

THE NEW AGE

INCORPORATING "CREDIT POWER"

A WEEKLY REVIEW OF POLITICS, LITERATURE AND ART

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CONTENTS.

	PAGE	PAGE
NOTES OF THE WEEK	85	PLUTO AND PLEBS.—IV. The Magna Carta of the Coming Slavery. By Samuel F. Darwin Fox 93
Obituary—Mr. John Crombie Christie. Mr. McKenna at the Luncheon of the British Engineers' Association. The <i>Financial News</i> on the strained relations between the Midland Bank and the Authorities. Industry's three-fifths of one per cent. profit. The <i>Motor's</i> comment on THE NEW AGE's Note respecting direct action. The Irish Election result and Mr. de Valera's problem.		AMONG THE CROWD. By William Repton 94
THE LIBERAL REVIVAL. By C. H. Douglas 88		WHAT IS TIME? By John Grimm 94 <i>An Experiment with Time.</i>
THE FUTURE.—II. By A. B. Fletcher 90		THROUGH SAVINGS TO SLUMPS. By Hilderic Cousens 95
VIEWS AND REVIEWS. Schooling.—II. By R. M. 91 <i>Procrustes, or The Future of Education.</i>		LETTER TO THE EDITOR 96 From A. W. Stalker.
DRAMA. By Paul Banks 92 <i>Teatro Delle Piccole Mas chere.</i>		VERSE <i>Bondage.</i> By Samuel F. Darwin Fox (88). <i>If You Should Think.</i> By A. Newberry Choyce (90).

NOTES OF THE WEEK.

Many readers of THE NEW AGE will learn with deep regret of the death of Mr. John Crombie Christie. It is now within a few weeks of six years ago when the Social Credit Movement chose its name and commenced its activities. For the whole of that period Mr. Christie has been in charge of its northern outpost in Aberdeen—a granite spear-point of the New Economic attack on the power and policy of the credit monopoly. Originally a marine engineer, and afterwards for twenty years engaged in commerce, he combined in himself two complementary bodies of experience which peculiarly prepared him for the comprehension of the Social Credit Theorem when it was first announced, and enabled him afterwards to take the lead in expounding it. He was a fluent speaker, and many were the meetings, both indoors and out, that he addressed on the subject next his heart. The writer of this note can testify from his own experience to Mr. Christie's unflinching faith and unwavering energy. It is not easy to realise what a fierce test is brought to bear on these qualities when they have to be exercised in comparative isolation. The exhilaration of firing polemical shells at an object far beyond the horizon is momentary. There is no extraneous source of inspiration; the gunner must load by faith and aim by hope; for there is no visible signal that he has reached the mark. Nevertheless, a good work faithfully done is its own signal: and we who survive Mr. Christie and mournfully bid him "Hail and Farewell," may be sombrely content that in the mystic illumination of his last moments he beheld there and then that event which he aspired to see. For when two eternities contend above a death-bed, Time is not—what is destined to be already is.

Emerson has pointed out that Nature does not give Man anything; she sells it to him. For every conquest of mankind over her there is a price to be paid. Possibly there may be something also in the converse

theory. When the press-gang of Death comes snatching at the small company of Social Credit workers, there may be bulging cargoes floating towards their harbour as recompense from just round the head-land. It may be that just as in industry the productive machine bids the productive worker to retire from his labours, there comes a time when the propagandist machine dispenses with the ideas which were destined at first to be worked out here and there, with primitive implements, by disinterested pioneers, seem now to be considered worthy of dissemination, with up-to-date plant, by interested exploiters. It seems at first a doubtful compliment to the pioneers, and a problematical recompense for their labours. But on balance it is a good thing. The idea being true, the truth will out, no matter what the character or immediate motivation of the agency which adopts it. And, if the adoption is complete, the part adopted must sooner or later intensify the demand for the rest. This reflection is introductory to comments on Mr. McKenna's attendance as guest of the British Engineers' Association on the occasion of their luncheon at the Hotel Cecil. The significance is in the event rather than what he said in his speech. The natural affinity between finance and engineering is so manifest to those who grasp the elementary principles of a sound national economy that this conjunction of the two, if only for a brief repast and talk, will be seen by them to be a pregnant event without any elaboration from us. The perspective embodied in the occasion pleases us: the banker is the *guest* of the engineer. That is exactly as it should be; and it is in strong contrast to other occasions when the Chancellor of the Exchequer has appeared as the guest of the banker. By implication Mr. McKenna was adopting Mr. Snowden's phrase, and assuring the assembled engineers, "I am your Minister." If he did not explicitly say so, he at least made use of the occasion to criticise Mr. Churchill for his refusal to assent to an inquiry into "the theoretical basis and practical

technique" of the credit and currency system. He also had the advantage of hearing the following sentiment from the lips of Mr. D. A. Bremner which *The Times* reports in the following terms:—

"The industrialists of this country were becoming more and more doubtful about the merits of the existing financial and banking system to the extent of seriously wishing for an impartial inquiry. Such an inquiry, however, should not be conducted solely by those who were expert in finance. It ought to be conducted in the interests of the industry and commerce of this country, without which there would be no banking and no finance." (Our italics.)

That is the kind of talk we have been thirsting to hear from outside the Social Credit Movement itself. If only nominees of the Bank of England are to hold an inquiry we may as well not have one at all. Then as to the relative intrinsic importance of finance and industry, it is obvious that whereas a group of industrial engineers could resolve themselves into a group of bankers, the reverse process is impossible. At first sight this statement might appear exaggerated; for how, someone might well ask, could engineers suddenly master the wisdom of the bankers and the intricacies of their system? The answer, of course, is that the wisdom and the system of the bankers or of the engineers would be two entirely different things. Engineering experts neither could run the existing system nor indeed would agree to if they were invited to; for it embodies hypothetical principles which are diametrically opposed to established principles of physics. Mr. McKenna, on this point of the efficacy of the present system, said (*The Times* report):—

"Was the great inflation that occurred in the war and in the eighteen months after it really unavoidable? Would a better understanding of the principles on which credit should be controlled have enabled us to avoid much, if not all, of that disastrous inflation? What was its root cause? Perhaps if that had been thoroughly understood by the financial authorities and the public, we might have been spared the worst of the excesses. He was personally of the opinion that that was a proposition capable of mathematical demonstration, and, if that were so, an inquiry into the question would surely be of the greatest value." (Our italics.)

This passage logically commits Mr. McKenna to Mr. Bremner's point of view; for directly you base an inquiry into finance on an alleged lack of knowledge among financiers you cannot possibly mean to allow these financiers to usurp the function of final judgment. Experienced students of Social Credit will comment to their own satisfaction on Mr. McKenna's hint of a "mathematical demonstration."

One must, of course, not hastily assume that the Midland Bank and the Millennium are convertible terms. There is no distinct evidence that Mr. McKenna envisages any "reforms" other than those already been adopted by the Federal Reserve System. It is rather his gesture inviting judgment as between the merits of the old and some other financial system on the part of industrialists that is the encouraging feature in the situation; and it should do a great deal to reassure us that the issue will not be decided solely by the interests of this or that group of financial experts or by reference to this or that untested theory. Speaking for ourselves, we are of the opinion that the Federal Reserve System has held together so well in America precisely because it is forcing the directors of the Bank of England to adhere to their present policy in England. It is not intrinsically, and therefore not universally, a stable system, and there is plenty of evidence that the Americans themselves are not so sure of it as to be proof against lively fears of a trade slump. The break-up of the concordat between the Federal Reserve Board and the Bank of England would accel-

erate the arrival of the American slump. And since Mr. McKenna's general policy appears to be to make the Bank of England follow the same policy of looking after domestic industrial interests as the Federal Board has been doing in America, he threatens the concordat. No wonder that Mr. Montagu Norman is hurrying over to New York next month to talk to Mr. Benjamin Strong. Looking at the international situation comprehensively we see the Midland Bank seeking an alliance with British industrialism on the one side, and on the other the efforts of the international financial trust to consolidate the alliance of all its central national (!) banks to resist the attack.

Some indication of the success of the Social Credit Movement in its long endeavour to induce Capital to look upwards and not downwards for its real oppressor is contained in the following extract from the *Financial News* of June 17. We have long been convinced that the double industrial crisis of last year was going to cause civil war in financial circles. Now comes the confirmation (our italics throughout):—

"It has been noticed for some time past that relations between one of our leading joint-stock banks and the authorities responsible for the financial policy of this country have been far from cordial. A duel of pin-pricking has been going on, which has been followed with growing disapproval by everybody who realises the need for industrial peace."

Wanted: Goodwill in Finance! Here is an astounding new idea for the sentimentalists. What!—not the master and man after all? . . . *The Financial News* proceeds:—

"This duel has culminated in the frustration by the authorities of a useful and desirable scheme initiated by the bank in question. Doubtless the legal aspects of the scheme had to be taken into consideration. It is reasonable, however, to suppose that, but for the somewhat strained relations between the two interested parties, the scheme would have been examined and discussed in a spirit of good will before it came before the public, and a solution might have been found to satisfy both parties."

The reference, of course, is to the Midland Bank's cheque-notes. Last week we quoted from Mr. Churchill's official statement as follows:—

"While the misunderstanding which arose is regrettable it should be made clear that all parties concerned acted in entire good faith."

The Financial News is making this clear with a vengeance. A "duel of pin-pricking" in "entire good faith" is a new concept. The nearest embodiment of it (like everything new) comes from China, where the gunners on both sides in a battle fire to miss each other's emplacements by previous arrangement; but we must confess that the analogy is far from exact. What the Midland Bank intended to do, and did, was to hurry to give the public a taste of, and a whetted appetite for, the chequelet, so that if and when the scheme was stopped, this act of deprivation would be resented in much the same way as, let us say, "a strike against the community." In the light of this strike-analogy it is humorous now to see the Bank of England jockeyed into the same position as it itself placed the miners when it put its foot down on the subsidy last year. *The Financial News*, too, raises a smile when it regrets that the question was not settled in secret before the public got to know anything of the scheme, much less experience its benefits. Lest its present outspokenness should be imputed to it for inconsistency, we must quote one more passage:—

"As the matter is, in any case, widely discussed in the City, there does not seem any reason to remain silent about it."

If, as we may assume, the *Financial News* accurately reproduces the sense of the discussions referred to, the City itself is disappointed on its own account at the disappearance of the chequelet. We interpret "City" here to be a guarded generalisation of the attitude of the four other joint-stock banks. The "City" means different people at different times. There have, to our knowledge, been times when there has been a good deal of grumbling in City circles, and of a kind not reproduced faithfully in the financial Press (e.g., on the occasion of Vickers' Reconstruction). On the present occasion we must assume that some financial heavy-weights are taking part.

There was a fact given at the luncheon by Mr. H. J. Ward, the President of the British Engineers' Association, which deserves recording. It was that the present average profit in industry was 3 per cent. Later on in the proceedings another speaker capped this with the additional information that 80 per cent. of the 3 per cent. was drawn from reserves. This would bring the actual profit-earnings for a financial year down to the vanishing fraction of three-fifths of 1 per cent. What a city for the Communists to loot! Yet, on the other hand, what a margin to re-divide by the process of peaceful negotiation! None the less, Labour's just demand for the monetary means of a tolerable existence cannot be dismissed. No wonder that Mr. D. A. Bremner emphasised that the problems which industry had to deal with "beyond the powers of individual firms to the powers of united industry would be equally inadequate; whereupon he will be ready (we hope) to repudiate industry's supposed duty to be sole paymaster of the community of consumers, and fasten a large part of that duty upon the credit-monopolists. Under the existing system of industrial costing and pricing, consumers will have to get incomes additional to those paid out by business concerns if they are going to pay industry a reasonable profit on its output. They must get wages, salaries, and dividends as now—plus more from elsewhere. The additional incomes must not be from a subsidy recoverable by taxation; for that is equivalent to withholding the income in the first place. It must be of consumers under conditions which ensure its being devoted to the recipients to the purchase of articles enabled to recover and defray the total cost of its maximum consumable output from home customers—a result which can be shown to be mathematically impossible under existing circumstances.

The Motor of June 7 publishes an editorial reference to our comments made on May 26 apropos of the idea of one of its correspondents to organise a strike of motorists. It expresses agreement with our opinion that this idea is hardly practicable, but says:

"While this journal exists as an organ of motoring opinion it will permit its readers to voice their opinions, even if excusable opinion prompts suggestions which may not seem wholly practicable."

"Entirely outside the extreme policy which our correspondent advocates, there are other ways in which the motorist could retaliate."

Of possible forms of retaliation the article suggests two (1) that motorists might decline to lend their cars to help gain votes for Mr. Churchill in a future parliamentary election; (2) that motorists should organise their voting strength in all constituencies. This kind of plan is of quite another order than that

of Mr. Hamilton Lister, the correspondent in question. Political action is on a different plane from direct action. That is why we drew attention to his proposal and described it as a portent. We rule out all political action of any kind as futile. For several reasons. You have to wait for an election. You have to organise voting power and direct it for or against a certain candidate. Even if you are powerful enough to secure the rejection of the wrong man and get the right man in, pledged to your interests, you are in no better condition than if you bribed a scullery maid to get her master to buy a motor car of you. As a private member he is down among the pots and pans of the Party machine, whether he is on the Ministerial side of the House or not. Even supposing your man becomes Chancellor of the Exchequer you would be in no better case; for that official has to plan his Budget within the framework of a Treasury policy built up by high financial interests outside and above the Parliamentary system. For this reason, by the way, to hit back at Mr. Churchill would not disturb the financiers; and it is they who compelled him to a choice between raiding the road fund or raiding some other which would have got him into equally bad odour elsewhere. In a word, by political action you cause the least trouble to the villains of the piece, and the most to yourself. By direct action you can achieve a much narrower ratio between your expenditure and revenue. Properly carried out, direct action consists in jostling the man next to you in such a way as to force him to help you get what you want. For instance, supposing a strong Motorists' Union advised its members to refrain from making purchases of any kind in a town whose magistrates were collecting fines as a hobby, it could rely on a response out of all proportion to that which would follow appeals for votes during the confusion of a General Election. The time to act, and to draw attention to what you are doing, is obviously when the stage is clear of other performers. That is, between elections. The result of the response would be to make the Town Clerk sit up, for in many cases he is spending ratepayers' money to advertise the attractions of his town. Next, the shopkeepers would feel, or fear, a draught. In so far as work along these lines were enthusiastically undertaken by members the township would begin to realise that virtually it was itself paying for the anti-motorist prejudices of its local Bench. In general, the power of any union of dissatisfied people lies in what is practically the only item of freedom left nowadays, namely, a person's power to choose where he will buy most of what he wants. Once collect a sufficient number of such persons, having sufficient stimulus to convert a buying policy calculated to help forward their ends, and it is surprising the volume of public interest they can arouse in their grievances. Incidentally, this also is the right reply of consumers generally to the perennial grievance shared by all private individuals—namely, high prices. But the trouble is to get them to regard the problem as soluble by any such local method, whereas the truth is that it is feasible precisely because it is local. But, anyhow, we are in danger of starting on another story.

Mr. de Valera's fortunes in the Irish Election constitute what may be called, reasonably for once, a moral victory. Long ago we emphasised the supreme importance of the character of the individual candidates who were to run on the Fianna Fail programme. The present result will impose a searching test on the successful candidates. On the one hand there is their natural and excusable ambition to exercise the privilege which they have won by their exertions. On the other is their pledge to constituents not to take their seats if they have

to take the Oath of Allegiance. Looking at the problem from our own point of view, we should deplore the absence from Irish counsels of the only element which shows evidence of knowing what is fundamentally the matter with Ireland. Those Fianna Fail members who know something of the New Economic analysis will recognise that there is tremendous scope for really good work for Ireland open to them within the wide limitation of the Oath itself. We recognise, however, that a minority, however strong, is not a majority: and if the policy of Mr. de Valera is to keep alive the sentimental issue of the Oath as a permanent asset of his Party while leaving Mr. Cosgrave to pile up the liabilities arising from the mismanagement of Ireland's affairs, all with the view of coming into power later on, the idea is intelligible; but the probable lapse of time before this occurs is a strong objection to it. For Britain to waive the Oath would be a feasible proposition if it did not involve the withdrawal of British naval and military forces from Ireland. Such a suggestion, coming just now when war is "in the air" and every point in the world's strategic game might prove in retrospect to have been a vital one, is foredoomed to failure. To us the only allegiance that is worth consideration is financial allegiance: and in this connection we cannot see Ireland at present detaching herself from London without being attached to New York. She can no more be neutral than was Belgium in the last war—for the same reason, too; she would not be allowed to be. The deadlock is immediately connected with the financial relations of London and New York, and arises, unfortunately, just at the time when, as we have just been pointing out, these relations will have to be adjusted, and when nobody can say whether an adjustment satisfactory to British industrialists can be secured in Wall Street without bringing nearer the danger of a diplomatic rupture. There is one possible alternative. Perhaps the Republican electors themselves, confronted by the spectacle of such a strong body of elected representatives keeping out of the Legislature, may become disposed to lessen the rigour of their mandate. It is not as though there were the counter-attraction of direct action: for Fianna Fail has repudiated violence. But this is a delicate matter. The Party itself is the only body to consider it. We are not certain ourselves that if they had foreknown their success in the Election they might not have modified their programme. But then, we expect most of them are convinced that it was the Oath issue that won the success. So we give it up, adding the futile reflection that if our armed forces in Ireland had only worn the Bank of England's livery instead of the King's uniform the Irish people might have conceded His Majesty the purely formal courtesy about which the Government pretends he is so sensitive. God save the lot of us.

BONDAGE.

I would be wandering in distant fields
Where man, and bird, and beast lives leisurely,
And the old earth is kind, and ever yields
Her goodly gifts to all her children free;
Where life is fairer, lighter, less demanding,
And boys and girls have time and space for play
Before they come to years of understanding—
Somewhere I would be singing, far away.
For Life is greater than the thousand wars
Men wage for it in their insatiate lust,
And will remain like the eternal stars
When all that is to-day be turned to dust. . . .
But I am bound to you in your mean graves,
O Ape-men, simple slaves of ruthless slaves!

SAMUEL F. DARWIN FOX.

The Liberal Revival.

By C. H. Douglas.

In the more usual sense in which the phrase is used, "to be interested in politics" is a futile pursuit. It is a pursuit commonly indulged in by persons who are themselves the sport of politics, and the pre-occupation of the professional politician who has "interests in politics" (which is not the same thing) is to prevent the enlightened voter from realising that he can achieve nothing of importance by the vote while at the same time encouraging him to keep on voting. But there is a sense in which politics are important. The executive and administrative machinery of Government, while now mainly the creature of the professional Civil Servant, can, in the last resort, be given instructions by Parliament. Similarly, although no law of importance takes its rise from any of the democratic sources from which our laws are supposed to proceed, there does (again in the last resort) reside a shadowy power of veto in the faded inheritrix of the glories of Magna Charta. It is, therefore, a matter of some consequence to the powers which rule the country and the world that there shall be no danger of independent action on the part of the instrument which, on the whole, serves their purposes so well. That is why the unreformed House of Lords was doomed.

The understanding of the methods by which this policy is pursued must take its rise from an appreciation of certain general principles. The first of these may be summarised in the Latin tag, "Corruptio optimi pessima"—the worst is a corruption of the best. Assuming, as I am afraid we are entitled to assume, that there is a dark power which is definitely concerned in thwarting the aspirations of the human race and in twisting these aspirations to its destruction, the principle just indicated is of major importance.

It is a principle the truth of which is beginning to be accepted more or less unconsciously. Sheridan pilloried it in the character of Joseph Surface in "The School for Scandal." We do not look with any less suspicion nowadays on our grocery bills because our grocer is the Sunday school superintendent. It is not considered, in well-balanced circles, to be the best certificate of moral character to be unduly severe upon the peccadilloes of your neighbour's wife.

But while this is so, it still remains true that a large percentage of the population of this, or any other, country, is willing and anxious to compensate for a not too humane or even honest practice in the everyday things of life by giving lip service to the condemnation of defects in others, and to the voicing of altruistic ideals, whose elevation is only paralleled by their remoteness from the real desires of those voicing them. Given this situation, it is possible to obtain the suffrages of a majority by the advocacy of moral abstractions, while, under cover of the power thus obtained, carrying out a policy which is the negation of any reality behind the thing advocated.

Let us descend from the general to the particular. The aim of the dark forces with which humanity is grappling is Power—concentrated Power. This involves powerlessness in the individual. By turning mob passions against individuals still possessed of some independence, by such phrases as the "dictatorship of the proletariat," a dead level of servitude is possible. No sane person imagines for a moment that any member of the proletariat, as such, exercises any dictatorship, but equally no

sane person can deny that by such a phrase many other centres of power are destroyed.

Now, so far as this country is concerned, there may be said to be three main and two subsidiary sources of power, and roughly in order of importance they are credit, price-making, production; and subsidiary, administration, and armed force. The power of credit is itself not homogeneous; financial credit is perhaps predominant in it, though spurious in its nature, but social position and personal character are not negligible. It happens to be a technical fact that both social position and a certain inflexibility of personal character have combined in the past with the ownership of land, and whatever may be said against the existence of this situation, the concentration of the power of credit, which is an indispensable pre-requisite to the supreme concentration of power, has been considerably hindered by the existence of individuals who derive their credit from sources which are not financial, and do not entirely depend on exchange, via money, for their importance. If this be admitted—and I do not think it is possible to dispute it—we should expect to find, and we do, in fact, find, a connection between attacks upon such bases of credit, the use of high moral sentiments to cloak somewhat less moral practices, and those financial interests which may be said to represent the desire for concentrated Power.

At the risk of reviving the stale charge of anti-Semitism, it is necessary to point out that this policy is, on the whole, international, and is associated with the international race, the Jews. It might be contended that the association is with international finance rather than with international Jewry, but it does seem to me to be beyond reasonable dispute that international Jewry can be connected with a policy which is even more ambitious than mere money-making. The control of the film industry, the control of the Press, the paramount influence exercised by Jews in wireless communication all over the world, may be cited as indications that control of "kultur" is aimed at, an objective obviously much more important even than the control of finance.

While this influence exists in every political party, it being a fixed principle of the policy to control every party, the Liberal Party in this country in particular has always been a particularly pliable tool because it has allowed its rather windy idealisms to be translated into the general proposition that "the poor are poor because the rich are rich," and has always been willing to suggest that the richness of the rich is ultimately derived from the control of land. It is a party peculiarly sympathetic to propaganda for peace and antipathetic to the removal of the causes of war. It is not unimportant to notice that wherever this policy has become predominant, which is as much as to say almost universally, its first objective has been the landholder, and particularly, of course, the large landholder, and in England the Banker and Financier has a pronounced Liberal tendency.

There are people, not wanting in intelligence, who ascribe the outbreak of the war (as apart from the causes of war) to the determination of the German agricultural interests to shake themselves free from the financial bonds which had been imposed upon them. The first effect of the Bolshevik revolution in Russia, which was unquestionably Jewish in inspiration, was to dispossess the landholder in favour of the peasant, and only to find that the peasant was more difficult to deal with than the original landholder. There are a number of features about Italian Fascism, notably the immense influx of Wall Street finance into Italy, which are suggestive of similar origins. In Great Britain the attack upon the country gentry has come from the same source. Even in the United States the antagonism between the agricultural districts and the financial centres of New York and Chicago is too pronounced to be merely accidental.

To sum up as far as possible what would appear to be the implications of a world-wide policy, it would seem to involve, first, the creation of general dissatisfaction with existing conditions; second, to suggest that this situation is due to the existence of a specially privileged class, and would be remedied by reducing this class to the condition of those who are dissatisfied with Society; and third, that the great protagonist of this situation is Great Britain, and that British "kultur" should be attacked everywhere.

The relation of this situation to the revival of the Liberal Party in Great Britain under the auspices of Sir Herbert Samuel, the Marquis of Reading (Mr. Rufus Isaacs), Lord Jessel, and others equally important but less known to the general public, is therefore a question of importance. Their declared policy is to attack every privilege except that of the financier, and their tactics are to bribe the "have-nots" by dangling before them the spoliation of the "haves," such spoliation being always in terms of money, which they control. In the very grave times in which we now live, and the graver times which seem certainly to be coming, it is clear enough that we cannot look to a mere label, such as "Tory," "Whig," or "Labour" for leadership. But I think it would be a catastrophe of the first magnitude that the present Government, unsatisfactory as it is in many ways, should be replaced or even hampered by one having, as does seem to be the case with the Liberal Party, a strongly Jewish flavour. Beyond that it is only possible to say that the test of any leader in this crisis is simple. Is his first proposal to take something from somebody or to give something to somebody? To tax or to distribute? What he says he will do afterwards is not evidence.

"Since the early part of 1923, while prices of manufactured goods have shown a continuous decline, factory production has increased, and the number of persons employed has been reduced, so that the output per person employed has increased by more than 10 per cent." Commenting on this statement occurring in the May number of the *Federal Reserve Bulletin*, the New York correspondent of the *Statist* of June 4, 1927, says "The shrinkage of the number of adults employed in agriculture has been a phenomenon fairly familiar for many years, and one carefully measured by Federal statistics. The shrinkage in the number of those employed in industry is much less clearly recognised; and measured, if at all, only in broad approximation. Where are these people to go if the number employed in agriculture and industry is shrinking?"

"Mr. Otto Kahn (the American banker) was received to-day by King Albert at the palace and later conferred with Finance Minister Houtard and prominent Belgian bankers. Mr. Kahn is in Belgium to study the economic situation here. He stated to-day that he is quite satisfied with the progress realised with the stabilisation of the Belgian franc."—*New York Herald*, June 1, 1927.

"The question of American investments in foreign countries is receiving much attention and discussion. The trend seems to be persistently upward. Holdings have now reached the vast sum of \$12,100,000,000. Last month alone foreign capital issues taken in the United States totalled \$207,000,000—an increase of 86 per cent. over the same month of 1926. . . . There is always brought up in these discussions the possibilities that might develop when the ultimate payment has to be effected. The interest on loans has been mounting at a very rapid rate. This, of course, may be liquidated from year to year by further borrowings, but there must come a time when the world can no situation will have to be met and when the world can no longer make payments by further loans, and must pay us in goods. Goods then may break over even our tariff barriers, our imports must be increased enormously, and our exports decreased if we wish our loans paid, and the spectacle of an army of world debtors at our doors unable to pay except with an avalanche of goods threatening the shutdown of our great producing machine is not a pleasant one."—*New York Herald*, May 31, 1927.

The Future.

By A. B. Fletcher, M.A.

II.

In making forecasts of the Future with Nature left out, one forecast may well be as good as another. That eclipse of present-day social conditions to which the name Revolution may be mildly applicable is already in progress. It may be regarded as indirectly a man-made revolution, the indirect result of man's purposed striving. But directly it is not. It is merely a symptom; a hectic indication of something wrong. Man-made efforts are not of directive importance in the final arrangement of human affairs; are not causes but only effects; effects of Nature's underground ways of working in the mind of man. Nothing takes the conceit out of man more than the knowledge, sometimes unpleasantly forced upon him, that he is not the owner of the earth but merely a part of it; and that the many benevolent social reforms which have emerged for the good of humanity have not, in reality, been due to his intellectual power, but to the fact that between him and his natural environment the consciousness of a new relation has arisen, a relation which was always present, but of which he only now becomes conscious through the progressive development of his mind. He turns uneasily on his side in his bed, and he awakes next morning arrogantly satisfied that he has turned the bed.

It is this unrestrained tendency towards an extravagant use of his mental powers that causes everlasting discontent to find a dwelling-place in the heart of man; that causes his brain efforts to become abnormal, stretching out unceasingly for new work to do. And it is then that in her grim yet motherly way, Nature steps in. For abnormally developed intellect she has no need. Within her simply-ruled domain there is no work for it to do. The rude dwelling place in which she houses her children is too small for the boisterous play of intellect which tosses about unceasingly seeking something in the unknown. Nature never patiently suffers the continuance of conditions which indicate a trekking beyond the sway of her own laws; and unrest is quickly converted by her into rest by methods rough and ready and peculiarly her own. That man and his social systems should go tumbling to the ground in this rough, rest-compelling process is inevitable; but that after a brief period of pregnant thinking he will speedily rise again is also inevitable. Further, that when he comes to his feet again and begins to adjust himself blinkingly to his surroundings, he should proceed to write books about the great cataclysm, naming in capital letters those of his kind who, according to his reading of the matter, were the means of bringing the catastrophic state to pass, is also inevitable—yet to Nature of no concern.

Books and what is written in books never are Nature's concern. She writes her own history; a quiet and inscrutable record, parts of which may be read but only in a distant and fragmentary way. And she keeps no diary of events. Only when things go wrong does she interfere to put them right. Order, Sequence, Stability of forward movement, or by whatever names they may be known; these are the fundamental properties of Nature's laws. And they have to be obeyed. For when they cease to obtain then the conditions which retard them must vanish. For Nature works automatically. If an affair goes grievously wrong then the grievous nature of the wrong is the very element to put it right. She is the creator as well as the undisclosed director of affairs, and the motives of her acts are to be sought for and operate from behind. She works logically; proceeding from sturdy stubborn cause to sturdy stubborn effect. Man, for all his supreme

position in the hierarchy of her fanciful creations is but one effect; and the role she has allotted to him in her scheme is to strive in her workshops for means of his support; to carry on his race by breeding, and for no other purpose beside. These are the terms of her quiet charter. For the fanciful workings of his impish brain she provides neither material nor tools.

"Live according to your needs," is Nature's quiet injunction, and to that simple law Man's wistfully bold reply is, "I must live according to my mental urge, for it will lead me to the stars." And forthwith, Nature remaining silent, he sets out on his arrogant mental journey seeking a swift road to the stars. But he never attains to the stars. Nature never meant him to make journeys to the stars, but to do a good day's work on the star on which she has placed him. And it is when man, recognising at last this stolidly immovable fact, returns hopelessly to ground that signs of the coming trouble begin to show. If not to the far off beautiful stars then to nowhere else beside; and straightway he sets out to live a hectic short-lived life where he is. Then and thenceforward instability reigns, for his precocious mental activity having outstepped his natural environment, man no longer finds a satisfactory resting place there, and in a state of dispersed mental activity wanders restlessly to and fro. This stage in the long journey of human mental activity is inevitably the end; the end of a civilisation whose mentality has exhausted its resources and has no work in keeping with its high aspirations to do.

In the light of this inexorable law of Nature then, the dispersal of mental activity over a wide area and into so many shallow and tortuous channels is gravely significant. It is significant of decay; not merely the decay of a temporary social system, but of the civilisation under which the social system had a working life as well. It has, therefore, a cosmic significance. Whether or not at the end of successive thought-periods or civilisations, when the thought-process of the human mind will have become so tenuous and refined that no stimulus can be found to move it to practical work, such a refinement will be the disease by which the human species shall finally disappear from off the face of the earth, can not be told. Meantime the human species is on the earth and rudely and resolutely strong; its sole fault being an arrogance which causes it to regard itself less as a creation than a creator, and therefore outside the bounds of Nature's sturdy laws.

It is owing to his capacity for high-thinking that man has hitherto justified his pretensions to be a special creation, with a special destiny. The truth is otherwise. Nature and high-thinking are antagonistic. Man is travelling beyond Nature, and the time is coming when Nature will ruthlessly pull him back.

IF YOU SHOULD THINK

Your eyes are still waters
Under wide stars;
Your voice, wild birds singing
At morning's gold bars.
And there is no beauty
In any land
That shall not straightway
Bring you to hand.

Then if you should think
One day to depart,
Consider the ruin
Unto my heart!
As though a wide army
Were gone sweeping by
And all things lay broken
Under the sky.

A. NEWBERRY CHOYCE.

Views and Reviews.

SCHOOLING (Concluded).

II.

Until this question of amending the economic system to be fit for the folk it professes to serve or shaping the folk to be fit for nothing better than the economic system is decided, even where education is good it is a forlorn fight against too heavy odds. Dr. Pink, chiding the "liberal education" idealists for their impractical belief that the pupil's personality and character can be developed by educational influences, observes that "holding such views, they cannot ignore the need for providing a suitable career for the pupil when he leaves school." This is by no means his only passage revealing how the ideology of nineteenth-century economics overshadows not politicians and industrialists only, but educators. They find it impossible to recognise any use for education other than a more remunerative career. They take it as axiomatic that if a boy be educated he must of necessity turn his knowledge to money-making and to money-making alone, or suffer frustration.

In a will-to-power civilisation individual progress has to be measurable. For many years teachers—because they include many of the despised idealists—have held over the duffers' heads the awful punishment, and dangled before the brighter boy the golden ladder of advancement. Almost every classroom in the land, every parent and child, has witnessed this poverty of incentive to culture other than the possibility of its translation into monetary units of social power. The abandonment of his fellows to their damnation by every child of high accomplishment for the sake of marketing his talent in a higher social class, which teacher and parent alike spurred him to do, has resulted in the commercialisation of even the pursuits of leisure. The village cricketer or footballer of uncommon merit sells himself to a joint-stock company to tour the country like a travelling entertainer. The boy who might have written ballads in Ayrshire goes to London to write leaders for *The Times*. Nowhere is left a place that does not make the intelligent boy ashamed unless he tests his wits by their maximum exchange value in city pounds.

No wonder the choice has to be made between, first, such a revision of the economic system as will entail a less monetary ideology, and, second, a revision of the educational system such as will render the majority of children *impotent to compete for money*. The widespread self-sacrifice of parents to lift their children into the coveted professions, as Dr. Pink says, has resulted, within a few years of the slump in economic expansion, in colleges and universities turning out large numbers of qualified people for whom no suitable employment was available. Unable, through training, upbringing, and the ideology of gain that formed the background of their incentive to study, to make any cultural use of their gifts without first effecting an individual, spiritual, revolution these men and women tend to become disgruntled enemies of society, criminals or communists according to their morale. It is true that "an education completely divorced from the requirements of a vocation is a luxury appropriate only to a leisured class, or a class free from economic pressure." Yet the humanists who believed in the duty of providing culture for all—not of necessity Greek and Latin for all—were not wrong in being ahead of their time by wanting to prepare children for a leisure state. It is their time which is wrong in its reluctance to overtake them.

Dr. Pink's essay is a protest against muddling through in education, which makes it unconsciously humorous in that it yields completely to the wisdom of continuing to muddle through in economics. England has exhausted the first tide of its inventive genius together with the surface and easily available layers of its resources. It stands like some obstinate fellow who will not acknowledge the law that the prodigality of youth must give way for the economy of age, which means not managing with less, but using one's powers more wisely. Growth of men in England is stultified because its economic system is moribund. The truth that it is rare for production to break down, and that the economic system comes to grief again and again for the breakdown of the opportunity to use what is produced dawns on England so slowly that one begins to suspect a breakdown of its native gumption and practicality.

The chapter which Dr. Pink devotes to the universities is excellent in matter and direction. Here, however, culture can be more clearly distinguished from the economic system and its "requirements," although here also the economic successes which have attended research work in practical science have bred a mania for research in every branch, including the humanities. So tight a grip has been taken on the academies by the idea of supreme value attached to research that the ideal of the cultured man has been overlaid by the ideal of the informed man. In the effort to approximate to this ideal the student hunts and peers about for new information of the most detailed character about the most trivial questions. That this multiplication of information brings no corresponding human joy, satisfaction, or power, is an old complaint. One cannot withhold whole-hearted approval of Dr. Pink's text for his chapter, Sir Thomas Browne's appeal for a new codification of learning, for its re-duction, "as it lay at first in a few solid authors; and to condemn to fire those swarms of rhapsodies, begotten only to distract and abuse the weaker judgements of scholars, and to maintain the trade and mystery of typographers." An Accadian tablet, however, noted that "the times are out of joint, everyone would write a book."

Nevertheless, the flood of books almost sweeps away culture. When there were neither monotypes nor newspapers a man might know what was going on all over the world, and keep in intimate touch with ancient thought and new work. Where two or three were gathered together the spirit was among them, since they had studied the same philosophies, read the same tales, experienced the same, both old and new, poems. Conversation was possible in an atmosphere of culture, because the company had unless one know everything one had almost as well know nothing. Every museum in Europe is a prison from which the youth must escape before he can make anything new. When a man takes a degree of learning he strives to stand another barrier in the way of any who would follow him. That terrific struggle in plastic art and poetry to start afresh, futurism, impressionism, post-impressionism, and so forth, is entitled to a good deal of sympathy in that a civilisation which has obliterated the road it has come with false scents and traces, and which does not know where it stands, nor what manner of man it would make, employs its seats of learning to compel others to get lost on the same pathless mountains of books that give no help for the task of living. The budding scholar's delving for the sake of his original thesis on the second cousins of a for-

gotten minor poet is very often of less worth than the mouse making its hole, since the mousehole has a life-value to its maker.

For all who regard the value of a society as influenced by the quality of the human beings it creates, and, along with this, by the quality of what it produces on planes beyond the economic, primarily the artistic and religious, England would merit no future—except, perhaps, as a coal-digger—by the abolition, or even the subordination, of cultural in favour of vocational education for the majority of its town-dwellers. Machinery, whose values are utilitarian rather than artistic, has come to stay, so that a humane culture must for a great many people be independent of vocation. Given the intelligent organisation of the machine system leisure is possible, when the remedy for the present conflict between vocational and cultural education would be to separate them. The obligations of industry could very well be settled by negotiation between a political and cultural sovereign Parliament on the one hand and a subordinate industrial Parliament on the other. It will very likely become the duty of an industrial Parliament to state its educational requirements, and possibly to provide most of them. For the rest, education for leisure—and most of it, since the greatest opportunity will arise there, for the vagabond to whom culture appeals even more than a remunerative career.

R. M.

Drama.

Teatro Delle Piccole Maschere: Scala.

When this notice comes to the hands of readers, the Italian Marionettes will have only a few days longer to run. Perhaps we do not deserve that they should stay longer with us; perhaps, on the other hand, we have some excuse in that they came so quietly. So small an audience for so merry a show is a graver insult to Italy than anything said or sayable of Mussolini. Last time the Marionettes came to London their charivaria continued to be given at the Coliseum after the end of their tenure of the Scala Theatre. It is to be prayed—the occasion almost justifies that prayer be brought into fashion again—that they will not abandon us finally on June 30. These Italians and their performance are too much like summer to be lost in June. The Italian Marionettes are artists—or, rather, the persons who manipulate the marionettes, who design their stage-settings, and who invent their numbers, are artists. Signor Ottorino Gorno, operating-director; Giovacchino and Emma Gorno; A. Prandi; Carlo and Annita Geirola; and R. Mariami are names that suggest nothing to me except that marionette-power seems to run in families. Yet I know of no company of artists, not even Balieff's "Chauve Souris," which better deserves to fill a London theatre for as long as it cares to stay—which will not prevent my criticising some things in their performance.

Marionettes appear to me suitable above all for performing whatever lends itself to burlesque. There must be something in the item chosen familiar enough to the audience to have bred at least the possibility of contempt, though the contempt be as free from malice and resentment as everything the Italian Marionettes do. "The Willow Pattern Plate," a comic opera by J. Gerrard Williams, was not known to me. I found myself trying to size up the opera instead of enjoying the marionettes. Listening to the music, I thought it very far from comic. For the greater part it was monotonous, miserable, and without character, which may be somebody's idea of the oriental without being worth performing. Only in two dances in this opera did the marionettes

seem to find their feet. The remainder, apart from the stage-design, was dull, and the audience, although it whipped itself into the semblance of laughter and applause, thought so, too, or it would not have gone out—quite unnecessarily, as the rest of the entertainment showed—to hire the whole stock of opera-glasses.

Contrast this with the special marionette version of Donizetti's comic opera, "The Elixir of Love." We are familiar enough with Donizetti to speak of his whole school as "all that sort of thing," yet we are conscious also of the freedom and vitality of Italian opera music as against the tongue-tiedness and lung-tiedness of "The Willow Pattern Plate's" music. The English, Scottish, Welsh, and Italian soloists—who were excellent—could throw themselves into Donizetti head first, feeling sure of coming up again. As for the marionettes, they could throw themselves in head first, feet first, or anything you like first. Not an opening for fun was lost, broad or delicate. If anybody did miss anything it was the audience for whom the wealth came in too great profusion to be seizable in the time. In the capers of the children, who were deservedly recalled with enthusiasm, long after they were tired, I almost missed myself the first jump over the bench. In my judgment Balieff's parody of "Il Traviata" was not a patch on this.

"The Dream of Sheba," with its lions and tigers, camels and elephants, in which animal sagacity had given place to human obstinacy, was overwhelmingly comic. But I seriously suggest that the two "oriental instruments"—I cannot use them for pedantic display, since I do not know their names—hammered by two damsels one on each side of the stage-front, either be dispensed with, or their drummers be taught to play them. The one on the left was past a joke. For monotonous drumming there is a right tone; too loud is maddening, as every mother knows, and too soft, maddening, perplexing, or soporific, as every teacher knows. This drumming was loud enough to make me, certain of the protection of unwritten law and of the Queen of Sheba, wish for a gun.

If the Italian Marionettes should decide to remain longer and have a theatre to themselves, I suggest that some of their old favourites—Pumpkin-land, for example—be added to the programme, provided, of course, that the marionettes and their energetic workers can stand it. Once the audience has been boiled up, it should not be allowed to cool. The Italian Marionette show is by no means too much of the same thing. One asks for more. Throughout the Charivaria I think I forgot that the figures were marionettes, so exquisite were their movements. On the last visit I thought that puppet working could go no farther; but I had not seen Bil-Bal-Bul, the African rope gymnast. Such a turn goes to the head and the stomach like a strong drink. It is a criticism, a burlesque, and an epitome of all the acrobatics I have seen. Its gentle and gradual ascent from the first swing, through the clever toe-walking trick to a ferocious rhythm of mad contortion, was not a second too long or too short. Including the firm refusal of any encore, it is as fine a marionette number as one could wish to see.

Charivaria, throughout, from the "Flowers of Melody"—the pun in the rest of the title should be taken out—the Barattino Ballet-Dancers, and Miss Legnetti, the parody Prima Donna, to the Nubian Dancers, was magnificent. It is not so much that these marionettes are funny as that they make human beings look funny. After the marionettes the differences between human beings in social rank and manners are not only less than skin deep, but grotesquely comic. No human sergeant and private can so well divide the little essence that is man from the multitude of tricks that are merely

the trained ape as these marionette figures. Perhaps we are more docilely ready to see our mannerisms and eccentricities taken off by a mechanical figure than by a man, since the former cannot be crowing over us. The Teatro delle Piccole Maschere is as delightful and artistic an entertainment as is to be found in London, and child and highbrow meet in it. In view of the notice that from Monday, June 20, the marionettes will perform Dr. Andrew Leigh's pantomime burlesque, "An Idyll in Ebony," I assume they have taken the "Willow Pattern Plate" out of the bill.

PAUL BANKS.

Pluto and Plebs.

IV.—THE MAGNA CARTA OF THE COMING SLAVERY.

The Ginger-Club *frondeurs* of British Social Democracy—the Wheatleys and Mosleys and Maxtons and Lansburys—are tolerated (and even encouraged as useful stool-pigeons and decoy-ducks. In Nietzsche's phrase, they are Chandala apostles whose mission it is to drench the minds of the workers with "Democratic" drivel and the *delusion* of "subversive doctrine," so that they are induced to believe that the fulfilment of their hearts' desire is a question not of power but of right.

A party is like a sausage-machine, it grinds all the heads together in one mash"; thus Dr. Stockmann in Ibsen's play *An Enemy of Society*. And the party to which these I.L.P. Left-Wing, Back Bench Parlour-Bolsheviks belong is in full and fraternal fellowship and understanding with the Social Democratic Fathers of the German *Zuchthaus Republik*—that ignoble Paradise of *Schiebers* and Thugs—with their "patriotic" war-record of sheepish subservience and stupidity, and their subsequent "Revolutionary" self-exhibition of conceit, incompetence, trickery, greed, sadism, venality, and unprincipled opportunism (all characteristically "Democratic" categories!).

The party to which these pious pacifists owe allegiance likewise maintains communion with those French Socialists who, led by Paul-Boncour, have recently succeeded in passing a Militarisation Act ear-marking for State conscription the lives and liberties (together with the goods and chattels) of every man, woman, lad, and lass in *La Troisième République*—that incredible monument of *petit-bourgeois* vulgarity and corruption; the nightmare thereby developing the pernicious principle of Socialistic *Etatisme* to its only logical conclusion.

But it is needless to multiply examples. The "the International" of Social Democrats—Race!—has had its innings practically throughout the Continent of Europe. And it has accomplished with entire success—step by step, here a little and there a little—the sinister mission with which it was entrusted: *it has tightened up the stranglehold of International Finance, Big Business, and Monopoly*, just when (thanks to the world-war) that stranglehold had been loosened, and when the Peoples might have attained national and economic self-determination—if, at the critical moment, they had not been duped and doped, bamboozled and betrayed.

In due season, therefore, obedient to the pre-arranged schemes of his paymasters, Ramsay MacDonald signalled his advent to "power," as the first Labour Prime Minister of this land, by ratifying the infamous Dawes Plan and selling the German People into abject servitude to Wall Street, lock, stock, and barrel. This master-stroke of meanness and treachery was the crown and climax of the Social-Democratic tragedy—or farce.

The matter deserves more than mere casual reference; for nothing could better reveal the occult

allegiances and hidden purposes of our political Scarlet-Runners; nothing could more completely expose the true nature of their so-called Evolutionary Socialism. What, then, is the effect of the Dawes Plan upon the German People?

Early in 1926, an interesting series of articles, under the general rubric of "The Wasting-Away of Germany," appeared in the Berlin *Lokal Anzeiger*—a newspaper representing sober, conservative, and moderate German opinion. The anonymous (but excellently informed) writer has no difficulty in proving to the hilt, at the outset, that all the post-war evils with which Germany has been afflicted—the impoverishment and ruin of the small *rentiers*, the numerous bankruptcies, the unprecedented financial corruption in high places, the lack of credit, the welter of political helplessness and hopelessness—are exclusive and direct results of the "fulfilment policy" of the German Socialists and Democrats, and of its culmination and outcome, the Dawes Agreement. Which, of course, is (or should be) a matter of common knowledge by this time.

But this abominable state of affairs has been stabilised. Enthroned in Germany to-day there is a foreign Ruler wielding such power as no absolute monarch or Prussian autocrat ever possessed. Not the Reichstag, the Chancellor, the President has so much to say as the "Agent-General for Reparation Payments." I quote:—

"Threefold is his power. He is the lord of our pledged customs and taxes; he is the dictator of our railroads; he is the commander over our finances, our Reichsbank, our trade, our currency. He can—everything taken together—do unto us according to his will."

The servitude of the German People is complete. Through his underlings, this alien slave-driver—at present, one Seymour Parker Gilbert, thirty-four years of age and former Under-Secretary of the U.S. Treasury, decides the discount policy of the Reichsbank and determines the taxes to be paid. As the writer in the *Lokal Anzeiger* again expresses it:—

"He has his spoon in the worker's basin, his finger in the housewife's purse—and they never suspect it. He cuts the official's wages, he dismisses the employees, and they do not know it. He takes the working capital from the manufacturer, he can strangle trade with freight tariffs. . . . The sovereign German Reich can give out no banknotes without the approval and the seal of this foreigner [the Bank Commissioner]. There was never anything similar in Turkey at its worst. . . . O enviable Liberia!"

Meanwhile, the degradation of Germany to the full status of a foreign colony continues right merrily. The well-known Prussian economist, Herr R. Kuczynski (himself a Socialist sympathiser) has recently shown, in the *Berliner Tageblatt*, that *over one-fourth of the productive capital in the entire country is already owned by foreigners.*

It goes without saying that the process of penetration and partition into spheres of influence—the classic *modus operandi* of colonisation—implies such trifles as the systematic destruction of German culture; the wholesale debauching of youth by the importation of a million vehicles of Yankee depravity and bad taste; and intensive industrial espionage and bad taste; and America. *Pari passu*, age for France, England, and America. *Pari passu*, moreover, the German workers are reduced to the level of helots and coolies. Mr. J. M. Keynes has demonstrated how the *entire activity* of the Transfer Committee (which has to say how and how much capital can be transferred at a given moment) will of necessity be concentrated on lowering the living standard of the people.

The details of this ingenious plan were arranged at the London conference in the summer of 1924. In August of that year the Reichstag was jockeyed by its Socialist-Republican-Democratic majority into passing the necessary laws, and the Reparations Commission appointed its staff of international overseers. The requisite blood-money

(\$200,000,000) was raised and deposited in the Reichsbank, which issued a new gold currency; and the Dawes Agreement became effective on September 1, 1924, with the results which we have just described in outline.

Now the point to be noticed is that Ramsay MacDonald's Administration obligingly made itself responsible to humanity for the ratification of this Yankee Charter of Slavery. It is probable, indeed, that if it had refused to do anything of the sort, it would have been driven out of office a few months earlier than was actually the case, and the Plan would have been ratified by a Conservative Government. But at worst a loop-hole would have been deliberately left open for subsequent revision and escape; and at best the Americanisation of Europe would have received a definite set-back.

It is fruitless, however, to rehearse what might have been. The fact remains, plain enough for any fool to see, that international social democracy, whatever its professions may be, has henceforth irrevocably committed itself as the willing tool of international finance. Already this was manifest to all who (like myself) were present at the conferences at Berne and Lucerne in the years immediately following the war, when the assembled leaders consistently failed (or refused) to avail themselves of the proffered counsel and guidance of that great American humanist and financial expert, Mr. John de Kay—in whose text-book "The People's Money," we have a most formidable and authoritative indictment of the existing banking system and of high finance in general and Wall Street in particular.

Sing hey, then, ye *Sansculottes*, for "Socialism in our time!"—while the rod is in pickle for your bare buttocks! Meanwhile, "economic security" will doubtless be offered at the price of your surrender of "political freedom"; and a "minimum wage" as the guerdon of slavery. And when the nationalisation of the basic industries is carried here in England, the capitalists will not be expropriated or driven out: they will continue to draw as interest on loans what now they draw as profits; as officials of the State they will continue to run industry; and as financiers they will control its policy—until the machinery of the Supranational World-Trust is complete in every detail.

SAMUEL F. DARWIN FOX.

Among the Crowd.

An occupation to keep one busy for many lifetimes is that of looking for the conscious mind at work in the world. A piece of straw, whisked by the frolicsome wind, will find a resting-place on the toe of a stone saint on the walls of a cathedral. A hungry sheep, eager for pastures new, will leave some of its coat on the claws of barbed wire, and the puff of wool in time will find its way into the nest of a jenny-wren. Men are straws; men are wool. Chance will sweep one into a crowd, and if the mind is used as a recording instrument, it will require the wisdom of a parliament of Solomons to weave the impressions into anything but jargon. The crowd thinks with its eyes through its stomach.

AT THE TROOPING OF THE COLOURS.

"Here he comes."
"No; that's him with the white plumes."
"Get away; he's in the uniform of a Colonel in the 'Oozars."
"I've been wanting to see this for years. It's a nice day for it. Get in front, son. We got up early this morning. I had a glass of milk off the ice—thick cream 'n' all. The nipper likes it. It did go down well."

DIFFERENT VOICE (full of some undefined emotion): "Yes, lots of folks think that all other countries are better than they think this is if they haven't been out of it when they've seen what I've seen."

YOUNG LADIES (in chorus): "Yes, that's right."
A charming old lady, smiling, and as human as any, is driven past in an open carriage. One gathers that she is doing her duty in the best possible manner, according to her rank, in which she has had as much to say as the man in the moon.

"Here they come!"
THE MILK DRINKER: "Yes, the old Duke is a toff; he takes his walk reg'lar every morning. He's a toff; always raises his hat to you."

Son is trying to get the cheap gold off the programme on to his fingers.

"It won't come off, son."
Blobs of gold paint on son's fingers indicate that Milk Drinker is not a true prophet.

Bored lieutenant is making imaginary circles in the air with his drawn sword.

VOICE (going by at back): "Minnie said that she would be going to Broadstairs if . . ."

UNDEFINED EMOTIONAL VOICE (unconscious that the people around him are not blind): "Look, see, 'ere they are. That's the King; there's the old Duke, and the Prince of Wales and Prince Henry."

GIRL (afraid to take initiative): "Give him a cheer."

ANOTHER VOICE: "You get the best view here."
Son has now crumpled up the programme. The wind blows and the straw drops in St. James's Park, where a tiny young duck is the object of terrific and concentrated attention from an elderly gentleman.

Huge galleon-like clouds are slowly floating across the blue sky; a sparrow without a tail tells its own tale. He, for it cannot be a she, has lost his rudder in a scuffle peculiar to Spring. The wind blows the straw again.

A young Jap is laboriously copying out the inscription on Nurse Cavell's monument: "Patriotism is not enough. I must have no hatred. . . ."

Another gust; two large wreaths, one of laurel, and one of pink and blue flowers, are seen at the foot of Lincoln's statue.

VOICE (on top of 'bus): "When he gets that glassy look in 'is eyes."

Straw this time is walking up a side street. Glancing in through an open door, sees the figure of workman making a wooden hand. Goes on slowly; sees a crowd of women waiting to go in the theatre to see the "Constant Nymph," and further on sees a crowd of men waiting to go in to see Martin Harvey in "Scaramouche."

Straw is blown to a resting-place and takes out Burton's "Anatomy of Melancholy," and finishes with Calverley's Theocritus—"The Two Ladies of Syracuse."

WILLIAM REPTON.

What is Time?

After ages of philosophical speculation on the nature of Time, there has just appeared a book* which advances a theory based on something other than elusive introspection. In the vasty deep of our inner consciousness are innumerable theories; and undoubtedly they will come when we do call to them: but even so the sceptic can still ask concerning any one of them: "But will it *work* when it does come to you?" And he is right to do so, for unless such pragmatic tests are applied the mental energy of the world must be dissipated in purposeless speculation. The scientific spirit is a necessary censor of theories. It does not concern itself with everything that *might be true*, but concentrates on what is *most likely to be true*. It says: "Yes; this is a plausible idea: *now let us make an experiment*." Having made such an experiment and obtained a certain confirmatory result, it says: "Now let us *repeat the ex-*

* An Experiment with Time. By J. W. Dunne. Pp. iv. + 208. (A. and C. Black, Ltd., 1927. Price 8s. 6d.)

periment and see if it always gives this result." But that is not all. It next says: "Yes, we have obtained an unflinching repetition of the same results: but now can we instruct and enable *other investigators* to make the same experiments and get the same results *as and when they choose?*" It is on these latter considerations that many scientists decline to investigate the phenomena alleged to be produced by Spiritualists. They point out (1) that the conditions under which they are told the investigation must be held impose handicaps on their powers of observation (e.g., darkened rooms), and (2) that even then the expected phenomena do not always occur.

Now Mr. Dunne approaches the "Time" question in this spirit. Can he collect facts which disobey the "law" of Time as it is popularly accepted? Can he experience to-day what this law says he cannot experience until to-morrow? He says he has done so. The first section of his book is a compilation of evidence; namely, dreams, and their subsequent fulfilment.

For years he has kept a systematic record of his dreams—recorded immediately on waking, since dreams fade away so rapidly. He now gives case after case of dreams that have been followed a few days later by their counterparts in actual occurrences. He rules out cases of *general* resemblance. For example, to dream of a pile of coins falling over and to see such a thing happen next day is not good enough for him. But to dream of a pile of *sixpences* falling off a *red book*, and to experience the event soon afterwards requires attention. Or to take another instance: he dreamed that he was walking along a path between two fields separated by high railings, when a maddened horse appeared behind him on the path and chased him. He flew along towards a flight of stairs at the end of the path, the horse in close chase. Then he awoke. The next day he saw most of this happen. The horse, the fields, the railings, and the flight of stairs. The divergence was that the horse avoided the stairs, plunged into a river, clambered out, and trotted off.

Facts like these, of course, are not new in character. Similar allegations of dream-fulfilment are as old as the hills. The chief points are that (1) Mr. Dunne's records are numerous; (2) were made at the earliest waking moment, and not recalled only after the ensuing event; (3) the internal evidence of his book suggests that he is a careful experimenter who is fully aware (as he must be as an engineer) of the pitfalls which beset an observer who neglects "controls." Critics may object that he may be either insane or a practical joker. But Mr. Dunne provides means of checking his facts: he claims that under his guidance sceptical friends have proved that similar dream-fulfilments occur to them also. Presumably, then, he invites everyone to make advances on the basis of his experiences, there is no present need to trouble. Here is a case for observing that admirable scientific caution: "Add to facts and avoid conclusions." First: do these things happen? Establish that, and the possible reasons why they happen can be discussed afterwards.

If independent research confirms Mr. Dunne, it will involve some intriguing reactions on psycho-analytic theory. Most probably, if Mr. Dunne had taken his dream-experience with the frenzied horse in turn to Freud, Jung, and Adler, he would have received a most complex mixture of interpretations of his complexes. But the irruption of the plunging horse in the flesh the next day would have upset the applecart. Dr. Adler would probably have come out of the tangle best, for he would have probably interpreted the dream as evidence of Mr. Dunne's "maladjustment to society." Evidently the horse took the same view.

JOHN GRIMM.

Through Savings to Slumps.

Though the authors of *Money and Profits* say that their latest book* attempts to give in popular form the substance of their earlier books, it stresses certain arguments and aspects of the Price-Cost Problem which were hardly to be found in the others. The cardinal thesis of *Profits* was that while Savings are a necessity for the individual and the business firm, they are comprehensively an inescapable force making for the dislocation of economic life. This proposition they established both by inductive argument from statistics and deductive argument from the principles on which business is conducted. And now, again, by less elaborate but quite lucid proofs, they present their familiar explanation of how industrial re-investments lead to business stagnancy.

But they give in addition an explanation of why the system struggles on as well as it does. They also emphasise and elaborate the fact that goods must be sold at "cost plus" no matter how overheads or labour charges per unit may be cut down. They go so far as to attribute the prosperity of the United States very largely to the expansion of the automobile industry, and suggest how superior such an internal expansion is to a wholesale export of capital to undeveloped countries, such as Sir George Paish prescribes in "The Road to Prosperity," which was reviewed in *THE NEW AGE* for March 24. Supplementary to this they place the instalment system. But they are emphatic that the necessary rate of growth of the motor industry cannot long continue, that it is mere chance whether another such phenomenon will arise, and that therefore, while prosperity lasts measures must be taken to prevent the evil day. Similarly, they demonstrate, by a consideration of the "cost plus" formula of price, that instalment-selling also is both inadequate in principle and limited in practice.

They employ the "cost plus" formula (which, as all Social Credit students know, means that the total prices demanded by all producers taken together at all times during excess of the total income distributed at all times during the manufacture of the products they endeavour to sell) to demolish the price-prescription of Mr. Henry Ford. In brief, Ford, they say, has got his cars sold by the bank-credit employed by his trade and retail customers. What is more, Ford is a deflationist in so far as he has avoided bank accommodation and collected cash from the consuming population to form reserves.

But part of the Social Credit analysis is missing from their argument, namely, the Time Lags between (a) the distribution of income and the equivalent accumulation of costs, and (b) the attempt to recover those costs in prices. Nevertheless, they arrive just the same at the conclusion that *consumer income must be supplemented without corresponding additions to producers' costs and prices*.

They propose to discuss how this can be brought about in their next book, and give no proposals of any sort here. It appears as if they must choose between methods, one substantially administrative and the other substantially a matter of principle. Conceivably the Federal Reserve Board, for which they have much praise, or some analogous body, which they have much praise, or some analogous body, could accumulate statistics of income, savings, sales, and prices over a period, and then at their discretion issue to consumers or to Government organisations sums of money calculated to keep business brisk; the Government organisations would distribute them through relief of taxation. Alternatively, prices should be subjected to a formula such as Social Credit proposes, by which the same result would be achieved continuously. The former would resemble the epicycles introduced into the Ptolemaic astronomy so as to make the theoretical calculations fit the facts observed, the latter would be equivalent to the adoption of the Copernican theory.

Messrs. Foster and Catchings are by no means advocates of Social Credit. The sole consideration to which they address themselves is: What must be done to keep business brisk? They justly anticipate all sorts of social benefits to result from this, but they do not consider who should be the beneficial owners of bank credit—the banking system or the citizens; nor whether the proper ownership of capital should reside with the citizens since its development is effected by drafts on the community's assets; nor in consequence do they consider any system of social dividends which would bring about a new structure of society. They would probably say that, given the condition that the prices of consumable goods are equated with the money in people's

* *Business without a Buyer*. By W. T. Foster and W. Catchings. (Houghton Mifflin. 2 dollars.)

pockets, these things can be left to take care of themselves, since the consumer would be master of the situation.

In other chapters they suggest that Mussolini has the power to make Italy a model community; which, indeed, he might. But at present Fascism seems several degrees worse than any other administrative system but the Russian. The current *Round Table* alleges that in Italy—

“there is an acute economic crisis; the cost of living has not gone down; taxation is incredibly heavy; there is a vague feeling of uneasiness, and all the intellectual elements are against the Fascist régime.”

They assert that the Federal Reserve Board has had remarkable success in stabilising price-levels, but point out that as its control extends only to the producing side of economic life, its possible achievements are limited. Finally, they urge that the foreign trade and debt problem of America can only be solved if the people are enabled to consume as much as they produce of consumers' goods or the full equivalent in the products of other countries. An excellent book.

HILDERIC COUSENS.

LETTER TO THE EDITOR.

JAZZ.

Sir,—Apropos of “R.M.'s” association of free verse, rag-time, and the present-day mentality, an inherent feature of jazz is the superimposition by means of syncopation and manoeuvring of fractional time-values, of a fictitious rhythm B, with which the melody synchronises, over and above the underlying true beat A. A is generally in the hands of the drummer, who used to provide the whole orchestra with a stability worthy of the Forsyths, but now manipulates the tin cans of a mountebank. If our attention were not so riveted on his antics, we might discern the banality of B, which is chaotic without A's pendulum, as demonstrated by our writers of free verse, who, one ventures to assume, have not encountered economic necessity, the prime solvent of individual cases of reconstruction. Meanwhile, we continue to open our morning papers to see what the drummer is doing.

A. W. STALKER.

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.

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.

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