what it proves is not a healthy subject in the eye of a psychologist. The number of mathematicians who have shown any wisdom outside their peculiar study is extremely small. And even within it they have failed to solve the simple problem of squaring the circle, a feat which can be performed with practical precision by a child. All that is required is to work out the problem in three dimensions instead of two. An intelligent child will find no great difficulty in converting a round disc of plasticine into a square of the same thickness, which will necessarily have the same superficial area as the circle; and the proportion between its diagonal and the diameter of the circle will hold good for every circle whose area is to be measured.

### A POEM.

By VLADIMIR SOLOVYOV.

(Translated by R. Hewitt.)

Once in the misty dawn with timid foot  
Towards a mysterious strand I walked alone;  
The stars were paling in the eastern light,  
My soul engaged the host of dreams in fight  
And prayed to gods unknown.

Now in the cold hard light I tread as then  
A lonely path beside an unknown stream;  
The mists are fled, and clearly shows by day  
How rough the mountain track, how far away  
The haven of my dream!

But till the midnight hour with fearless foot  
I travel to the goal of my desires;  
Where on the summit, 'neath an alien star,  
Along the sacred roof will gleam afar  
The line of victory fires.

## The Grand Inquisitor.\*

By F. M. Dostoevsky.

IV.

Translated by S. S. Kotliansky.

Oh, there will yet pass ages of unruliness of free reason, of their science and of their anthropophagy; for, having started to erect their Tower of Babel without us, they will end in anthropophagy. But at that very time the beast will come crawling to us and will be licking our feet and will bespatter them with bloody tears from its eyes. And then we shall sit down on the beast, and raise a chalice, and on it will be inscribed: 'Mystery!' Only then, only then will ensue for the people the kingdom of repose and happiness. Thou art proud of Thy elect; but Thou hast elect only, whilst we shall give peace to all. And is that all? What a great number of those elect—the strong ones who might have become elect—have, ultimately, grown tired of awaiting Thee, and have borne away, and will still go on bearing away the powers of their spirit and the ardour of their hearts into another field, and end by raising their *free* banner against Thee indeed. And yet Thou Thyself raisedst that banner. But under our rule all will be happy, and will no longer either rebel, or exterminate one another, as was done in Thy freedom, everywhere. Oh, we will convince them that only then will they have become free when they have resigned their freedom to us, and have submitted to us. Well, then, shall we be right or shall we be lying? They will persuade themselves that we are right, for they will recall to their minds to what horrors of bondage and confusion Thy freedom drove them. Freedom, free reason, and science will drive them into such jungles and will place them before such monsters and insoluble secrets that certain of them, the unsubmitive and fierce, will destroy themselves; others, also unsubmitive, but weak, will exterminate one another; and yet the rest that remain, weak and unhappy, will come crawling to our feet and will call to us: 'Yes, you were right, you alone possessed His mystery, and we are returning to you; save us from ourselves.' Getting leaves from us, they will, of course, see clearly that we are taking their own leaves, produced by their own hands, from them in order to distribute them among themselves, without any miracle. They will see that we have not made stones into loaves, but, verily, they will be more pleased with accepting the bread from our hands than with the bread itself! For too well will they remember that, formerly, without us, the very loaves produced by them, turned into mere stones in their hands; but when they came back to us the very stones turned in their hands into loaves. Too, too well will they appreciate what it means to give in once and for ever! And until they realise this they will be unhappy. And who above all contributed to that non-understanding? Speak! Who divided the flock and scattered it on paths unknown? But the flock will gather together again, and submit again, and this time—once and for ever. Then we shall give them the quiet, mild happiness of weak creatures such as they were created. Oh, we shall persuade them, at last, not to be proud, for it was Thou who exaltest them and thereby taughtest them to be proud. We shall prove to them that they are weak, that they are mere pitiable children, but that the happiness of a child is the sweetest happiness. They will grow timid and begin to gaze at us and cling to us in fear, like its young cling to a brood-hen. They will marvel at us, and dread us, and pride themselves on our being so powerful and so wise, that we could tame a furious herd of thousands of millions. They will tremble and cower before our wrath, their minds will grow timid, their eyes will become tearful as those of children and women, but they will as easily pass, at a sign from us, to mirth and laughter, to bright joy and to happy childish song. Yes, we shall compel them to work, yet in the hours free from labour, we shall arrange their life, like a child's game, with children's songs, in chorus, with innocent dances. Oh, we shall also allow them to sin, they are weak and impotent, and they will love us, as children do, for allowing them to sin. We shall tell them that any sin will be expiated, if committed with our permission; that we permit them to sin because we love them; and the punishment of those sins, well, we shall take on ourselves. And we shall take their sins on ourselves and they will adore us, as benefactors who have borne their sins before God. And they will have no secrets from us. We shall allow or forbid them to live with their wives and mistresses, to have or not have children—all in accordance with their obedience—and they will submit to us with gladness and joy. The most tormenting secrets of their conscience—everything, everything will they bring to us, and we shall determine everything, and they will trust our decision with joy, for it will

\* Part III., Book V., Chapter V., of *The Brothers Karamazov*; first published in the *Russky Vestnik*, 1879-1880.

relieve them of the great anxiety and the present terrible agonies of a personal and free decision. And all will be happy, all the millions of creatures, with the exception of the hundred thousand of their rulers. For only we, who keep the secret, only we shall be unhappy. Thousands of millions of happy babes and a hundred thousand of martyrs who have taken on themselves the curse of knowledge of good and evil. Peacefully will they die, peacefully will they be extinguished in Thy name, and beyond the grave they will find nothing but death. But we shall keep the secret, and for their own happiness we shall allure them with the reward of heaven and eternity. For if there were aught indeed in the other world, most certainly it would not be for such as them. It is said and prophesied that Thou wilt come and wilt conquer again, that Thou wilt come with Thy elect, with Thy proud and mighty ones; but we shall say that they, the elect, have saved themselves alone, whilst we have saved all. It is said that the whore, sitting upon the beast and holding the *secret* in her hands, will be put to shame, and that the weaklings will rise up again and will rend her purple mantle and strip her 'vile' body. But then I will stand up and point out to Thee the thousands of millions of happy babes who have known no sin. And we who, for their happiness, have taken their sins on ourselves, we shall come up before Thee and say: 'Judge us, if Thou canst and darest.' Know that I am not afraid of Thee. Know that I too was in the wilderness; that I too fed on locusts and roots, that I too blessed freedom, with which Thou hadst blessed men, and I likewise was preparing myself to enter into the number of Thy elect, into the number of the mighty and the strong with a longing 'to make up the number.' But I awakened and refused to serve madness. I went back and joined the assembly of *those who have corrected Thy deed*. I went away from the proud and returned to the humble for the happiness of the humble. What I am saying to Thee shall be fulfilled and our kingdom shall be established. I repeat to Thee, the very next day Thou wilt see that obedient herd, which, at a mere sign from me, will rush to heap up hot coals against that stake at which I shall burn Thee for having come to hinder us. For if ever there was one who most of all deserved our fire, it is Thou. To-morrow I shall burn Thee. *Dixi.*"

(To be continued.)

## Music.

Without any preliminary Press *forjanterie* or *fanfaronnade* a gifted and accomplished singer made what I believe to be her first appearance in London at the Æolian Hall on October 28, Mme. Nina Koshetz. Her programme was as unusual and interesting as her interpretations, containing no fewer than seven first performances in London. Several faults might be found with the vocal technique, but all the more to be regretted, and all the more obtrusive because the singer is in many ways technically very accomplished—such as unpleasantly audible breathing, short-windedness especially and rather painfully noticeable in the Bach group (as one would expect), and a gradual change and loss of quality as the voice ascends, a lack of what the Italians call the "appoggio." This is all the more surprising as we read that she was a pupil of that great artist Félia Litvinne, to whose style there were plainly existent resemblances in Mme. Koshetz's own. Her three Bach songs were not especially well sung; the phrases were cut up and the style did not somehow fit. There was too much reliance upon "interpretation," and not enough upon pure singing. Bach can be utterly ruined by "interpretation," for if ever music needs to be allowed, in Debussy's memorable phrase, to tell its own tale, it is that of Bach. But in her Russian songs Mme. Koshetz was admirable—the interpolated humming of the refrain in the Rimsky Korsakov "Romance Orientale" was as original as it was beautiful. The manuscript and only song of Scriabine is of no importance—it is a pleasant piece of music, but nothing more. The wordless "Melodie" of Prokofieff was quite the most attractive piece of music one has seen or heard by this composer, and shows signs of an essential "musicality" that one had hardly suspected existed in him. "The Call" of Rachmaninov is the sixth of a very fine and recent group by this composer, all quite unknown here. The French songs were admirably sung, especially Ravel's very beautiful "Kadisch," of which the sombre, liturgical spirit was finely seized and expressed. Mme. Koshetz was not, one thinks, particularly happy in her accompanist—a competent enough musician, but unsympathetic; and more than once one found oneself longing for a Harold Craxton, than whom it would be difficult to imagine a finer, more subtle, or imaginative colleague "at the piano" for any singer.

The performance of the Holst Choral Symphony at the first Philharmonic on October 29 attracted a phenomenal

audience. Of the work I confess I can say little more or different than what I have said of other Holst works. Where Mr. Newman, for instance, sees a keen musical intelligence threading its way with certainty and unerring skill through the maze of the modern harmonic vocabulary, I can only see a manipulator of arrant clichés loosely tacked together with no organic essential or inherent cohesion, a set of ideas devoid of intrinsic distinction or individuality in expression. The same clumsiness and gaucherie, the same lack of certainty, of inevitability, the unfailling hall-mark of the hailed masterpieces of Mr. Holst is here as everywhere else in his work. The choral writing is splayfooted and unvoiced; indeed Holst's lack of vocal sense is as conspicuous as his lack of orchestral sense. He seems to have no feeling at all for the medium for which he is writing. His harmonic and melodic ideas waver between diatonic commonplace on the one hand, and polytonal commonplace on the other. His potterings about and fiddlings with chords in fourth structures have no more merit or interest than Rébikov's affairs of ten or twelve years ago—indeed Holst is to a very large extent merely an enormously inflated Rébikov. From the point of view of artistic morality the piffler on a large scale is a much worse offender than the piffler on a small scale, because he adds to his piffing the pretences of grandiosity and mock sublimity. The critics seem to lose all the small sense of perspective most of them possess when talking about Holst, and hold up for admiration in him what they pursue with execration in others. Thus Mr. Harvey Grace has lately been reading heavy-fatherly lectures to the "fourth" and "fifth" merchants and the polytonal gentry, and has recently been pillorying "our modern Huchbalds," quoting passages from their works, passages the like of which are ubiquitous in Holst. But when Holst does these things he is all admiration and amaze, and quotes as a specimen of staggering audacity and unheard of daring a C Major triad superimposed upon a D flat Major! One is irresistibly reminded of Pope's withering lines:

What woful stuff this madrigal would be  
In some starved hackney sonneteer or me  
But let a lord once own the happy lines  
How the wit brightens, how the style refines  
Before his sacred name flies every fault,  
And each exalted stanza teems with thought.

Lamond, to a too small audience, gave the first of his four Beethoven recitals at Queen's Hall on November 3. He was in fine form, playing with all that magisterial authority and dignity for which he is justly noted. The great "Hammerklavier" was, on the whole, a splendid performance, stern, uncompromising, broad, powerful, majestic; sedately lyrical when the music demanded it, richly and darkly coloured, and phrased like a fine line engraving, especially in the wonderful slow movement. The fugue had not quite the cataclysmic effect one feels inherent in it, and I have heard this very great artist play it with considerably more impelling force than on this occasion. There was somewhat a sense of anti-climax that is as foreign to the movement as it is to Lamond's usual playing of it, and I feel that he had not quite warmed up to the work, which, rather unwisely, was the first on his programme. On listening to this stupendous fugue—one of the greatest in existence—the dry-as-dust Machmusikant impudence that can dare to get up and criticise the Beethoven manner of writing should it be?—but there exist practically three people only who have stamped their personality so indelibly upon the fugue form that in every case the authorship of a fugue by any one of them is never open to doubt for a moment—they are Bach, Beethoven, and Reger. As one would expect, Busoni was the first of contemporary musicians to grasp and expound the greatness of this tremendous fugue, and those who heard him play it and the whole Sonata had an experience the like of which does not occur twice in a life-time. The profoundly disturbing yet remote and aloof Opus III, was supremely well done. It was philosophical playing of an order that perhaps Lamond now alone of living pianists can give us—it had that quality of haughty serenity the counterpart of which is to be seen upon the faces of certain bronze Buddhas of China and Japan. Three of the earlier Sonatas were also played, and it was a curious experience to hear their works mauled, beslavered, and slobbered over by countless young ladies of both—perhaps one should say all—sexes! works to which one had thought one could hardly any more bear to listen, restored and made beautiful again by great playing. The Appassionata closed a typical Lamond programme—a programme of weighty matters and of deep import—played with splendid fire and impetuosity, but always marvellously controlled and balanced. A very great artist, a great musical thinker, an

intellect of great breadth and power, one bar of whose playing is charged with more significance and is of greater worth than all the playing of any dozen other English pianists put together. If England were not England, Lamond would be to it what McCormack is to Ireland, Gerhardt to Germany, Casals to Spain, or Chaliapin to Russia. But England, being England, thinks as much of Mr. William Murdoch or Miss Irene Scharrer.

A tuner should have been in attendance to run over the piano, a fine Bechstein, in the intervals, as several unisons went distressingly "out," a thing that is liable to happen, and does, in the case of the very finest pianos at recitals. It should be always a matter of course that a tuner be somewhere about in readiness against such an eventuality.

KAIKHOSRU SURABJI.

## New Verse.\*

"Flower Shadows" are at least well entitled. The majority of these translations from the Chinese are exceedingly short, thin, and vague in content, and, whatever they may be in their original, decidedly embryonic as poems in their present condition. One or two succeeded in conveying a suggestion of that haunting power which comes from saying or implying a great deal in incredibly few words: but the collection as a whole adds nothing of real moment to previous collections of Chinese poetry available in English translations. One interesting feature, however, is a series of translations at the end from four contemporary Chinese poets—Tse Chuang, Liu Pan-long, K'ang Peh-ch'ing, and Kiang I-p'u. Most of these reflect the growth of Socialism or Communism in China. "Two Voices" is a plea for world-peace and vegetarianism—the end of both kinds of butchers. "Paper Walls" is a poignant reflection on the co-existence of fabulous wealth and destitution—on the separated by the thickness of a sheet of paper. "Song of the Factory Woman" is a bit of bitter irony—in which a wage-slave returns thanks to the "fellow worms" who so graciously permit her to work for them and even pay her a pittance for doing so. It is impossible to form any opinion as to the stature of these poets as poets from these translations: but, so far as content goes, their work is not dissimilar from that which is being produced by "rebel" poets in every country in Europe and America. There is nothing specifically Chinese apparently in their reaction to the horrors of industrialism.

"The Augustan Books of Modern Poetry" are the latest enterprise of the go-ahead firm of Messrs. Ernest Benn, Ltd., who are in many ways the most interesting firm of publishers in Great Britain to-day. They are excellent six-pennyworths—delightfully printed on a nice white paper. Stacks of them should be in every school library. Those already available give good selections of the works of Shelley, Keats, Bridges, Tagore, Rupert Brooke, and Edmund Blunden respectively. Belloc is to come next: and many other established and contemporary poets. In passing, it may be noted that in thanking the publishers for sanctioning so large a selection of Bridges' work, the writer of the unsigned prefatory note says: "It is a generosity which few poets could afford: but Mr. Bridges can show a larger body of first-rate lyrical work, flawless in inspiration and in technique, than any other English poet." Opinions will differ as to that—mine certainly does—but apart from that, the selection from Bridges runs to twenty-nine pages, that from Blunden to thirty, and that from Tagore to twenty-eight. Since other living poets are to be represented—and since it seems certain that each pamphlet will have substantially the same number of pages—it would appear that the series is destined to disprove the claim quoted. Mr. Edward Thompson's justification of Tagore's inclusion is arguable, too; but why should "Augustan Books of Modern Poetry" be confined to English poets in any case? I hope that the publishers may extend the range of the series to embrace the major figures in the whole range of modern welt-poetik.

"Thamyris; or, Is There a Future for Poetry?" by R. C. Trevelyan, is the latest addition to Messrs. Kegan Paul's "To-day and To-morrow" Series, and is one of the most spirited, lucid, and provocative contributions to modern poetics from an English pen. English poets have generally lagged a very long way behind their French contemporaries, for example, in their theoretic; but I, for one, am delighted to note a tendency nowadays to make up for this in this direction. Mr. Trevelyan is a welcome addition

\* "Flower Shadows." By Alan Simms Lee. (Messrs. Ernest Matthews, Ltd. 3s. 6d. net.)

"The Augustan Books of Modern Poetry." (Messrs. Ernest Benn, Ltd. 6d. each.)

"Thamyris." By R. C. Trevelyan. (Messrs. Kegan Paul, 2s. 6d. net.)

to the company which includes Lascelles Abercrombie and Robert Graves, and I prefer his delightful have-at-you little essay to their more complicated variations on the subject. I cordially recommend "Thamyris" as a tonic to all debilitated Georgians. Mr. Trevelyan has a great deal of first-rate moment to say on comic poetry, narrative poetry, the treatise as a poetic form, and so forth. His own poetry might be more interesting if he would go ahead and experiment along some of the lines he indicates.

H. McD.

## Pastiche.

M. D'ASLARIC ON ADAM'S FALL.

(Praying the forbearance of the departed author of *La Rotisserie de la Reine Pedauque*.)

M. d'Aslaric stopped speaking, pulled his box out of his pocket, and took a pinch of snuff. Then he continued his discourse as follows:

"Let us now return again, my son, to the terrestrial Paradise, where the Miracle-Worker, whom they call Jehovah, had placed those two vessels shaped by his hand, Adam and Eve. The ineptitudes of theologians have hidden from mankind the true cause of their expulsion, which I am about to reveal to you. You have been taught that Eve ate of the Tree of Knowledge, of Good and Evil, and so learned the secret of the sexual act. But you are led to infer that the forbidden sin was sexual intercourse. Never was a more profound error, my son. One will cite to you the passage in the writings of Moses, where Jehovah called to Adam, 'Where art thou,' and Adam answered, 'I was afraid, because I was naked.' But to suppose that because Jehovah said, 'Who told thee that thou wast naked? Hast thou eaten of the tree whereof I commanded thee that thou shouldst not eat?' that he disapproved of the carnal affection of our first parents is to read into the Scriptures what is not there. The passage only permits us to infer that Adam's shame proceeded from the eating of the apple: it does not justify the inference that the sin, which drew down Jehovah's punishment was that which caused Adam's sense of nakedness. And happily we have a positive warrant for distrusting such an interpretation; for we are told that when Jehovah first created man in his own image, male and female, he blessed them in these words—'Be fruitful and multiply, and replenish the earth.' Take particular notice, Jacques, my son, of that injunction, 'Be fruitful.' If Jehovah had intended to inhibit the conjunction of the sexes he would not have uttered it; and how would it be possible for man, male and female, to collaborate in obedience to it otherwise? Theological disseminators of dangerous sophistries will try to argue that Jehovah had intended to create children for Adam and Eve, but a simple mind like yours, my son, will see at once that if he himself intended to multiply them he would not have told them to multiply themselves. And if that were not enough, we have the testimony of Adam himself. As soon as he first saw Eve the Scripture tells us that he said 'Therefore shall a man leave his father and his mother, and shall cleave unto his wife: and they shall be one flesh.' Can we here resist the conviction that in such a figure Adam was expressing the mystery of sex-union?"

Here M. d'Aslaric patted my knee, bending over to read in my face what impression he had made by his reasoning. He was apparently content, for he leaned back on the bench, inhaling the scents of the garden. After a while he resumed.

"Having rejected, then, this error on the part of the theologians, you will now be anxious to learn what was the Good and what was the Evil of which our first parents were forbidden to seek knowledge. I will reveal it to you. The Good, my son, was *Leisure*. The Evil, *Work*. Jehovah had provided everything that our parents needed. He gave to Adam dominion over all the living things upon the earth. He even brought them to him to see what he would call them, and the Scriptures tell us that 'whatsoever Adam called every living creature, that was the name thereof.' This need not surprise us, for we see even at this day, Jacques, how our parents deny themselves for their young children; so why is it unreasonable to suppose that Jehovah's ambition was to do everything for his newly created children, and their children, and their children's children. There is a casuistry which will seek to disconcert us by pointing to a passage where 'the Lord God took the man, and put him into the Garden of Eden to dress it and keep it.' It is true that a hasty reading of the words will tend to obscure my revelation. But the difficulty will disappear as soon as you understand the double meaning of the word 'work.' Jehovah was not jealous of man's exercise

of his intellect and muscles. For what else should he have given them to him? He would never have resented our parents' dressing and keeping the Garden, for this was a mere recreation which gave zest to their leisure. Look yonder, my son, there is our old and venerable neighbour, M. Bonhomme, in his garden clipping his hedge. That action, in a gardener, would be work. But to M. Bonhomme it is not work: he need not do it. So, in M. Bonhomme we see before our eyes the first Adam, before the fall.

"But I can feel your impatience to know what the work could have been which Jehovah took such precautions to keep from Adam's knowledge. I will tell you. My son, it was an evil work called Reproductive Work. When Eve bit the apple she instantly divined the secret of sex. It is here where all the theologians have fallen into error. They have supposed that the inhibited sex knowledge was that relating to human kind. It was not. The knowledge which Jehovah so jealously covered with His threats was the secret of the fertilisation of blossoms; and the reason why he did this was because such knowledge would show Adam and Eve not how to increase and multiply themselves, but to increase and multiply their *means of life*. This, Jacques Tournebroke, was the unforgivable sin—the acquisition by our first parents of the power to dispense with Jehovah's *bienveillance*. Here was the blasphemy, that man's vaulting ambitions should put his Creator out of employment. Jehovah is in man's image just as truly as man is in his, and he reacts to disappointments much in the same manner as the flesh he has created. I once had to allay, my son, the passion of a man which was impelling him to flog his only child. And what do you think it was? Because the child had awakened on Christmas Eve and surprised him in the act of filling a stocking with toys. So we may, without presumption, guess what were the feelings of Jehovah when Eve surprised the secret of His blessings.

"When Adam said, 'I was afraid because I was naked,' he was confessing, not that he had had carnal knowledge of his wife, but that he knew the secret of the apple pip. It is to be regretted that the Hebrew record of this tragedy is imperfect, for if it were complete I do not hold it in the least doubt that it would reveal that Adam and Eve had already committed the sin of collecting the seeds of the trees of the Garden. That would explain their motive for making themselves aprons, for you will readily see, my son, that naked people are without those means of secreting objects which the invention of clothes has conferred on man—I mean pockets. The fig leaves were sewn together in pairs to make, as it were, seed-pods, and only afterwards were these pods formed into aprons.

"Notice, too, how this interpretation harmonises with the nature of the punishment inflicted on our first parents. 'In the sweat of thy face shalt thou eat bread till thou return unto the ground.' We can plainly see the workings of Jehovah's mind. It is as though he said, 'You have found out how to produce your subsistence, and you do not want me or my Garden any more. Then go out of my Garden and plant one of your own.' True that he said to the woman, 'I will greatly multiply thy sorrow and thy conception,' but we must interpret that saying in the light of the first. Jehovah had cursed the ground, intending that, with all the seeds that Adam took with him, he could only grow food by hard toil. What could have been better designed to ensure the hardness of that toil than to multiply Eve's conceptions—to increase, as our philosophers say, the pressure of population on the means of subsistence? Hence, my son, the sorrow with which woman even to this day bears child. Jehovah did not sentence her to *pain*, as the theologians would have you believe, but sorrow—sorrow because there is yet another mouth to feed in a world short of food.

"And lastly, my son, see how necessary it was that Adam and Eve should be denied access to the Tree of Life. But for that they could have lived for ever without planting seeds, which would have defeated the ends of divine justice. Adam had fallen to the sin of independence. Instead of being content to partake of the endless free bounty of his Creator he repudiated 'charity' and preferred to earn his own living honestly—as though, my son, such earnings could be honest when they arose from his stealing of Jehovah's invention.

"Thus, Jacques, the lesson for us all is that we shun the deadly sin of reproductive work. Toil was Adam's choice: so toil was Adam's curse. Embrace a woman, my son, with a glad conscience; but flee from a Job as you would flee from the Serpent."

M. d'Aslaric sank into a profound silence. At length he rose slowly, felt in his pocket, and without appearing to notice my presence, quietly stole away into the depths of the dusky wood, leaving me to muse in a silence unbroken but for the occasional sneezing of a little bird.

A. B.



19.—I have never agreed with Major Douglas's (apparent) view that economic fate works its way, and so we need not worry much as to impressing public opinion. I have had to do with all sorts of pioneers; they invariably miscalculate the forces that are hostile or (more important) that have *deflecting* tendencies. Hence, as a strong supporter of Douglas, I want to see THE NEW AGE more lucid—real lucidity always meaning power. I would like to pass THE NEW AGE on to thoughtful young Socialists, etc., but the papers on Pleroma, Seraphim, and the like *make new readers think the paper is a crank-sheet*. (I am familiar with philosophical and speculative works, and have no objection to courageous unconventionalism, or even "Mysticism"; but I find lucidity in the best Mystics, and never oddity.) The excellent Editor (I say it with whispering humbleness) is at times a little too allusive (in the literary sense) for plain people. (Not in this week's, August 27, pages, which I venture specially to praise.) I would like to see the Guild idea maintained by Reckitt and such-like. I fancy simple people will not understand the occasional cuts at the League of Nations. All our institutions, including this newest, are tainted with egoist finances; yes, but the finance should be damned and the world federation idea supported. And may the Seven Heavens forgive me for giving hints to an Editor.

20.—I greatly enjoy "Notes of the Week," but would suggest that, if possible (and expedient), we might be told occasionally what impression Credit Reform is making in circles that matter. It may be a gospel, but it is hardly one that the common people will hear gladly, as they don't understand current finance and wouldn't grasp the New Economics. For them you might adopt the old line of parables. I gathered from a recent chat with an actuary that in Government, Insurance, and Banking circles Credit Reformers were looked upon as a pathetic kind of fools, who mean well and all that, but were very troublesome—couldn't be got to see that they didn't understand into what a horrible mess the adoption of their theories would plunge the country. To be brief—is the heaven working? I suggest that you might occasionally say how the theory is getting on in the Colonies, and especially in foreign countries. I confess "Question Time" bores me. It is not bright, pithy, racy, crisp; but dull, involved, hair-splitting. Why do we get Swedenborg every now and then? Surely speculations about the Deity might get into some other journal. We hardly want Omnipotence to readjust finance.

21.—May I congratulate you most heartily on the admirable way in which the New Economics are presented week by week? I think that a few short articles dealing in detail with the effects of the imposition of "Sound Finance," by the League of Nations, upon Austria and Hungary would be of considerable general interest. I must admit, however, that unless a capable correspondent is available on the spot the preparation of such articles will be difficult.

A CONFERENCE arranged by two Committees of the Society of Friends on "THE ECONOMIC CAUSES OF INTERNATIONAL ANTAGONISMS TO-DAY" will be held at High Leigh, Hoddesdon, Herts., from Friday evening, December 11th, to Monday morning, December 14th, 1925. SUBJECTS AND SPEAKERS: Introductory, by Norman Angell; "The disposition and control of Raw Materials," by E. M. H. Lloyd; "The varying conditions of Labour in the World," and "The increasing struggle for Markets," by Delisle Burns; "The operation of International Finance," by Arthur Brenton (Editor of THE NEW AGE). Inclusive fee, 42s. Booking fee 26 (deducted from full charge). Programme and particulars from Secretary of the Conference, Mary E. Thorne, Devonshire House, 135 Bishopsgate, E.C.2. Single lectures, 1/- each; meals by arrangement with Secretary.

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## The Social Credit Movement.

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

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

The adoption of this scheme would result in an unprecedented improvement in the standard of living of the population by the absorption at home of the present unsaleable output, and would, therefore, eliminate the dangerous struggle for foreign markets. Unlike other suggested remedies, these proposals do not call for financial sacrifice on the part of any section of the community, while, on the other hand, they widen the scope for individual enterprise.

Attention is directed particularly to the following amongst the considerable literature on the subject:—

- "Through Consumption to Prosperity," by Arthur Brenton, 2d.
- "The Community's Credit," by C. Marshall Hattersley, 5s.
- "Social Credit," by C. H. Douglas, 7s. 6d.
- "Real Wealth and Financial Poverty," by Capt. W. Adams, 7s. 6d.
- "Cartesian Economics," by Professor F. Soddy, 6d.
- "The Flaw in the Price System," by P. W. Martin, 4s. 6d.
- "The Deadlock in Finance," by A. E. Powell, 5s.
- "Economic Democracy," by C. H. Douglas, 6s.
- "Credit Power and Democracy," by C. H. Douglas, 7s. 6d.
- "These Present Discontents: The Labour Party and Social Credit," by C. H. Douglas, 1s.
- "The Solution of Unemployment," by W. H. Wakinshaw, 10s.

A preliminary set of five pamphlets, together with a complete catalogue of the literature, will be sent post free for 6d. on application to the Credit Research Library, 70, High Holborn, W.C.1, from whom the above-mentioned books may be obtained.

The undermentioned are willing to correspond with persons interested:—

- Bournemouth: W. V. Cornish, 77, Maxwell Road.
- Dublin: T. Kennedy, 43, Dawson Street.
- London: H. Cousens, 1 Holly Hill, Hampstead, N.W.3; Major C. H. Douglas, 8, Fig Tree Court, Temple, E.C.4; E. A. Dowson, 23, Effra Road, S.W.2; D. Wemyss Lewis, 176, Camden Road, N.W.1; E. Wright, 38, Bromar Road, S.E.5.
- Manchester: F. Gardner, 24, Mansfield Avenue, near Blackley.
- Middlesbrough: Mrs. E. M. Dunn, Linden Grove, Linthorpe.
- Newcastle-on-Tyne: W. H. Wakinshaw, 12, Lovaine Crescent.
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