

# THE NEW AGE

INCORPORATING "CREDIT POWER."

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## NOTES OF THE WEEK.

When Mr. E. T. Hooley was at the height of his company-promoting activities it was a well-understood thing that any little hack-journalist who wrote a paragraph about him and got it published could tap him at the rate of 10s. a line. There seems to be very much the same understanding with regard to American publicity in general and General Dawes in particular. The only difference is that the financial encouragement is not so direct. The journalist is not conscious of being bribed to write up America; all he knows is that if he writes that sort of stuff he can sell it—and the more flabby the tripe the stiffer the price. In many cases he is commissioned to supply it by editors, who, in their turn, have found out that the more lavishly they drape and festoon their windows with this digestible product the greater the number of prospectus-advertisements that are brought round to their back doors (all at double rates). How it all happens they may not know; but so long as the dubs roll in they have no occasion to inquire. There are to-day a million or so shareholders, every one of whom is praying that American investors will take an interest in their companies, thus sending the prices of their shares up. These people naturally like to see their newspapers decorated with the "good feeling" which is being promoted. No body can blame them; they have had a rough time since 1920, and can do with a bit more money like the rest of us. In the *Star* of June 21 a Mr. Athelstan Ridgway has a two-column panegyric on the American ambassadors, Choate, Page, and Dawes. We notice that of Page he says that he was the "can-did friend."

"Dukes and marquises might be present at a social gathering. He spared them not. Yet who so great a friend of England in time of her greatest need, and withal so warm an admirer." (Our italics.)

It was this same Page who, when we entered the war, wrote off post-haste to President Wilson: "The

British Empire has fallen into our hands." And Dawes is now here to "reconstruct" the property.

We are glad to see that the *Sunday Referee* (June 23) is exposing all this nonsense. "The anti-British section of Wall Street which has already made tremendous inroads on British power by means of financial penetration and economic agreements, is alert to, and will take advantage of, every new weakness that appears in the fabric of Empire." "A Dawes Plan for the abolition of war ratified by Mr. Ramsay MacDonald is unthinkable; it might prove to be a tragic re-enactment, yet another accident of time making him a puppet of our enemies."

Almost the first act of the Labour Government has been to sweep aside the Guardians in West Ham, Chester-le-Street and Bedwelty, who were appointed by the Ministry of Health under the late Government to supersede the elected Guardians in those places. The *Morning Post* calls this "a piece of vindictiveness," but the *Star* opposes that view, pointing out that from the first Labour opposed the substitution of nominees for elected representatives. It reminds the *Morning Post* that in any case the Poor Law system "is doomed from April next" when the powers of the Guardians are to be vested in the county and borough councils.

"What the Government has done is to use the powers of Mr. Chamberlain's special Act to allow the local authorities in these three places to appoint their own Guardians in the interim."

Pursuing its defence of the Labour Government, the *Star* says that its action is a "gesture in the right direction," because the system of Government nominees "could not go on indefinitely." "Poplarism," it concedes, was "unquestionably an evil," and "the areas concerned asked for discipline." The only question was whether they were "disciplined unduly."

"Labour thinks they were, and is now giving them an opportunity to prove it. But unless the new local authorities display a greater wisdom than the old they will place the Labour Government in as difficult a position as its predecessor. The point is of real moment, because it is precisely on such questions, rather than on any positive

measures of Socialisation in its own program, that this Government is likely to come to grief." The *Star* is right; but it is vague about what underlies "such questions" and makes them more vital than major political measures. The explanation is that they are immediately related to the financial doctrine: "Budgets must be balanced." This doctrine over-rides all political principles. The Mansion House interests are quite prepared to stand for the principle of democratic election as long as Democracy makes both ends meet. Immediately it fails, the same interests are equally prepared to apply the principle of autocratic nomination.

Needless to say, the Press is ready to justify either attitude when the City gives the word. So long as the bankers are content, newspapers of all political traditions will sling print at each other in defence of their convictions; but at any moment when given the hint they are ready to adopt the "sagacious" pose and warn their readers that after all we have to "make the system work." And when analysed, the successful working of the system always turns out to mean a book-keeping achievement—ending the year with a credit balance. The *Star* is a case in point. When it says that "Poplarism" asked for discipline, it is referring to the fact that under the elective system the Poplar Guardians failed to get their Budget balanced. Thus, even a dough-faced democrat like the *Star* becomes an iron-faced autocrat directly it sees Democracy with a debit-balance. Of course, the *Star* recognises that there can be such a thing as too much discipline, so is willing to defend Labour's experiment in relaxation. Whether the cane is fetched out again depends on whether the Guardians can now do their sums right.

It is interesting to recall that in regard to those areas where the elected Guardians were superseded it was held to be a great scandal that destitute people should have the power to vote for representatives charged with the duty of relieving destitution. The implication is that democracy begins to break down directly people begin to vote for what they need. Let them vote unselfishly, and then majority-rule can be trusted. Let them renounce their "sectional desires" and seek first the "interests of the community," and then nobody will quarrel with their franchise rights. It requires little reflection to see that when you have a clear issue concerning which people are ranged in two parties, the one desiring to receive grants of money and the other desiring not to make those grants, the doctrine of "unselfishness," if obeyed by either party, will have the same effect as if the doctrine of selfishness had been applied by the other. If unemployed people had always voted for "prudent" guardians, and employed people for "extravagant" guardians—that is to say, if the doctrine of unselfishness had been obeyed all round—there would have been unbalanced budgets all over the country, because, in general, the extravagance-vote would have preponderated. In such a case the financial interests would have been obliged to interfere, either by trying to persuade everybody to vote *unselfishly*, or by imposing nominees who would put matters right without reference to any voters at all. So fundamentally the principle of high motivation is not laid down as absolute: the authorities will invoke or repudiate it with sole reference to the probable budgetary consequences. Whether you are right or wrong to vote for your own side depends on which side you belong to. And the authoritative decision as to which is the right side to be on proceeds ultimately from a ledger ruling. The casting vote is a monetary balance.

There is a parallel situation in international politics. What American statesmen condemn as

"intense nationalisms," in Europe are essentially "Poplarisms" on a national scale. They are symptoms of demands for relief on the part of whole communities, destitute, so to speak, of orders, profits and wages. And just as the moneyless person under the Poor Law cannot get relief where he ought to get it—i.e., out of new issues of national credit created for the purpose and based on the unused productive capacity of the nation—and can only get it, when at all, at the expense of his neighbours, so is every tradeless nation, under financial law, compelled to satisfy its hunger, when at all, at the expense of other nations. In this connection it will be seen that the League of Nations is equivalent to the nominated Guardians: it has been created to persuade populations to forgo what they need for the sake of some vague principle of world-peace and prosperity. The merging of Poor Law administration in with the functions of borough and county councils is an anti-democratic process: it disfranchises the voter effectively, although not formally, by multiplying the issues and confusing his mind. The result is that the politicians whom he elects are able to interpret his "mandate" as they please, just as one has seen a jury answer a series of points put to them by a judge and then sit gaping while counsel decide what the answers mean. Under the Poor Law electoral system there was no confusion at all. The function of the Guardians was to look after the poor and see that they did not starve. People voted, therefore, with one of two objects, to ensure that the humanities should either be observed at *any* cost or brought with the compass of a *prescribed* cost. So when, as in Poplar and West Ham, there appeared a majority of elected Guardians who had appealed for votes on the principle "humanity first," not the most adroit sophist could pretend that their constituents had meant them to do something else. He could not, for instance, say, "Ah, but the votes were really given because Mr. Guardian So-and-so expressed certain views about a street-widening scheme, about assessments, about motoring by-laws . . ." and so on. There was one clear issue; and the majority vote meant that the issue was to be dealt with in one particular way. Readers of these Notes will not fail to see the contrast between democracy thus in action and democracy electing a House of Commons. As if there were not thousands too many *domestic* problems for the House to grapple with, we have seen in the election just ended the whole lot of them obscured in a cloud of international peace-idealism. Fleet Street is now unanimously interpreting the British citizens' mandate as one of promoting Anglo-American concord and reducing armaments. We do not say that they are wrong. People *do* vote for these sentimental slogans. But what they are likely to get by this "unselfish" non-national voting is a system of extortion and repression administered by a European Central Bank. If you vote for any other good than your own good you inevitably consolidate the power of organised finance which means nobody any good.

We asked recently what had become of the group in the Labour Party who were once pressing for the Party to demand the right to elect its Cabinet when Labour next came to power. The newly formed Cabinet is of course a privately nominated body just like the Guardians of whom we have been speaking; and though in form it is Mr. MacDonald who has made the selection, in truth it is other persons who have inspired it. In fact, Mr. MacDonald's tour of India some years ago was arranged for the purpose of giving Lord Reading, the then Viceroy, the opportunity of sizing him up as a possible future Prime Minister, and, if he approved him, of coaching him in his policy and functions concerning Empire affairs. Similarly, as concerns the other

Ministerial appointments, it is almost a demonstrable proposition that no Party could even fight an election successfully unless it had first afforded guarantees that its Cabinet would be a "safe" one.

Although the Labour group to which we have referred neglected to raise the elective issue before the nomination of the Cabinet, we are glad to see evidences of a move on their part to do the next best thing and elect a Committee for the purpose of keeping the Cabinet in constant touch with the wishes of the Labour movement. Exactly what such a Committee could accomplish need not be discussed, but we are amused to see that the very mention of it has touched a nerve in the Beaverbrook headquarters. The *Evening Standard* published a leading article on the subject on June 26, and another leading article on the same subject on June 27. Whether these two consecutive articles are the prelude to a daily serial, time will show. But in any case we hope that our readers who are working in the Labour movement will appreciate the significance of this reaction in Fleet Street, and will rub in the lesson, namely, that if anyone wants sincerely to raise the condition of the workers (and why a Labour party if not for that, first, second and all the time?) he will receive more moral support from THE NEW AGE than from any other journal, and, more important still, much more practical advice on tactics. It is true that we cannot promise quick practical results arising from any Labour tactics, because we know only too well how multitudinous are the occult devices which the financial monopoly is able to use for the frustration of forward movements of this sort. At the same time, and because we know where the strength of the enemy lies, we are able to pre-empt those policies which are best calculated to expose his weakness, and to warn reformers off those which will fail to embarrass him, even when they do not actually play into his hands.

Now the policy of challenging the principle of Cabinet-autocracy is a good one. It has the advantage, from our point of view, that it carries Lord Hewart's attack on the principle of bureaucratic Government by Departmental officials a plane higher than he does. These officials are bureaucrats because the Cabinet is itself bureaucratic. Downing Street is in effect simply an advertising office. Its function is not to do the things that the electorate desires, but to prepare the "copy" and illustrations for putting over what the bankers desire. Therefore if any Labour group can raise a controversy on this matter it can not only evoke disclosure embarrassing to the financial oligarchy, but in doing so it will tend to attract rather than repel the sympathy of a public not necessarily Labour in politics, not necessarily political at all, but a public of the type to whom, for instance, Lord Hewart's book was addressed. The Labour movement in its origin was an economic movement. It was the expression of a rank-and-file demand for more goods and better conditions. And although to-day the business of most Labour politicians seems to be to render that basic demand inarticulate, and even to condemn its articulation as "sectional" and "selfish," the Labour Government must yet stand or fall on the economic consequences of its actions, and not on its idealistic professions. Now the Social Credit analysis has made it clear that to secure an economic dividend the Labour Movement must get economic allies; further, that it can get economic allies, and even more quickly on a frank and honest economic programme than it can get political allies (which it has been doing) on a subtle and dishonest political programme which conceals its betrayal of its duty to the workers. The economic programme must be a united demand

for new credits to expand the home demand for consumable goods. It must be based on the recognition of the *identity* of interest, not the *conflict* of interest, between employers and employed.

Left-wingers in the Labour movement may scoff as they will, but the truth remains that there must either be an economic alliance between employers and employed against the banks, or, if there is a fight, there will be an economic alliance between employers and banks against Labour. In the first alternative the bankers would be helpless, because they are numerically negligible and because they possess nothing essential to the functioning of economic activities. In the second alternative, Labour, for all its numerical strength, would be helpless, because it would be faced once again by an army of volunteer citizens financed by the City and munitioned from abroad if necessary. You have the bankers at one end and the workers at the other, with the employers in the middle. Whichever side the employers take, they carry the army and navy with them. In that fact lies the hope of a bloodless revolution on the issue of private-credit-control versus national-credit-control.

Until the enlightenment both of employers and employed (or more accurately that of their advisers) has proceeded much further, the practicability of such a revolution will not be accepted. So we have to be patient and make the best use we can of every event we see which is likely to lead to a disclosure of the nature, power, and policy of the credit-monopoly. This is why we would like to see the question of Cabinet-autocracy strenuously agitated. It will open things up. As we shall now show, the mention of the idea even of a *consultative* Labour Committee has evoked an attempt by the *Evening Standard* to justify the system of things-as-they-are. Splendid. The more arguments we see put up the better it suits us—even though no replies are permitted.

The *Evening Standard's* first article deals with the "Consultative Committee" which the Parliamentary Labour Party propose to set up. This Committee is to replace the National Executive, which has been absorbed into the Government. It will consist of twelve members elected by ballot, and will meet every month. Of this project the writer of the article says that it raises many points of "constitutional theory and practical politics which must not be lightly passed over." It is characteristic of the Labour Party, which has always sought to "exercise control over its own leaders."

"There were those who would have liked to have had the Government chosen in the same way. This aspiration was successfully opposed by Mr. MacDonald, who was, however, obliged to give at least one formal assurance to the executive regarding the principles on which Ministers would be appointed." But, generally speaking, the Administration was formed in the normal way by the Prime Minister, aided by his principal lieutenants, Mr. Thomas, Mr. Snowden, Mr. Henderson, and Mr. Clynes."

It would be interesting to have the text of this assurance concerning the principle of selecting Ministers in view of the fact that they were actually chosen in the normal way. The only abnormal feature of the selection was the exclusion of Mr. Wheatley, who, as the *Observer* said, was one of Labour's strongest administrators in the last Government. We shall have to assume that the principle applied was that of including only those Ministers who were imbued with the "team spirit," and would be loyal to their captain, Mr. Snowden. For although Mr. MacDonald, as Prime Minister, leads the Cabinet, it is the Chancellor of the Exchequer who effectively controls its policy. In fact Mr. Snowden has publicly

\* In this and all the following quotations the italics are ours.

declared that this was his chief function in the previous Cabinet—that, as custodian of the nation's money, he was bound to veto proposals made by his colleagues when they involved extravagant expenditure. The banks and the Treasury, as the Board of Control of the Money Game, know that in Mr. Snowden they have got a captain who wholeheartedly accepts their laws; and it is natural that in their own interests, and out of consideration for the Chancellor, they should desire to omit from the team a player who not only questions those laws, but is able, given the opportunity, to demonstrate that in theory they are mutually contradictory and in practice collectively disruptive. So we have a "normal" Cabinet; which is another way of saying, a deflationary Cabinet.

The writer proceeds:

"We have now to see how far the appointment of the new Committee involves a departure from normality. On examination it proves to bear the appearance of something absolutely and, in some aspects, *disquietingly* novel in our constitutional forms. *The Prime Minister is not, and never has been, under the British Constitution, the nominee of a party or responsible particularly to any party for his actions.* He is the statesman chosen by the Sovereign as being, on account of the support he enjoys in the House of Commons, the man most likely to be serviceable in the post. Once chosen, he is responsible primarily to the Sovereign and the country, not to the party which he leads."

Let us allow that in constitutional theory the Sovereign chooses a Prime Minister to advise him. The question arises: what is this "support in the House of Commons" which is held to qualify the Prime Minister to give advice to the Sovereign? Is it, in the present case, the support of the Labour Members as the majority-section of the House, or is it the general support of the whole House? That is to say; is Mr. MacDonald's duty that of giving "Labour" advice to the King, or "Coalition" advice? If "Labour" advice, on what ground should it be regarded as improper for Mr. MacDonald to appoint (if he wishes) or accept (if the Labour Members wish) a consultative committee to advise him? If, on the other hand, "Coalition" advice, on what ground is it thought necessary to hold General Elections? Why go to all the trouble and expense of asking the electors whether they like Tom best, or Dick, or Harry, if after they have made their choice Tom, Dick and Harry enter into partnership and form a sort of Constitutional Advice Corporation? Why not form the Corporation first, and ask everybody to vote: "*The King, God Bless Him.*" The whole House would then become one "majority," and could properly permit itself the luxury of appointing three Prime Ministers.

The writer goes on to say of the Consultative Committee that it would appear to be a step in the direction of putting the Cabinet under a "definite party control."

"For this body will not resemble the various 'Ginger' groups and committees which began to take form during the war and which still survive in various shapes in all three parties. *These organisations were self-chosen, and represented nothing but themselves, and while they might prove useful in keeping the Government in touch with general feeling, could be heeded or ignored as it chose.*

"Labour's consultative committee, formally elected by the party, will derive from that origin an authority of a wholly different sort. It will speak with the voice of the party, and, conscious of the fact, is not at all unlikely to adopt a tone of command. If it does so, and if its commands are obeyed, it will become in effect itself the Government of the country."

This mention of "Ginger" groups comes very appropriately, for it reminds us of another group, the "Gold" group, which is self-chosen, which represents nothing but itself, and which every Government must heed and no Government dare ignore.

The *Financial Times*, in a leading article, publicly warned Mr. Lloyd George when he was Chancellor of the Exchequer that the City could destroy any Government which interfered with credit-policy. This means that while a Prime Minister and his Cabinet may in theory have a constitutional responsibility to the Sovereign they have in practice a super-constitutional responsibility to the banking monopoly. It was presumably under the stimulus of this higher loyalty that the late Conservative Government removed the King's head from the national currency-notes—the two "Oppositions" not opposing.

The writer of the article while conceding that the consultative committee is able to speak with "authority," suggests that it may come to command the Cabinet, in which case the Committee would become the effective Government. As a matter of fact the only effective Government is financial Government, which is in the hands of the Bank of England immediately, and ultimately is largely "commanded" by the international merger of Central Banks which has now come into being with the Federal Reserve Board of America as the dominant member. So long as the political heads of any British Government accept the principle that their policy must conform to the laws of finance as now prescribed, or even if they falter on the principle but do not know what alternative laws to put in their place, not only they, but any consultative body which might impose policy on them, would be helpless when the task came of administering that policy. The power that can alter the Bank Rate or the Foreign Exchanges at will can thus obviously create panics in trade and investment circles when it chooses, and can destroy the prestige of any Government of which it disapproves by ascribing the panic to the Cabinet—for which purpose it would use the Press, which it controls. For notwithstanding the huge capital sunk in newspaper trusts and smaller enterprises, the people of whom we speak, even if they do not possess more or less direct control through majority holdings of debentures and shares, could put down as much capital again to create an opposition series of newspapers, and without revealing to the ordinary public that they had done it. As a matter of fact they would not need to put up much capital: they would only need to pass a hint through the scullery-door of Fleet Street that they proposed to do this, and the value of existing newspaper properties would immediately slump like that of the cotton mills; and linotype machines and rotary presses would be exposed on the Official Receiver's market-stalls at two a penny.

So the *Evening Standard* leader-writer need not fear any immediate disasters as a result of the new move of the Labour Party. To do his common-sense justice, he assures his readers that any weakening of the Labour Government under pressure from below would bring about its downfall. This, of course, he can predict because of the fact that Labour is not so strong as the Conservatives and Liberals combined. He concludes as follows:

"But we must ask ourselves what the situation would be if some future Labour Government with an absolute majority were to take office under the control of an elected party committee."

Well, we suppose the situation would depend upon what the party committee wanted the Cabinet to do. There is a wealth of significance in the writer's tacit assumption that Cabinets must always and necessarily be averse from carrying out policies advocated by their supporters. It is, indeed, true: and a good thing would be to "ask ourselves" why it is true. Fundamentally the reason is that bankers' policy is always and necessarily opposed to the instinctive desires of the whole electorate.

bankers' policy is to impose the maximum degree of abstinence on the population. The motive which impels practically every citizen to vote for a Parliamentary candidate is that of maintaining or enlarging his standard of life. This motive is hardly ever realised: like an iceberg, most of it is submerged beneath the surface of consciousness, and the emergent part refracts all sorts of dazzling lights under the sun of idealistic exhortation—so that what is frozen water appears like flaming fire—yet there is no man or woman who does not nourish some vague vestige of a hope that somehow or other the choice of the right Government will in the end improve his or her economic condition. Political propaganda is fashioned to feed that hope; for even in cases where renunciation may be enjoined on the electors there is always the implied assurance that this virtue is a means to a better condition of life.

Now a Cabinet, by reason of its subordination to bankers' policy, must of necessity break contact with the electorate in general and its own section of constituents in particular. For it cannot possibly fulfil the hopes of the whole electorate. That has been demonstrated once and for all by Major Douglas's analysis of the credit-system. The best it can do is to fulfil some hopes by frustrating others. It may conceivably, for instance, decree that there shall be higher earned incomes and lower dividends, or vice versa; but it cannot decree higher earned incomes and higher dividends, because to carry that out it would have to resume the old constitutional right of a Government to create new money. There are already numerous signs that Mr. Ramsay MacDonald's Cabinet is proposing to take the line of no resistance and leave the temporal needs of its supporters to be settled by direct negotiation between employers and employed just as they have always been settled under all Governments. But this is where the Consultative Committee is going to have something to say. According to the Lobby Correspondent of the *Evening Standard*,

"Left-wing members of the Party in conversation say they are out to help the Government all they can, and to smooth its path wherever possible. They do not, however, disguise the fact that they intend to make a *very close assessment of results within a given period.* If these do not come up to expectations, they will become active critics." (Our italics.)

So much for the development within the political Labour Party.

But there is an identical development in the industrial field. And in view of the truth that economic power precedes political power it is a more important development than the first. The General Council of the Trades Union Congress wants the immediate repeal of the Trade Disputes Act of 1927, and contemplates forming a committee to impress this claim on the Cabinet. Now, as our readers know, the repeal of this Act would not be worth twice the average worker. As a matter of fact, it would cost him something because it would reimpose on him the duty of applying to be excused from contributing to the political fund of his Trade Union, whereas now he is automatically excused if he omits to apply for the privilege of contributing. This is the real reason for the hostility of the Parliamentary Labour Leaders to the Act, for they are well aware of the advantage to the Party funds of being empowered once more to exploit the inertia of the workers. Therefore, it is difficult to suppose that the Cabinet is any less keen on the policy of repeal than are the T.U.C. leaders; and if it neglects to adopt it the reason will be that it sees no chance of getting a supporting majority in the House of Commons. It might, because, as we say, the issue is not fundamental and might be decided

either way by private bargaining between the three Party-leaders.

What touches the nerve of Authority is this application of the principle of outside interference with the Cabinet's discretion. The *Evening Standard* says that the word "consultative" is "rapidly taking to itself a connotation of bland menace," and proceeds to remark (our italics)—

"The T.U.C. believes that to it the Government owes its position, and there is at least an element of truth in the belief. It also holds that it has a right to enforce its wishes on the Government, and much effort and *perhaps some unfortunate events* will be required to disabuse it of this notion.

"The interest of the moment centres in Mr. MacDonald's probable reaction to pressure. The facts of the situation are no doubt perfectly clear to him: the question is whether he will be able to get them into the heads of those who are making so many demands upon him. Before the election he promised *certain things.* He is now in office, and the T.U.C., which supported him because of his promises, sees no reason why they should not be implemented.

"There is, however, one reason which is very plain to Mr. MacDonald. *He is in office but he is also in a minority, and he cannot conduct himself as though he were not.* Nor can any of his supporters complain that he should have put himself into such a position, since the *Labour Party Conference was asked to pronounce against any future Labour Government without an absolute majority and emphatically refused to do so.*"

Within its limits this presentation of the situation is an adequate demonstration of the futility of trying to coerce the Cabinet into any action disapproved by both Opposition parties. Speaking in terms of industry, the Cabinet cannot run an employees' policy against a combination of employers. This fact is so plain that there is no ground for the writer to talk about getting it into the heads of the consultative committees. On the contrary he can take it for granted that the sponsors of these committees recognised the situation immediately the election results came out. The "disquieting" feature—the incipient "menace"—of the new development is that it implies a determination on the part of some sections of Labour within and without the House not to accept the logic of the Parliamentary balance of Parties as final. It is the beginning of what we believe to be a rapidly growing disposition among the electors generally to put Parliamentary Government itself on trial. How, exactly, are we all governed? Who, in reality, has the last word in deciding whether any Party's pledges shall be fulfilled or not? Is it Westminster: or is it Threadneedle Street? These are the vital questions of the hour; and if the two new committees will take the trouble to learn the right way to go about their job, and are determined to procure either tangible results for the workers or the resignation of the Labour Government, some illuminating answers to these questions are likely to emerge from the conflict.

In case the Labour Cabinet should seek to justify its retention of office with an adverse balance of power by pleading the event considerably recalled by the *Evening Standard* on its behalf—namely, the vote of the Labour Party Conference—we will submit two answers.

(1) The vote was given under the assurance from the platform that Labour, even in a minority in the House, could produce *some* results worth having; that there was something in the mere being in office which would overcome some of the practical impediments to a Labour policy.

On this point the obvious question that the Cabinet must now answer is: "Now that you are in office, what are the things you *can* do?" The reference would be to something practically useful; not such things as shaking hands with General Dawes, or

shaking fists at the French Republic; and, most important of all, not such things as a scheme of electoral reform which would shut out for ever the possibility of an effective Labour majority in Parliament.

The second answer that we submit is this:

(2) The Labour Party Conference decides its business by block voting. We can remember occasions when the whole of Fleet Street has been up in arms against this voting system, calling it "undemocratic," "oligarchic," "deceptive," and a lot of other adjectives signifying that it did not afford a legitimate mandate for policy. This is only a debating point, but, as such, it is useful. Just as we have said in a previous Note that the Authorities would invoke or repudiate the principle of "unselfish" voting as it suited them, so have they done in regard to the block-vote. And the same test is used: Does the result of applying the principle on this occasion work out conformably with financial law, or does it not?

Anything worth while for anybody is bound to upset somebody's budget. Anything worth while for a nation is bound to upset some other nation's budget. And anything worth while for this planet would upset the budget of some other planet—if the present system of financing production and consumption could have been extended extra-terrestrially. This relation of cause and effect is not inherent in nature; it is the product of an unsound system of book-keeping which can be corrected at any time. The technique of the corrected system conforms with traditional habits, and therefore presents no psychological difficulties; and the results accruing from it will be approved by all sections of society directly they get the first sample. The basic need of men and women is to enjoy life to-day, with the assurance of enjoying it to-morrow and to-morrow, they and their children after them—adequate consumption in perpetuity. The policy and technique of the banking monopoly are designed to serve an opposite purpose—restriction of consumption in perpetuity—the positive objective of this being to encourage the expansion of the means of production in perpetuity. That is to say the banks will finance the pruning away of appleblossoms but will not finance the picking of apples. In this illustration their theory could be defended on the assumption that the pruning made the trees more prolific; but it would cease to be even intelligible as soon as the trees could be relied upon to bear enough fruit season by season to satisfy everybody's requirements. Now, whatever the truth may be about an orchard there is not a doubt that organised industry to-day has the power to multiply the output of consumable goods two or three times. Take any article that was being made a century ago, and a similar article being made to-day, and compare the ratio in each case between the time required to make it and the time required to wear it out in use. Next work out the ratio between the number of people at work then and at work now—or, better, between the total populations. You will get figures which would appear to justify at least a doubling of the rate of consumption even allowing for the wholesale scrapping of machinery and plant that has gone on since the bankers started selling the industrialists up in 1920.

Now the whole political deadlock represents an economic deadlock. Tom, Dick and Harry are short of apples. The Tom Party, the Dick Party, and the Harry Party are in Parliament each to get more apples out of the other two. Picture these three fools, each standing on a mountain of rotting petals and pollen and shouting at each other: "You've got my apples!" The bees they have in their bonnets

are the bees they have put out of work. If they do not wake up and co-operate in a united refusal to allow the City to dictate how and in what measure they shall employ their energy and skill in their economic tasks they will none of them ever get their apples.

Let us finish with the *Evening Standard*. It offers the suggestion that probably an amendment of the Trade Disputes Act is possible, the reason being that at the time it was passed more Liberals were against it than for it. This would "present fewer difficulties" to Mr. MacDonald and "create less necessity for the bargaining he is anxious to avoid than a root and branch repeal." (Our italics.)

"If the Labour Party is to be really a Trade Union Party, with its policy dictated by an extra-Parliamentary body, the T.U.C., it will never be in a majority. We have said before that Mr. MacDonald is in more danger from the demands of his supporters than from the criticism of all his opponents put together. We hope that the danger will not materialise, and that he will be given a reasonable chance to show what he can do."

The obvious comment is that if the temper of Mr. MacDonald and his Cabinet is such that they will not only funk a good row but are anxious to avoid even "bargaining," it will never be worth anybody's while giving Labour a majority. As regards giving Mr. MacDonald a chance to show what he can do, all we would give him would be a "reasonable chance" to announce quite plainly what he proposes to do. Even if circumstances be held to have cancelled his pre-election pledges, that does not excuse him from making post-election pledges. When we see his programme we can judge whether or not it is worth while giving him any chance at all to show what he can do.

#### WAR, DEBTS AND WAR.

A report in the *Sunday Express* of June 30 states that America has formally refused to wait for France to pay up for war-stores. "If not—!" (This is its dark headline.) We noticed in the *Daily Mail* last Thursday that in the town of Nice a General Rambaut, under judgment for debt and notice of distraint on his furniture, had retired into his house with his wife and had fortified it against the bailiffs and police. He had piled furniture inside the door and sand-bags in front of his windows. When an inspector tried to force the door a spray of gas was delivered through the keyhole. He came back with reinforcements equipped with gas masks. The General shouted that if they entered he would shoot his wife and then himself. The police returned with a quantity of tear-gas, which they introduced into the house under the door and through the keyhole. This proved just as ineffectual. The report said that the police were of the opinion that the General and his wife were provided with gas masks. The police were stated to have retired to consider their next move.

"The *Usine Belge* and the *XXieme Siecle* join to-day in a denunciation of what they describe as America's 'egotistical policy.' They urge a boycott of American goods and an European understanding to take defensive measures against American economic methods. The *Usine Belge* more especially condemns American dumping in the motor-car industry. It declares that 70 per cent. of the motor-cars used in Belgium are being imported and sold at lower prices than would be charged in the United States. The *XXieme Siecle* recommends the conclusion of a 'Holy Alliance' against America under the auspices of an economic association patronised by the League of Nations, and invites M. Georges Theunis, its chairman, to promote 'this gesture of solidarity likely to impress Washington.' A B.U.P. message from Paris states that a resolution has been passed by delegates from 500 French Chambers of Commerce, who are meeting in Paris, calling for European Governments to show a united front against 'the exclusive and prohibitive Customs policy of the United States.' The resolution asks that the French Government should immediately undertake measures to further a European entente against the high tariffs which the delegates consider are making it increasingly difficult to trade with the United States."—*Daily Express*, June 7, 1929.

## Freud, Adler, and Dostoevski.

An article in *The Realist* for July, entitled "Dostoevski and Parricide," gives an excellent opportunity for comparison between the psycho-analytic system of Freud and Adler. Before entering into the question, however, may I once again say how magnificent an expositor Freud is. One knows beforehand what his conclusions will be; nevertheless the skill with which he works every strand into his pattern gives one the thrill of a display of magic. On the question of the utility or propriety of the psycho-analysis of works of art, Freud remarks correctly and briefly that the art is not dissected; it is the unconscious motives of the artist which come under analysis. The primal seeds of a work of art are shown to be the same as of all human neurotic conduct and dreams. Indeed, far from harm being done to personalities such as Dostoevski by psycho-analysis, their achievement is more firmly established. The discovery that Dostoevski revealed the origin of his neurosis in his novels as similar to that of all neurosis renders him liberator as well as artist. For more repressed minds he acts cathartically, giving vicarious relief to the pent-up feeling; while for the less repressed he is an illuminator of consciousness.

Adler's account of Dostoevski was given in some detail in THE NEW AGE of December 2, 1926. The two accounts make interesting comparative psycho-analysis, the comparison being quite possible although Freud treats wholly of "The Brothers Karamazov," whereas Adler referred mainly to "Crime and Punishment." In the first-named novel, of course, the possibility of analysis of complex lines on Oedipus is obvious, as is the possibility of extension to demonstrate guilty wishes among the brothers who did not do the actual killing of the father:—

"Parricide is, according to a well-known conception, the chief and primitive crime of humanity as well as of the individual. It is in any case the main source of the sense of guilt."

In primitive humanity, after the tyrant father had been killed by the sons, the latter were left with their hate satisfied and their tenderness, as well as their gratitude for his protection, service, and greater experience, frustrated. This futile and regretful tenderness is closely associated with the sense of guilt. In more civilised times, when the custom of killing one's father is confined to the psychic plane alone—outside the "Playboy of the Western World"—the wish to kill the father and the wish to honour him between with the mother, still exist, and the conflict pressed in religion and neurosis. It is not necessary here to probe into the elaborations of the Oedipus theme which form the novel, and which provide Freud with his warp and weft. What is most striking about Freud's analysis is the paucity of the necessary references to Dostoevski's mother. The Oedipus that hatred and love are ambivalent towards the father. So they are to all significant persons. It requires also the demonstration of "incestuous" desire for the mother. Freud takes it for granted that hatred for the father necessarily originates in "the desire to remove a rival," whereas it is enough for Adler that it is a desire to bring down a tyrant and set one's self up above him. The incest theme is to Adler what Freud would call "over-elaboration," and Freud does not find it necessary to prove it in Dostoevski's case.

Both Freud and Adler see Dostoevski as psychically a criminal. Freud writes:

"Two traits are important in the criminal, boundless egoism and a strong destructive tendency, both in conjunction."

Adler would have said a boundless egoism designed to compensate a sense of inferiority, along with equally boundless self-depreciation. "Am I," Adler quoted as characteristic of Dostoevski's attitude, "a Napoleon or a louse?" For Adler the criminal is not merely a person unable to repress his legitimate father hatred; he is rather one whose destructive egoism has been frustrated by his fellows or environment; and in whom a compensatory non-social egoism refuses to be corrected in spite of his clash with environment. Freud adds:—

"the condition for the expression of boundless egoism and destructiveness is the absence of love."

This is far from an obvious use of love in a Freudian sense, and is almost Adlerian in terminology as well as in spirit. It should surely have been written: "absence of equivalence between self-esteem and evident esteem by others."

Throughout the article Freud speaks in terms more appropriate to a will-to-power psychology than to a *libido* or will-to-voluptuousness psychology. But every now and again he seems consciously to strive to bring back his exposition to the libido theory:—

"The boy wants to be in his father's place because he admires him. . . . At a certain moment the child comes to understand that the attempt to remove the father as a rival would be punished by the father with castration. From fear of castration, that is, in the interests of preserving virility, arises a wish to possess the mother and to remove the father." (My italics.)

The portions italicised are all appropriate only to will-to-power interpretation of the motive. Instead of every punishment being a castration, as Freud later asserts, it is as possible and as true to interpret castration as that form of humiliation which serves as a symbol for all other forms. Men do not decapitate kings to possess queens, nor because kings threaten to castrate them. It is, indeed, the first principle of all governors that their subjects must be provided with at least the means of pleasure though they lack food. Dostoevski was a second son, and as Adler has observed, second sons are commonly very fiery, rebellious creatures; not because there are two "rivals," older brother and father, between them and the beloved mother, but because there are two masters each trying to make the boy a servant. When the father's back is turned the older boy tries to take his place, and the younger has to fight ceaselessly for his right to shine anywhere. That the aim and object of unconscious motive is not possession of (or, rather, voluptuous bliss in the arms of) the mother is evident in that possession would not satisfy him long. Given perfect bliss, the unconscious would deliver adventure fantasies, as Jung has shown.

French psycho-analysts tend to abandon the effort to reduce human motives to one, either to the power impulse or to the sex impulse, and regard the two as both fundamental. It is natural, of course, for a unity to be striven for, inasmuch as the attainment of unity, it seems, would bring the pursuit of motive to an end. But unity has a way of ceasing also to be useful. When the whole world has been reduced to stuff of one sort, even to the work of one God, it is necessary to divide the stuff or the God into two, and later three, for creation to become once more manifest. Even the scientist has a conscious and an unconscious mind, and Freud sometimes appears to interpret motive in terms of will-to-power while re-

fusing to admit that he does so. Every rhythm requires an alternation of emphasised forward strokes and unemphasised recoveries. So it appears in psycho-analysis. For Adler the forward stroke is will-to-power and the back-stroke flight from test; for Freud the forward stroke is will-to-pleasure, the mother being the symbol of pleasure throughout life. It is really time that the pioneers of psycho-analysis resolved some of their differences, at the expense, if need be, of complicating a little of their metaphysics.

Up to now Adler, of course, has managed almost without metaphysics. We will, he seems to say, dispose of metaphysical problems not as persons who cannot move until reality is explained to them, but as persons ready to deal with such questions as they arise, and only in so far as they affect the practical issue. Freud, on the other side, has ventured into metaphysics, without showing any irreconcilable difference between his outlook and Adler's. Life, said Freud, is a conflict between the inherent impulse of energy, the flow into chaos, and an ego force which aims to control and shape this energy. Life is thus a conflict between will-to-pleasure and will-to-power. A healthy person lives a rhythm among power, pleasure, and wisdom, the beat of the rhythm varying according to state of health, period of life, and other circumstances. The neurotic has in some way lost the rhythm. If, for example, the crown points of the rhythm in healthy life are waking, working, and sleeping, representing wisdom, power, and peace, the power neurotic will spend his nights in sleepless planning for greater power on the morrow, or in power dreams; while the pleasure seeker may spend his days in recovering from his nights. Somebody once said of games that the power-seeker could not lose, but the pleasure-seeker could not play. He would not put himself up for test. As long as the co-ordinating mental factor of consciousness remains intact, the individual receives an inner warning when he tends to become too absorbed in any one form of expression, in, say, the pursuit of wisdom too entirely to make use of it; in the pursuit of power too much for sociability; or in the pursuit of pleasure too violently for him either to acquire the power or the wisdom necessary for him to return the pleasure he takes.

Returning to Freud's article on Dostoevski, and acknowledging the truth in his analysis no less than the truth in Adler's, one realises that psycho-analysis has revealed the energy-concentrations in the unconscious mind, without necessarily having formulated the final system of grouping them. It has given us the vision to see the stars, but it has not finally drawn the constellations. Unable to understand or to accept the constellations as drawn by the ancient philosophers, we are offered simplified maps. From Freud's, power is left out; from Adler's, pleasure is left out, wisdom being in both. In Adler's, also, there is a pole-star for health as well as for neurosis; but in Freud's there is a pole-star only for neurosis. Thus we find in Freud that knowledge of neurosis is vastly more differentiated than in Adler, but the reverse applies as regards knowledge of health.

R. M.

#### PROPAGANDA.

Five small stones young David took,  
Five smooth stones from out the brook.  
Which of these, from sling well sped,  
Will get into the Giant's head?

L. S. M.

The M.M. Club will meet on Wednesday, July 3, at the Holborn Restaurant (Kingsway Room), at 6 p.m.

## Drama.

### Red Sunday: Arts.

The events of "Red Sunday" extend from the Russian revolutionary troubles which followed the end of the Russo-Japanese war to 1920, when the Soviet Republic had become firmly established. From a cellar in Odessa, in 1906, the scene moves to Trotzky's lodgings in Siberia; and thence to the palace at St. Petersburg at the declaration of war in 1914. The second act presents a commentary between Lenin and Trotzky in Geneva in 1916 along with the event in St. Petersburg commented upon, namely, the murder of Rasputin. The last act shows, in two scenes, the demoralised and mystical egoism of the Tsar at his arrest, and finally, the death of Lenin. Mr. Hubert Griffith's play accordingly requires consideration from two quite different angles. As news it is better late than never, and as illustrated news it is more memorable than simple letterpress. While leaving the theatre I overheard some charming young person confess to her companion that she had no idea Lenin was so great a man. From the other angle, that of a dramatisation and valuation of the characters who brought about the revolution, and of those who built the Soviet Republics on the chaos, Mr. Griffith's play is of little value. For my part I came away with the feeling that the greatness of Lenin had been more revealed to me in history and in his own writings than in Mr. Griffith's dramatisation. When Lenin died the heaviness of the Russian atmosphere affected every person not insensitive to atmosphere in the world.

The dramatic portrayal of the Russian revolution by members of other nations, that is to say, by spectators rather than by participants, is necessary and inevitable. It had to begin somewhere. For the greater part by far of English people Russians and Muscovites are just such bogeymen as they were in "Love's Labour's Lost." The adult education medium which the Press claims to be has kept our generation ignorant of an experiment destined to crowd other contemporary events out of future history books. Mr. Griffith's play is at least illustrated news which has not had to suffer sub-editing for the sake of the interests of the proprietors of the medium, or of the prejudices of the readers. On the programme a note appears over Mr. Griffith's initials almost apologising for his apparent "unreasonably pro-Bolshevist" sympathy. "Most of the details of character (such as the purity and disinterestedness of Lenin's motives) are taken from such 'enemy' sources as the Memoirs of M. Paléologue . . . As Mr. Griffith says, "the historical facts touched on are to be found in all impartial and non-Bolshevist histories of Russia." So efficient and determined have the controllers of the avenues of information been that any attempt to fill in the blanks of their reports cannot help but appear pro-Bolshevist. The difficulties in which Lenin and his followers found themselves were invariably advertised; the difficulties they were met with, and the miraculous intellectual elasticity with which they responded, were ignored. By his courageous impartiality, that necessarily appears far from impartial, Mr. Griffith has rendered an intelligence bureau service to the British public.

Drama, however, must do more than illustrate and report. The audience already filled with mixed emotions about the men and events of Russia should have had these emotions set free. They should have been levitated into Russia, and made to overflow with the mood and atmosphere of Russia; or, alternatively, they should have been given not a news-reader's view, but a god's view, of the darkness and chaos through which Lenin thought and cut Russia's

path. It may not be impossible for a dramatist to cover so long a period as 1906 to 1920, though such a project seems more appropriate to some other medium than drama. Mr. Griffith obviously directed himself more towards weaving a pattern of men and events than to revealing a man (or several men) against a background of events. For the dramatic pattern Mr. Griffith had in mind the technique of representationism adopted seems insufficient. Impressionism and something besides—the latter to individuate and to throw in perspective the stature of the driving figures—seems vital. The first scene was right. It stimulated visions of Toller and Kaiser surpassed later on, with Lenin, Trotzky, and the rest, emerging as giants in the fog. The second scene, however, was merely an information that Trotzky studied politics and economics intensively at the State's expense in Siberia, and escaped to join Lenin. The third scene, in which the Tsar vows not to make peace as long as one invader's foot is on Russian soil, is entirely preparation for the British ambassador's comment: that the last time the mob foregathered before the palace was Red Sunday. The second act was dramatic, but it dealt with the murder of Rasputin in a manner closely similar to that of the play "Rasputin," produced by the Stage Society, and was far more comprehensible to those who had seen the previous play, or were informed about Rasputin from other sources, than to those who depended on this one. It was also more dominated by the difficulty of murdering Rasputin than by the aim of fixing his significance for the revolution. The murder scene itself was, indeed, so powerful that it moved the focus of the whole play from Lenin to Rasputin. While this is a natural enough temptation for the unconscious spectator, since Rasputin is fascinating and hypnotic whereas Lenin is cold, conscious, and rational, drama should ensure true proportion and focus.

Mr. Griffith, attempting an enormous task, has met with all the difficulties of the dramatist of the modern world, without overcoming them. A play in nine scenes requires to be a rhythmic crescendo of intensity, as only the impressionists have perceived. Nothing less can bridge the eight intervals. Modern political plays have to provide means of thinking aloud, or audiences to which orations can be made. Mr. Griffith attempts both, but in a way that renders the difficulty he was trying to overcome more evident than the overcoming. He draws other characters not by revealing their relationships to mouths, as from Trotzky's orations, the Tsar's soliloquy, Rasputin's garrulity over wine, and Lenin's imaginary interview. Mr. Griffith has performed a critical service rather than achieved a drama. He has shown the location and contents of a treasure-ship hiding material for not one great and much excellent acting, Lydia Sherwood's performance as Alexandra Lvovna, first Trotzky's mistress and then his wife, stood out. She succeeded in reflecting in a very short time all the pathos and tragedy behind men who live for deeds, whether revolutionary or patriotic. George Merritt's Rasputin was also very fine. Nicholas Hannen's Tsar was not sufficiently turned outside in. For the Tsar's flight from failure as God the omnipotent of Russia into mysticism and superstition the actor spoke too easily, too fluently. John Gielgud and Robert Farquharson as Lenin and Trotzky were not furnished by the author with the means to attain the stature appropriate to them, though the latter did everything possible with the material.

#### The Truth Game: Daly's.

Outside Rosine's door, "somewhere in Mayfair," Max Clement has brought her home. The fair face of Max and the much fairer face of Rosine are dis-

covered as still-life profile in a proximity more familiar on the screen than on the stage. Max, come to England to hate Rosine for inheriting a fortune he had banked on, has fallen in love with her; and she with him. If she marries, however, she will lose the money, the fact that it would be his gain, as it turns out, making the loss no easier. She quarrels with him, indeed, for a fortune-hunter pretending to love her in poverty or sickness for his own interests. She marries him in the end, of course, as it was certain she would. "The Truth Game" itself is played at a week-end party. It is a game alleged to be favoured by the polite classes when their masked dislike of one another has welled up beyond control. Under the privilege of sport they allow one another to be damned unpleasant if not criminally libellous. Max, of course, exploits the occasion to make love to Rosine publicly; not covertly, as it is normally made in private, but at a poetic distance, with sweeter meaning for the audience and Rosine than for the other characters. As Rosine, Lily Elsie resembles the adolescent Pygmalion come to life and speech; while Ivor Novello as Max realises that possessiveness which recognises no code and that air of chivalrous spirituality, which, combined, are adolescent love.

This, however, presents only the plot of Mr. Novello's comedy. After a considerable stretch in the first two scenes where the wit is as adolescent as the sentiment, and aristocrats are all lower middle-class in mind, if human at heart, two gorgeous characters for grown-ups begin to occupy most of the frame, Evelyn Brandon and the Lady Joan Culver. The former maintains a position in aristocratic society by earning commissions on the custom of her friends at the shops with which she has, or is just about to have, an arrangement. Lady Joan, the very plain daughter of a duke, has given up trying to please men since the effort would be futile. She cares neither for her own appearance nor for the feelings of others, and her common-sense is delightful. The negotiations between the two on Mrs. Brandon's percentage, if she should obtain for Lady Joan a rich husband and a handsome settlement, are first-class comedy with a bite of healthy satire. The play goes merrily all the time Lilian Braithwaite and Viola Tree, who play Mrs. Brandon and Lady Joan respectively, are on the stage, and their entrances lighten the heart. The flavour of these characters remains when the play is over. That Mr. Novello can do this sort of work is a reason for his doing more of it, and for leaving the other to musical comedy, which youth of all ages can then have to itself.

PAUL BANKS.

## The Screen Play.

### Silence Comes to the Marble Arch Pavilion.

Some little time ago I suggested to the capable manager of the Marble Arch Pavilion that if he would only stand out against the craze for the "talkies" he would, within six months, be able to hang out the "House Full" boards every night. My prediction has been fulfilled in much less time. Only two sound films, one with a synchronised musical accompaniment and the other an "all-talkie," have so far been shown at this theatre, which last week presented two excellent silent films, with results, so far as I can judge, that must have been most satisfactory from the box-office standpoint. Add that the Regal recently showed "The Leatherneck" in its silent form, and that "The Wonderful Lie," also silent, is now having a three weeks' season at so important a house as the Hippodrome, and some of the pointed remarks I have lately been making to members of the film trade as to the lure of the "talkie" being to a considerable



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