

# THE NEW AGE

INCORPORATING "CREDIT POWER."

A WEEKLY REVIEW OF POLITICS, LITERATURE AND ART

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## NOTES OF THE WEEK.

In the *Manchester Guardian* of August 15, the Financial Editor refers to Messrs. Dominick and Dominick's weekly review (New York), which says that during the last five years the Federal Reserve system has participated with other central banks in the extension of credits "designed chiefly to aid in stabilising monetary conditions in those countries." "The first credit of this nature was one of 200 million dollars to the Bank of England when Great Britain undertook the re-establishment of the gold standard." "In the following year the Federal Reserve granted 10 million dollars to the Bank of Belgium; in 1927, 15 million dollars to the Central Bank of Italy, and 5½ million dollars to that of Poland. In 1929, it provided the Bank of Rumania with 4½ million dollars. All these credits have now been repaid." The Financial Editor, in his own commentary, adds the information that in the present year the Federal Reserve system advanced 25 million dollars to the German Reichsbank, and smaller amounts to the Banks of Austria and Hungary. "Finally, last month, 125 million dollars was accorded to the Bank of England." Quoting again from the above weekly review he shows that the last-named credit together with the other of equal amount extended by France (i.e., the £50,000,000 credit recently fixed up by Kindersley in Paris) takes the form of a guarantee to purchase sterling bills to this value upon request. This has, in effect, "relieved the Bank of England of the necessity of discounting these bills itself, and has thus made its reserves available for use in other directions, should they be required." "In the past the Reserve system has frequently purchased sterling bills to prevent undue weakness in the exchange rate." "Such a course could have been followed in the present instance," but it would not have had so "powerful an influence" in "restoring public confidence" as the "formal indication" by Federal Reserve Banks and the Bank of France of their absolute confidence in the position of the Bank of England and the internal strength of the British banking structure."

This is a useful disclosure of the technique of the "confidence-restoration" trick, and of the identity of the interests on whose "confidence" the prosperity of populations depends. Conversely it shows how those interests are able to manipulate the exchanges irrespective of the nature and dimensions of international trade balances which, according to classical theory, are supposed to dominate the course of the exchanges. Further, it is an admission that in Britain and in the other countries enumerated, the back-to-the-gold-standard policy was directly financed by dollars. One recalls with amusement the hat-waving in London on the first day when the "pound looked the dollar in the face," as if British wage-cuts and other methods of confiscating personal property had caused the phenomenon. It can be seen now that this phenomenon of pound-dollar parity could just as easily have been brought about before as after the British people's sacrifices, but was brought about afterwards so as to create the illusion that it was an effect of the sacrifices.

The decision arrived at on August 20 to re-open the Stock Exchange on Saturdays (for the first time since 1917) is a sign of nerves, although at first blush it might appear a sign of confidence, as, in fact, it is being interpreted by the Press. The Saturday banking hours are going to be extended to parallel with those of the Stock Exchange. As every body knows the volume of normal business lately calls for a less, rather than a longer, time of opening. The reason for including Saturday is that the Stock Exchange is a sort of field-telephone-service for the bankers' intelligence department. The latter never know, at the present moment, when something may not happen to start pressure to sell on the part of investors; and they are anxious to get the earliest possible hint of anything of this kind in order to have an opportunity of either doing something to hold up a rush to sell, or closing the Stock Exchange if they cannot. Seeing that the world's cable-agencies and the world's Press are working at full stretch up to 1 o'clock on Saturdays it is obvious that the Stock Exchange and the banks must be on the *qui vive* up

to that time to concert action ahead of the investing public in case of a threatened emergency. After 1 o'clock the public generally break contact with business for the week-end, as do also the staffs of the London Financial morning newspapers. Also, by that time probably all the cables which are of importance from the investors' point of view have been put through—and if this is not the case already it can easily be arranged between the bankers and the cable companies, and, probably, the Press, to hold up "disturbing" news until the Monday morning. We do not profess to know anything: we are simply describing the procedure which we or our readers would adopt if we were in the dilemma in which the bankers find themselves. It should be clear that in the present crisis a rush by investors to sell shares may easily precipitate a run by depositors on the banks. In Germany the banks anticipated the run, and closed their doors a little ahead of the Stock Exchanges. But these two acts are logically complementary, and may be expected to take place anywhere else, if and when they do, in either order, or simultaneously, according to circumstances. Mr. Sydney A. Moseley's paragraph in the *Leader* (recently noticed by us) that the authorities had been considering the closing of the London Stock Exchange, will be recalled. Mr. Montagu Norman has rushed off to Canada with frayed nerves, according to the bankers' newspapers—but according to our guess, is on his way to New York under sealed orders from Dr. Sprague, probably to mortgage another piece of the British Empire to buy some more dollars-worth of "breathing-space." One or two newspapers appropriately stated that Mr. Norman was resting by *doctor's* advice! It should further be noted that the New York Stock Exchange opens on Saturdays at our hour equivalent to 3 p.m. in London. In the present tense situation the New York interests want the London Exchanges to open on Saturday because otherwise they are left without the guidance which London's Saturday price-fluctuations would provide them. At the peak of a crisis, when international bonds or stocks might slip back by ruinous margins at any hour, it is obvious that London's closing down on Friday night would leave New York in a state of nervous uncertainty and virtually have the effect of making reliable price-marking impossible. The proposed date for Saturday opening is a month hence, a delay which suggests that the crisis is not expected to reach its peak point earlier. Perhaps we shall have Sunday opening by then!

We have received the following letter:—

Sir,—I rubbed my eyes at the suggestion in the "Notes" of 20th inst. that Australia might build a "workable model" of Social Credit on a basis of "partial or complete abandonment of wheat-exportation." Surely that is a most unrealistic proposal to make to one of the world's granaries, whose specific product must in its nature be thousands of times in excess of the possible consumption (without considering money in the question at all) of that particular product by the population who produce it!

Am I not correct in supposing that the immediate service of Social Credit to such a country as Australia would lie in the ability to export as much grain as is necessary to pay for desired imports, at anything between the home ratio price of the grain and the world market-price?

If once our argument departs from its essence—the deduction of capital appreciation from prices—it seems to lead even you, Mr. Editor, into speculations which detract from the serious, constructive proposals on which an increasing number of to-morrow's leaders of thought expect to find steady guidance in THE NEW AGE.

W. T. SYMONS.

we recognise that there is room for his making his point—in which case the suggestion automatically falls to the ground. Mr. Symons does not do this. He criticises the suggestion in terms which show that he has substituted a different set of circumstances. Therefore his letter is irrelevant as a criticism: it does not carry on an existing discussion; it starts a new one, and does so, moreover, without specifying what alternative circumstances he is hypothesizing. Let us give an analogy from the chemical laboratory. If we are reading a paper on the behaviour of a piece of potassium in a bottle of paraffin and are pointing out that it remains quiescent and apparently inert, and if someone comes into the lecture hall during the proceedings and contradicts us, stating that the potassium will disintegrate with heat, fire and possibly an explosion, every student in the hall will see that the interrupter is thinking about potassium in *water*, not in oil. Grant him his water, and he is right; but since our frame of reference happens to be oil, he is irrelevant and out of order.

Applying this to the present discussion, our suggestion was based on the following assumptions (a) that a group of great industrial powers was sympathetic to Australia's experiment; (b) that these powers were keen to export goods and averse to help importing goods; (c) that they were prepared to help Australia in a concrete way to "build the model"; (d) that Australia was willing to build it. Now if Mr. Symons likes to say that these assumptions are "unrealistic," all right. In that case there is no object in discussing how Australia would react to a proposition based on them. There is no common ground for debate.

We shall submit one or two further observations in examination of our assumptions. Firstly, take Mr. Symons's description of Australia as "one of the world's granaries." That is how the "City" talks; and it is how Mr. Joseph Chamberlain used to talk—and that is to say that Australia's mission in the world was and is conceived to be that of supplying cheap food while the older nations concentrated on "higher manufactures." That concept has always been resented by Australia, as was shown back in 1905 when the *Melbourne Argus* (we think) told Chamberlain to go and "boil himself"; and it was recently expressed by Mr. Hughes when he attacked Sir Otto Niemeyer. Their attitude amounted to this: "If you think Australia is going to be nothing more than a hewer and digger of primary products for the benefit of industrial countries, you are mistaken." In a phrase:—"Let some other country be a 'world's granary' if it likes: we're after something better than that."

Secondly, with regard to Australia's being able to export wheat [we chose wheat, but we could have chosen wool] at cut prices to "pay for desired imports." This is an important "service of Social Credit" to a country (or group of countries) surrounded by a hostile world which tries to defeat the new policy. But on our assumptions "a" and "c" this would not be the situation. There would be no essential need for Australia to "pay for desired imports" when the countries able to supply them to her were backing the experiment. Further, by assumption "b" it would suit them very well to export the materials and machinery Australia needed. Lastly, with regard to their getting paid, the traditional policy of exporting countries under the present regime is, where possible, to avoid receiving payment and to let the debt accumulate as an overseas-investment. So, in this case, it would cut along the grain of capitalist impulse for the

postulated countries to supply Australia's needs without troubling about demanding wheat or "money" in exchange. Being still (by hypothesis) capitalist countries, a balance of exports would be just what they wanted; while Australia, now (by hypothesis) a Social-Credit country, would welcome a balance of imports.

Thirdly, the Australian Credit Authority would be able to issue credits on accumulated stocks of wheat, and also on future surpluses that might occur while Australia was developing her internal resources and changing or diversifying the character of her domestic production. Therefore the "partial" or even "complete" abandonment of wheat exportation need not affect the economic security of the growers; while on the other hand it should provide them with a little more leisure. The most likely snag in this admittedly speculative analysis lies rather in the relations between the four assumed countries and their banking systems than in whether they could co-operate with Australia to their mutual satisfaction. But last week we began by distinguishing Operative Capitalism from banking, and by implication supposed it to have got control of financial policy; for naturally, if they had not, they would be just as powerless to try out a Social Credit experiment in Australia as to do so in their own areas. We think that the most effective reply to us would be to point out that unless Operative Capitalists had confidence in Social Credit as a safe and practical policy for themselves in their own country they would not put forth the effort to wrest financial control from the banks. If that argument is accepted, there will have been no practical object served by our exploring, as we have done, the consequences of their delegating to Australia an experiment which they hesitated to make themselves. Even so, we do not agree that there is anything in our speculations which should stir up a heresy-hunt.

On the contrary there is nothing that individuals or units of the Social Credit forces can more usefully do at the present moment than to undertake reasoned speculations as to the outcome of impending events, for by doing so they will be preparing themselves, each in his own place, to improvise alternative plans to exploit various opportunities for intervention created by the turmoil all round him as and when they disclose themselves. The reason is that they may find themselves cut off from centralised leadership, and have to think and act on their own initiative. THE NEW AGE may be muzzled, or put out of action in an emergency—so the important question at the moment is not what sort of guidance is to be offered through its columns in the near future but how much use can now be made by our supporters of the facts and arguments they have studied in it during the last ten years.

## The Political Crisis.

A German friend of Mr. Hamilton Fyfe has told me that England has been very near to revolution, or would have been had there been anyone to make a revolution. We have neither Fascists nor Communists, not, that is, to count. The organisation and temperament of England are a source of eternal bewilderment to everyone not English. By what Emerson called "a certain animal sagacity," the English have contrived to muddle themselves into ever-increasing muddle without losing faith that they would muddle through. England has experienced a series of revolutions. It has led the way in the revolution of political, economic, and religious institutions, from Magna Carta to the Finance Act

which demonetised the House of Lords and made way for the Currency Act and the despotism of the Bank. England was first into the industrial system. When politics were a serious and dangerous game it was the refuge of the defenders of liberties and asserters of rights who found no home in their native countries. In England for many years before the European War a thrust and resistance with sensitiveness and elasticity on both sides enabled reform to proceed without serious violence. And throughout all its changes England has never swept anything away. Alongside universal suffrage a hereditary, aristocratic chamber still exists, together with a monarchy and a court. Although power has changed hands and is reflected commercially and financially in the bankers' buildings and their mortgage on all industry, the political institutions do not reflect the new state of affairs, which is reflected personally only in the conduct of the politicians.

The patience of the British people in face of any crisis is one of the wonders of the world. But for that awful patience British industry would have been destroyed between the Machine Wreckers and the Chartist Movement. At this moment the British people goes to its work, if it has work, smokes its pipe, and takes the dog out. If it has not work it waits patiently for better days. Called on again and again for sacrifices and economies since the war, it has invariably, with the minimum reasonable safeguard, made the sacrifices required. The history of the British people during the industrial era has not been in the political changes, which have merely been the mirror of economic changes, but in the development of the trade unions. Deceived by politicians of every colour, weakened by the failure of demand for labour, hardly led at all by their officers, the trade unions are still the fellowship of the best of British man-power. They have still the power, in spite of legislation, to reduce the English civilisation to a ruin.

As long as a people is governed with moderate honesty, or believes it has the chance of being so governed, it is politically neutral, whether it votes or not. It becomes politically positive only under economic pressure. That pressure is being exerted now. The differences between the Labour Party leaders and the Trade Union Congress are the first sign of the existence of healthy man-power in England since the fiasco of the general strike in 1926. It is for MacDonald and Snowden the most dangerous light ever struck, in regard to both their careers and their persons. It is not possible, of course, seriously to respect the mentality of the trade union leaders. They have never been willing to learn anything except from their enemies. With a great force of disciplined character behind them they have never used it to gain anything that would not automatically be lost in the event of such "an economic depression" as they have experienced since 1922. They have been more often careerists than leaders. They have been afraid of the strength behind them, and of not being thought respectable by the forces opposing them. But a rift between them and the Labour Party is a sign of their recognition that the strength behind them will get out of their control unless they resist the politicians' policy, and also means the end of the Labour Party.

What measures the Labour Government will ask Parliament to accept have not been published for the reason that the Government does not know. In spite of its limpet-like tenacity for office, its resignation is certain. It cannot thwart either the Opposition or the T.U.C. and have a future, since it

knows that it is held in general contempt for having no more resource or courage than its rivals for office. Whether it or its rivals attempt to balance the Budget at the expense of the unemployed, the result will be a revolution of some kind in England, for Banker Fascism or for Social Credit. The Communist force, in spite of itself, is insignificant, and the police and military are likely to be loyal to the only order they know, the only order from which they believe their pay can be issued. Whether the man-power which governs on the day following revolution is Fascist on behalf of the bankers and their foreign debtors and creditors, thus effecting the political equivalent of the present economic oligarchy, or Social Credit on behalf of the people of England as well as the foreign debtors and creditors, is the problem of the coming months. Albion is shortly to be thrown down at the crossroads, and the choice will be either to go back or to create the first community in which real credit, the power to produce and distribute, will be the governing factor, and financial credit the reflection and the instrument. If England goes back she will partly hold the world back, but she will certainly cease to be longer a great imperial or world-significant nation. When the crisis which hangs over England is precipitated, as it seems almost certain to be, the loyalty of the Empire will be retainable, if at all, only by an originally creative act in the economic sphere. It is not only a choice between Social Credit or Banker Fascism: it is Social Credit or a charnel-house. It is Social Credit or Macaulay's vision of a ruined London. It is Social Credit or the most miserable and degrading end to a civilisation and a culture favoured by Nature and the gods, built by staunch men of magnificent character, and ruined by its anti-human inheritors and their bailiffs. A. N.

**Retribution.**

I have lately been reading once more *The Fall of Lord Barrymore* by Conan Doyle in his "Tales-of-the-Ring" series. In this old-time story Lord Barrymore was a rake and an unprincipled scoundrel. He had ruined many a girl and publicly insulted many another, and had by this means and others made himself hated by hundreds of men, who were, however, afraid to call him to task because he always went about attended by a "bully"—an ex-prizefighter. One evening two young University graduates accosted him in Vauxhall Gardens, disguised as women—the one old, and the other young. The old one shrieked out an accusation that he had ruined her niece (the other one) and implored him to make her an honest woman. He couldn't get rid of them, and at last began to hustle them. Whereupon the young woman suddenly embraced his Lordship, pinning his arms to his sides, while the old one pitched into the bully and began to box him in expert style. In the meantime a large concourse of people had collected round the struggling group. The climax is described by Conan Doyle as follows:

"Bully Hooper was cowed for the first time in his life by the extraordinary thing that he was fighting. The creature was as elusive as a shadow, and yet the blood was dripping down his chin from the effects of the blows. He shrank back with an amazed face from so uncanny an antagonist. And in the moment that he did so his spell was for ever broken. Only success could hold it. A check was fatal. In all the crowd there was scarce one who was not nursing some grievance against master or man, and waiting for the moment of weakness in which to revenge it. With a growl of rage the crowd closed in.

The italicised passages in this quotation seem to us to provide pregnant lessons to Social Credit leaders.

Those two young graduates might have harangued the aggrieved gentlemen in Vauxhall Gardens *ad infinitum* without stimulating them to do anything. Again, had they attempted their shock tactics in *propria persona* on the night in question, they would have been mauled by the bully and carried unconscious from the scene, as had many others before them. How they got away with it was by staging something unexpected—something "uncanny"—something which caused *irresolution*. At this instant, as Doyle puts it, the *spell was for ever broken—the crowd closed in.*

*Calculation—and The Event*—will teach us how this strategy can be applied to the problem of the Money-Lord and his Political Bully. We do not yet see a way; but we have the assurance that when we do, and when the right surprise is staged, and the irresolution manifested, a crowd of portentous dimensions is ready to close in. For the grievances nursed against the Money Lord are infinite in variety and extent.

He already senses this, and is tripling his guard by hiring three Party Bullies—a "coalition convoy." Nevertheless, there is coming a *last time* when he hustles folk in Vauxhall Gardens.

JOHN GRIMM.

**Some Bank Symbolism.**

Bank Architecture, in common with the rest, is symbolic building. It cannot fail to reflect the times in which it comes into being. It provides documents in brick, stone, and metals for all to read. The curious, if not too intent on the deplorable state of their business, may pause before the new bronze doors of the Bank of England and read into the symbols there displayed whatever they may convey to them.

On the centre doors they will see the statement that "Domus haec regno Gulielmi III. Reg. fundata est," and that "Domus haec regno Georgi IV. Reg. Imp. refecta est." A plain statement of fact. . . . regno Gulielmi III. Reg. . . . a Gulielmo III. Rege. . . .

Above this appear two rods with entwined serpents, or the *Caduceus*, the insignia of the god Mercury, supporting on the one side a ship and on the other two migrant birds and a fist grasping a double *fleur de lys*, with lightning.

The whole is surmounted by the starry hosts of heaven.

Now Mercury was the god of thieves, and he also conducted the souls of the dead down to the realm of Pluto. Even in earliest infancy he stole the cattle of the gods, but upon making restitution he received the caduceus from Apollo, the sun god. Apollo, or the golden disc of the sun, killed the serpent Python and had a temple at Delphi celebrated for its oracle, from which went forth prophecies. The first-named attribute of Mercury is not generally applied to the Bank of England, but his connection with the golden disc and with oracles may well be taken as symbolic of the activities of the Bank.

The ship seems appropriate, though, had it been shown at anchor, or laid up, the symbolism would apply better, perhaps, at the present time.

The two birds, swallows, though native to this country, are migrants; they symbolise swift flight. Of what? one wonders.

Then the fist with the double *fleur de lys* in its power? A deep meaning here surely. The *fleur de lys* or *flower de luce* is considered to be phallic in origin, and signifies fertility; it is also associated with the honey bee—indeed, the beehive is a symbol of another Bank. This combined symbol seems to

show fertility in the grip of something which in its turn is protected by fearful lightnings.

Turning to the right-hand door the observer will find first a nest of snakes surmounted by wings. The myth of the Scorpion, or Snake, exists in many forms, from that of the serpent which tempted Eve down to the symbolic snake spoken of in Protocol 3 of the Learned Elders of Zion. Which of these myths is symbolised here seems to be a matter of choice.

Above this are shown three heaps of coins supported by two Assyrian-looking lions; they are certainly more reminiscent of the waters of Babylon than of those of Father Thames. Why it should be so is not at all clear, but so it is.

The left-hand door is similar as regards the snakes, but in place of the foreign lions there appear the three lions, *passant guardant*, of the Royal Shield of England. The observer may be led at first to regard this symbolism as appropriate, but, on reflecting that the Bank of England is not Royal, or even national, doubts will occur to him. Surely this symbol of heraldry has belonged hitherto of right only to the Sovereigns of England?

AQUARIUS.

**"On Visiting Russia."**

One should visit Russia in a party. Few of us can afford to spend more than a month or so in such a far country; and to have with one a dozen or a score of honest pairs of eyes is a valuable asset. If, for example, twenty persons, wandering at large about Leningrad and Moscow, can certify that they have between them seen no prostitutes, very few beggars, and only about half a dozen "drunks," then it is probable that they have a very fair estimate of the social conditions of these cities.

But there's more than that. The Russians think in terms of "parties." They are sociable. They have internally a growing network of "tourist" routes mapped out for their workers on holiday. It is becoming the normal thing for a number of workers to make up a party to visit the Crimea or the Volga; and the Russian is steadily acquainting himself with his own continent of a land. If a group of fifteen or so workers have formed a "party" to tour the Volga, they keep together as a party; they become a communal group, often take it in turns to act as leader or on committees, and do not conceive that it would be natural or agreeable to stray from the main group.

They think in the same way of foreigners visiting Russia. For groups they can and do cater. They will have charabancs to meet one at the stations and the boats. If one arrives alone, there is nothing for it but to take a drosky—or to use the tram services.

Now the droskys, as far as we could see, were all pre-war. Few or none have been built since the Revolution. They belong to the Museums. The trams are very crowded. Let me add hastily that the shortage of transport is being gradually overcome and that the Leningrad and Moscow trams, though alarmingly crowded, are no horror to the traveller who likes his own species. The Russian crowd is the most humane and friendly in the world; it is content to be massed where there is no help for it, simply because it sees no reason to be anything but content.

To return to the prostitutes and "drunks." There may be prostitutes in odd corners of Leningrad and Moscow. No doubt there are a few surviving, like the droskys. But one may assume that, if the prostitute is to find her clientele anywhere, it is among the fairly well-to-do tourists from Western Europe and America. Our party could record no case of "solicitation."

As to the "drunks," there were a few old men here and there, who had spent their spare wages on vodka. One, I recall, was being assisted gently along through the Moscow streets by a couple of militia-men (police). He waved his hands, gesticulated, and shouted; but there was no police violence. Vodka is the only commodity for which no increase is allowed under the Five-years' Plan. In the vodka shops hang posters proclaiming the personal and social values of sobriety. Russia is not suppressing drunkenness by legal enactment. She is wiser than America. She is slowly directing the desire for drink into other channels.

The drunkard is a figure for satire, as is the Capitalist or the Militarist. In the May-day processions they carry large figures representing the "drunkard"—the man who is helping to retard the creative work of the Soviets. I learn that often in the cities, where a worker is seen returning home drunk at night, a small procession of twenty or thirty of his fellow-workers may voluntarily and spontaneously form itself and march silently behind him till he reaches his door. Not a word is spoken. He is not abused. His neighbours are merely recording their disapproval.

It is advisable often to suspend judgment. For example, we arrived in Moscow at the end of April. Certain of our party called attention to heaps of "muck" lying piled up in many back-yards and along the canal banks. They were inclined to suggest that the Russians had no sense of social hygiene.

But two or three days later, when the sun shone warm, we observed curious trickles of water flowing from these same heaps. A week later we returned to Moscow from Nijni Novgorod, and found that the "muck-heaps" had almost vanished; a few men were shovelling away the last remains of them. Then it was clear. Only a week or two before our arrival, the snows had melted in the Moscow streets; and it had been, of course, necessary to take rapid measures to pile it in waste corners, that it might not cause the canals to overflow.

One should visit Russia; but one should remember that it is painfully easy to project against so vast a phenomenon as the Soviet Union merely one's own private hopes and prejudices and superstitions. Before going, it is as well to know something about the whole movement of events; and in that case one goes rather to make what had been shadow into substance than to "discover the truth." For the truth of such matters lies, curiously, rather within oneself.

F. C.

**News Notes.**

A MATHE-MYSTICAL FORECAST.—In a communication under date August 15 received by one of our readers, and subsequently passed on to us, the following statement is made. "August 23, 1931, is the commencing date of a 286-day period which ends June 4, 1932, during the whole time of which the displacement of Church and State as the Governing Christian lights of this country will be taking place. By June 4, 1932, the position will be complete, and will remain so for 3½ years, i.e., until December 4, 1935." We are putting this on record because it is a more definite and verifiable pronouncement than most of those which proceed from occultist schoolmen. The indicated nature of the change can of course be deduced from Social Credit principles, but the time-measurements are another factor, whose accuracy Time must verify.

FRANCE AND MONTAGU NORMAN.—In a letter dated August 10 from a reader in the U.S.A., he states that paragraphs recently appeared in the newspapers reporting that the French Government was demanding the resignation of Mr. Montagu Norman from the Governorship of the Bank of England.

MONTAGU NORMAN—BIOGRAPHICAL SKETCH.—The Newcastle *Evening Chronicle* of August 17 publishes an article on Norman by "One Who Knows Him." The writer states that Norman's grandfather, Mr. G. W. Norman, was a director of the Bank for half a century, and that his mother's father, Sir Mark Collet, was Governor for two years and a director for a quarter of a century. His principal hobbies are gardening, walking, and reading—"mainly Kipling, whose very words he seems to remember by heart." The writer describes his appearance and dress with something of the exactitude of a police notice advertising for a "wanted" person. For this and other reasons the article is the most useful one that we have seen; and should be consulted by our readers. It is illustrated by a large full-length picture of Norman.

BANK DICTATORSHIP IN AUSTRALIA.—The Commonwealth Bank, on taking over the credit accounts of the Rural Bank in New South Wales, stipulated that *the State should not resume banking in any form.* (*Times*, July 29.) The Commonwealth Bank has announced that it can advance only £4,000,000 for Government needs this month, and that no advances can be promised for September unless all the Governments fully disclose their position and their Budget proposals for the whole financial year. Complete details must be supplied to the Bank by August 31. (*Daily Mail*, August 15.)

## Drama.

### The Life Machine: Garrick.

The Garrick Theatre, "God's gift to the advertisers," is emblazoned with pictures of scenes from "The Life Machine," accompanied by extracts from the newspaper reviews. "The Life Machine" is, to summarise the exhibits calculated to draw the public, the most disgustingly realistic play ever presented. It is alleged, in addition, to be frank, truthful, and pathetic; to be sincere. Finally, only adults are admitted. The theatre is, accordingly, besieged by curious crowds during the day and filled with curious crowds by night: but not, apparently, by the people who want to see a frank, truthful, pathetic, and sincere play. I give no guarantee that any person of common sense will be disgusted by the play. I can guarantee that he or she will be disgusted by the audience. As the play is a moral one, written to attract sympathy for an emotional unfortunate, it would be better from every point of view except the commercial one if admission were restricted to children only. Indeed, there ought to be a National Theatre in which the experiment could be tried regardless of the possible loss. If anyone is to benefit from Miss Mary Grew's object-lesson in sacred and profane love, it is surely those under twenty-one who are forbidden for some reason to see it.

The Young Woman in the play—so she is called—does not enjoy office life. In spite of her inefficiency and late attendance, however, her employer wants to marry her. A dependent mother decides the Young Woman to renounce her visions of youth, ardour, and romance, and to accept the middle-aged financial success whose thought consists of market reports, deep-breathing, and how to swing it on people so that they sign on the dotted line. The honeymoon, conducted by a man who tests the springs of the bed (hysteria in the auditorium), puts one pillow on the other (more hysteria in the auditorium), wants the curtains drawn to shut out the ocean, and is totally ignorant of every emotion except his own right of satisfaction (still more hysteria in the auditorium), is rather more revolting to the woman than the office was. In the maternity home the husband brings his wife roses, but talks her head off in the style of an American pep-salesman. Sooner or later she has to meet a man, and the one she meets is a positive dream-man, young, romantic, adventurous, the sort who has done great, if dirty, deeds on the Rio Grande. Unable to console herself on the memory of her beautiful moment, the Young Woman kills her Babbitt husband, and, when the lover on the Rio Grande furnishes evidence against her character, confesses to the murder, and is electrocuted.

The play belongs to expressionism, but it is too reminiscent, in both technique and content, of Elmer Rice's "Adding Machine," German Expressionism, O'Neill's "Hairy Ape," and other work. While its technique is of the modern theatre, all the morals of the play are Victorian or older: if you want to be independent of your boss you must be efficient and punctual; youth and crabbed age; the downhill path; men are brutes; and so forth. One scene only provoked my admiration of its realism, truthfulness, and sincerity; and caused me to welcome the mind of woman in the theatre. As the young wife lies in bed in the maternity hospital she begs for the hammering outside to stop; but, as the nurse explains, that cannot be, since the hospital simply has to have a new wing. A whole play of that quality would not be so sure of commercial success; but it would be sure of making a permanent mark on both drama and life. I wish the authoress would write the play to which that scene belongs, for in the writing of the present one her sincerity

has been betrayed by the obligation to be theatrical at all costs, which has led her to extreme naturalism when reticence would have struck deeper, and to playing for the guffaw, which, unlike humour, leaves no scars. The acting and Mr. Henry Oscar's production are good. With a minimum of furniture and setting, and a very skilful use of light and stage-space, Mr. Oscar has applied the emphasis where it is due, that is, on the human persons.

### Black Magic: Royalty.

Magic is a tempting subject for the theatre, but it is done much better at Maskelyne's. Because the tricks required for presenting it are so simple, conviction is difficult. When Chesterton's conjurer turned the doctor's red lamp green, one felt like leaving the theatre. Only the subsequent asseveration that the work was the devil's kept one there. When the wind changes in Shaw's "Saint Joan," one smiles at the schoolboy stage trick and receives no light whatever on the miracle. Miracles, in fact, have a right to happen only in actuality; on the stage they should be taboo. The Black Magician in "Black Magic," however, is only a hypnotist, and he performs only those sorceries which a hypnotist undoubtedly can perform, given the consent, as in this case, of the victim. Giles Chalfont, the hypnotist, believes himself a great scientist, on the verge of marvellous discoveries concerning the human mind, though the author's efforts to hint what they might be are very thin. At the time of Chalfont's marriage his wife was the life and soul of the party, a cup-winner and a charmer. She married to help the lonely scientist who needed her, and consented to be material for research into hypnosis. Chalfont's experiment, out of which nothing new could arise, so far as I can see, except the possibility of breeding robots, was to convert her into an empty shell, controlled by his will and thought. To display his power he turns her and turns her back, as he likes, from the empty shell into a conqueror of men and a terror of women, and even exhibits his power to her humiliation before their friends. A lover who knew her down under, a general practitioner with humanity and charity in his heart, rescues her from the scientist-villain. Unfortunately, as the play develops the black magic of the theatre seizes it out of the hands of the author and turns it into a commonplace thriller. This is not censure of the production. The effect, however, is to render one conscious at the wrong time, causing one to ask for what sort of experiment the hypnotist required a laboratory and research staff, why conscious hypnosis was necessary at all for such a man so to affect such a woman, whether the play would not have been better as the portrayal of unconscious hypnosis, where the evidence was that the experiment meant anything at all, or whether the hypnotist was not simply a lunatic.

As long as the author, Nesta Sawyer, permits the acting is excellent, with the single exception that Athene Seyler still distracts attention from the places which require all of it by acting out of her turn. The variety of her gestures has somewhat increased, and she is rather more learned rather less persistently the Athene Seyler of "Mask and the Face." But she has not yet learned that one absolutely inexcusable fault destroys the effect of anything else she may do. While actually on the stage an actor has to make, in a sense, many entrances and exits. The end of a line of dialogue is an exit, since the whole audience turns to the other actor who moves and speaks; and the movement which begins a line is an entrance, which can be effective only if the actor has been still in the interval preceding it. Nothing moves on a stage without the audience turning in that direction. Nothing should move unless the producer wants the

audience to turn in that direction. Athene Seyler still acts all the time. Franklin Dyall's performance as Chalfont is, one has a right to say, "of course," magnificent. His voice is a pleasure to the ears. For Kathleen O'Regan's sake, the play ought to have been slightly altered to give her a right to her Irish accent, which is always delightful to hear. Her performance as the empty shell of a wife was sincere and completely convincing. One did not ask whether the transformation was possible. There it was. As the risen Galatea she will be more buoyant after a few performances, but she would be still more so if her own beautiful dialect had completely set free the expressiveness of her rich voice.

PAUL BANKS.

## Verse.

### By Andrew Bonella.

The new edition of Robert Bridges' "Shorter Poems" (Oxford: 7s. 6d.) is an elegant little book, bound to match the original edition of "The Testament of Beauty"; appropriately, since these two volumes probably contain all of the poet's work that will claim a permanent place upon one's bookshelf. The present volume contains the lyrics which appeared in the selection in the Oxford Standard Poets, together with much that has been published since that was compiled. The most absurd war-poems and the horrible experiments in classical quantitative verse have wisely been omitted. Some readers may miss the long sonnet-sequence, "The Growth of Love," but Bridges was never a master of the sonnet; others may regret "Eros and Psyche," but, though the stanzas run with all the chiming sweetness of technical perfection, this poem lacks the vitality to sustain its length.

It is safe to say that Bridges will rank high among his few considerable contemporaries. His work has a peculiar quality which grows on the reader and which will very likely grow upon posterity. It is not an easy quality to define. I am certainly not competent to do so myself, partly because I foolishly neglected Bridges for some years, misled by the perverse taste of the anthology-mongers; and while there are plenty of obvious and only half-true remarks to be made about his style, one can chatter sagely about technique and craftsmanship and yet leave the reader very much where he started. I have applied, therefore, to a friend, whose judgment of poetry in general is at once subtler and bolder than my own, and who has been reading Bridges closely for a good many years, for a more personal appraisal. He writes:

"For all his faults, some of which I will try to indicate in a minute, Bridges was the most varied and most intricate of English lyric poets. In this era of world weariness there is only one way out for the mind in its 'poetical' moments; and that is the way of 'taking things as they come' in their beauty, oddity, or nastiness. It is the way of natural, almost animal satisfactions; the way of simplicity.

"Now to write poetry or, indeed, to do anything that requires intense feeling, you cannot nowadays be simple with the artless primal simplicity of a child or of Adam and Eve in the Garden. It's too late for that! You must achieve the second and more impregnable simplicity reached by first having come through the 'mess' of modern thought and feeling. That kind of simplicity of heart Bridges had, and it accounts for the occasional bad breaks of banality and awkwardness in him as well as for the beauties.

"To make this point clear, just two examples of others who have failed to reach this stage:

"(1) T. S. Eliot, who has remained stuck in the state of complicated disillusionment through which he should have passed.

"(2) W. H. Davies, who is content with an imitation—the 'faux-naïf.'"

"But Bridges had a fine intellect and a simple heart, and so was able to resolve for himself the rather dreary knots that the intellect ties. He was probably the most learned and certainly one of the most civilised of all English poets, and yet much of his feeling would be the feeling of any decent yeoman in any country or age in the world's history. His manner is often bookish, his matter never is.

"Very well then, Bridges had intricacy of intellect, and however complicated my moods—i.e., however much a complex of heart and head—I can find them in him resolved into simplicity. He is not a great poet of feeling pure and simple: even his tenderness is a tenderness of ideas, and I like it so. Secondly his technique is extremely cunning, and however surfeited one can become with direct and obvious rhythms—unless these frame really 'inevitable' words and sentiments—one never grows tired of his movement. In this sense he is, of course, a 'poet's poet.'

"Last of all, he used the traditional classical ornaments, the accepted similes and phrases, the whole poetical manner of centuries, for decking out a romantic way of thinking. In this he resembles the half-formal half-romantic landscape painters of the early nineteenth century, or even more the 'Parnassians,' and I always shall find this sort of beauty irresistible.

"When a poet has sufficient of the true matter in him to dare to adorn his work with formalities he must—it seems to me—have reached the heart of the problem. It is like your S. John of the Cross, content with the long-established ritual of the Mass since he has discovered the body under the garments. Only the Sitwells in Verse, and Annie Besant in Belief fancy that new clothes are necessary for salvation."

I have only a few comparatively obvious remarks to add to my friend's analysis. Bridges' life was in its circumstance, I believe, unusually happy: having lived to complete his "Testament of Beauty" and to see it accepted as a great poem, no death could have been more fitly timed than his. But the happiness reflected in his poems is not that of circumstance alone; it is the happiness that springs from a true manliness of heart: not the protesting courage of a Browning, or the cold fortitude of the Stoic, but true Christian manliness.

So 'tis with me; the time hath clear'd  
Not dull'd my loving: I can see  
Love's passing ecstasies endear'd  
In aspects of eternity:  
I am like a miser—I can say  
That having hoarded all my gold  
I must grow richer every day  
And die possess'd of wealth untold.

There is something peculiarly stirring to younger blood in the not common sight of an old man who can look back on a well-spent life and boldly say how happy and, what is even rarer, how fortunate it has been; and so pass on

Till pleasure, ageing to her full increase,  
Puts on perfection, and is throned in peace.

Also received: *The Golden Thurple*, by Wilfred Rowland Childe. Cecil Palmer. 5s. *The Goblin*, by Elsie Paterson Cranmer; *The Spring*, by Elsie Paterson Cranmer. The Poetry Press, 29, Kingston-lane, Teddington, Middlesex.

## Review.

*The Second City*. By Montagu Slater. (Wishart. 7s. 6d.)

This story of a street-betting prosecution in, presumably, Liverpool, and its effects on various social layers throughout the city, is readable, as all police-court news is readable. The author hoped, no doubt, to make the story more interesting than a reporter could have done by using his novelist's licence to go behind the scenes. Here and there he succeeds, but only in so far as the method is directly related to the story; his excursions into the psychology of his characters only show how little character they have. This would have been a better book if a complete lowbrow had written it.

M. J.

## The Encyclical Quadragesimo Anno.

II.

["Extracts from "The Social Order: Its Reconstruction and Perfection," by His Holiness Pope Pius XI. Given at Rome, May 15, 1931. (Published by Catholic Truth Society, 38/40, Eccleston-square, London, S.W.1. Price Twopence.)]

**PRINCIPLE OF JUST DISTRIBUTION.**—"The earth, even though apportioned amongst private owners, ceases not thereby to minister to the needs of all." . . . "Wealth therefore, which is constantly being augmented by social and economic progress, must be so distributed amongst the various individuals and classes of society, that the common good of all, of which Leo XIII. spoke, be thereby promoted. In other words, the good of the whole community must be safeguarded. By these principles of social justice, one class is forbidden to exclude the other from a share in the profits." (p. 27). . . . "In this connection it must be noted that the appeal made by some to the words of the Apostle: "If any man will not work, neither let him eat," is as inept as it is unfounded. The Apostle is here passing judgment on those who refuse to work though they could and ought to do so; he admonishes us to use diligently our time and our powers of body and mind, and not to become burdensome to others as long as we are able to provide for ourselves. In no sense does he teach that labour is the sole title which gives a right to a living or to profits.

Each class, then, must receive its due share, and the distribution of created goods must be brought into conformity with the demands of the common good and social justice." (p. 28.)

**THE UPLIFTING OF THE PROLETARIAT.**—"This is the aim which Our Predecessor urged as the necessary object of Our efforts: the uplifting of the proletariat. It calls for more emphatic assertion and more insistent repetition on the present occasion, because these salutary injunctions of the Pontiff have not infrequently been forgotten, deliberately ignored, or deemed impracticable, though they were both feasible and imperative. . . . But after modern machinery and modern industry had progressed with astonishing speed and taken possession of many newly colonized countries no less than of the ancient civilisations of the Far East, the number of the dispossessed masses, whose groans mount to heaven from these lands, increased beyond all measure. Moreover, there is the immense army of hired rural labourers, whose condition is depressed in the extreme, and who have no hope of ever obtaining a share in the land. These too, unless efficacious remedies be applied, will remain perpetually sunk in their proletarian condition.

It is true that there is a formal difference between pauperism and proletarianism; nevertheless, the immense number of propertyless wage-earners on the one hand, and the superabundant riches of the fortunate few on the other, is an unanswerable argument that the earthly goods so abundantly produced in this age of industrialism are far from rightly distributed and equitably shared among the various classes of men.

**PROLETARIAN CONDITIONS TO BE OVERCOME BY LETTING WAGE-EARNERS ATTAIN TO PROPERTY.**—"Every effort therefore must be made that at least in future a just share only of the fruits of production be permitted to accumulate in the hands of the wealthy, and that an ample sufficiency be supplied to the workingmen.

These ideas were not merely suggested, but stated in frank and open terms by Our Predecessor. We emphasize them with renewed insistence in this present Encyclical; for unless serious attempts be made, with all energy and without delay to put them into practice, let nobody persuade himself that the peace and tranquility of human society can be effectively defended against the forces of revolution." (p. 30.)

**WAGE-CONTRACT NOT ESSENTIALLY UNJUST.**—"In the present state of human society, however, we deem it advisable that the wage-contract should, when possible, be modified somewhat by a contract of partnership. In this way wage-earners are made sharers in some sort in the ownership, or the management, or the profits." (p. 31.)

**SUPPORT OF THE WORKINGMAN AND HIS FAMILY.**—"In the first place the wage paid to the workingman must be

\*Note.—Quotations from "Rerum Novarum: The Condition of the Working Classes," Encyclical Letter by Pope Leo XIII., given May 15, 1891, and to which the present Encyclical is an addition and commentary, are given thus " . . . . . " Quotations from the present Encyclical are given thus " . . . . . "

sufficient for the support of himself and of his family. It is right indeed that the rest of the family contribute according to their power towards the common maintenance, as in the rural home or in the families of many artisans and small shopkeepers. But it is wrong to abuse the tender years of children or the weakness of woman. Mothers will above all devote their work to the home and the things connected with it. Intolerable, and to be opposed with all our strength, is the abuse whereby mothers of families, because of the insufficiency of the father's salary, are forced to engage in gainful occupations outside the domestic walls, to the neglect of their proper cares and duties, particularly the education of their children.

Every effort must therefore be made that fathers of families receive a wage sufficient to meet adequately ordinary needs. If in the present state of society this is not always feasible, social justice demands that reforms be introduced without delay which will guarantee every adult working-man just such a wage. In this connection we might utter a word of praise for various systems devised and attempted in practice, by which an increased wage is paid in view of increased family burdens, and a special provision is made for special needs." (p. 33.)

**THE EXIGENCIES OF THE COMMON GOOD.**—"Finally, the wage-scale must be regulated with a view to the economic welfare of the whole people. . . . These goods should be sufficient to supply all needs and an honest livelihood and to uplift men to that higher level of prosperity and culture which, provided it be used with prudence, is not only no hindrance, but is of singular help to virtue." (p. 35.)

**THE RECONSTRUCTION OF THE SOCIAL ORDER.**—"When We speak of the reform of the social order it is principally the State We have in mind. Not indeed that all salvation is to be hoped from its intervention; but because on account of the evil of "individualism," as We called it, things have come to such a pass that the highly developed social life, which once flourished in a variety of prosperous institutions organically linked with each other, has been damaged and all but ruined, leaving thus virtually only individuals and the State. Social life lost entirely its organic form; the State which now was encumbered with all the burdens once borne by associations rendered extinct by it, was in consequence submerged and overwhelmed by an infinity of affairs and duties. It is indeed true, as history clearly proves, that owing to the changes in social conditions, much that was formerly done by small bodies can nowadays be accomplished only by large corporations.

None the less, just as it is wrong to withdraw from the individual and commit to the community at large what private enterprise and industry can accomplish, so too it is an injustice, a grave evil, and a disturbance of right order for a larger and higher organisation to arrogate to itself functions which can be performed efficiently by smaller and lower bodies. This is a fundamental principle of social philosophy, unshaken and unchangeable, and it retains its full truth to-day. Of its very nature the true aim of all social activity should be to help individual members of the social body, but never to destroy or absorb them." (p. 37.)

**HARMONY BETWEEN RANKS IN SOCIETY.**—"Now this is the primary duty of the State and of all good citizens, to abolish conflict between classes with divergent interests, and thus foster and promote harmony between the various ranks of society.

The aim of social legislation must therefore be the re-establishment of vocational groups. Society to-day still remains in a strained and therefore unstable and uncertain state, being founded on classes with contradictory interests, and hence opposed to each other, and consequently prone to enmity and strife. Labour, indeed, as has been well said by Our Predecessor in his Encyclical, is not a mere chattel, since the human dignity of the workingman must be recognised in it, and consequently it cannot be bought and sold like any piece of merchandise. . . . But there cannot be question of any perfect cure, except this opposition be done away with, and well-ordered members of the social body come into being anew, vocational groups namely, binding men together not according to the diverse occupations in the labour-market, but according to the nature of the functions which they exercise in society. For as nature introduces those who dwell in close proximity to unite into municipalities, so those who practise the same trade or profession, economic or otherwise, combine into vocational groups. These groups, in a true sense autonomous, are considered by many to be, if not essential to civil society, at least its natural and spontaneous development.

Order, as the Angelic Doctor well defines, is unity arising from the apt arrangement of a plurality of objects; hence, true and genuine social order demands various members of society, joined together by a common bond." (p. 39.)

(To be continued.)

## Propaganda "Down Under."

[Extracts from a letter dated June 27, 1930, addressed by a correspondent in Brisbane, Queensland, to a friend in London.]

The past fortnight has been a busy time for me: four lectures, a dozen long interviews, a three-hour meeting to talk to Christian Scientists, four long talks with the Chairman of the Chamber of Manufacturers, items for the Press, two long letters in the "Queensland Worker" to the Unemployed, two classes, two hours each (most exhausting, especially when we get new members who can settle the whole matter in about two meetings—our secretary calls them colts, and I've got to break them in, and do, quite successfully after about two meetings, and then they become real good workers), daily correspondence and dispatching books, visiting booksellers, delivering books and collecting money, and, about the most troublesome of all, keeping some rough accounts of book sales. Also I've got out and had printed 5,000 copies of a four-paged pamphlet, so that all the groups could have something of a "General Statement" to distribute, in a form appealing to all. Yesterday I wrapped and sent away fifty-six packets. A good result from my booklet has been getting funds for the group; they have it at just over cost price. I've also had twenty minutes on the wireless and can have more; I was told by listeners that every word was clear and distinct. Then, again, I've got to look over the articles, etc., which two of our members are advanced enough to write, and some are very good. I send you one\* in "The Professional Officer." This is one of the best, most sincere, converts I've got. He's having a 1,000 of his article printed, and I told him to add the quotation from the "Encyclopaedia Britannica."

Well, the manufacturers' lunch lecture is perhaps the most important thing I've had yet. I send you the notice sent out and the newspaper reports, with a picture. There were nearly twice the number present that usually attend the lunch, and there were not enough tables, and the thing, so far as the lunch was concerned, was disorganised. Of course, that didn't affect me; numbers I wanted, and we had about seventy. There were four bank managers, three collectors, the Registrar-General, and the Government Economist present, specially invited, as was also our association executive. They gave me five minutes extra and were exceedingly attentive. I sold about £2 books and got rid of three dozen *New Economics* (the enlarged number). The chairman suggested an evening meeting to hear me at greater length and give a chance for questions; but this has now grown to a special meeting of the Combined Chambers of Manufacturers and of Commerce and the Merchants' Association—the three most important bodies in the industrial and commercial world here. A personal letter is being sent to each member, and the Chairman of Manufacturers said he'd carry the hat round to pay expenses!

I've had three long talks with him as to the ground it is best to cover, and he is, I feel, quite as eager as I am to impress, if not to convince them. I've lent him Douglas's books and he's read "Economic Democracy," and his son has also (they're setting up here now). This meeting comes off July 5, and I'm hoping for good results. The Chairman says that if he sees it and feels it's sound he'll advocate it for all his worth.

I'm also to lecture to the Master Builders' Association and one or two small bodies.

My classes are growing in numbers and enthusiasm and knowledge. The circulation of the *New Economics* has increased much, and my little book† is in its 7th edition!! When I gave the printer the order at the end of May he asked if he should date it June. I said "No, we shall not be out of the 6th till well on in July, so date it July." But on June 16 I'd sold over 500 of the 7th edition, with the date of publication down for July. They begin to sell in N.Z. now, and I get odd orders from England now and then. I am amazed at the way it has sold. I've been told by the two best booksellers and the writer of "The Book Collectors' Mail" that my book has broken the record by reaching the 7th edition in six months. I still get a lot of letters, and nearly all require careful replies. They are, almost without exception, complimentary. It's all very gratifying and encouraging, and I feel my early labours were not spent in vain.

Scullin and Theodore have caved in, and I fear Lang

\* This is reproduced at the end of this letter.  
† "Real Wealth and Financial Poverty." Price 6d., post free 10d., obtainable from the Credit Research Library, 70, High Holborn, W.C.1.

is going the same way, having got the interest reduced. I'm quite sick of the politicians. The Sydney Social-Credit Group are "white anting" the Labour Party there, and the L.P. are getting vexed. Well, I mustn't begin another page.

## The Ultimate Prospect.

A FANTASY.

By J. T. S.

[Reprinted from *The Professional Officer* (Australia).]  
I have just returned. A few days ago I was stranded at dusk at Werribee Station, and to employ my idle thoughts I bought the "Engineers' Nocturnal Daily." On the news page I read, "A Great Invention—Man Free"—when time must have parted and left me in a gulf of the eternal. Matter is transient time ever recurring, which makes it pleasant travelling to hell. Eternity, in its aspect of hell, focused itself in a vacuum under Werribee Reservoir. The inhabitants were terribly emaciated, and so weak that they passed through each other without protest; and they were all busy throwing flames as high as they could, obviously trying to burn their way out. I saw floating about the etern millions of the damned spirits—dead. I enquired the cause of the trouble, and was deafened by a shout of "Machine," and all fingers (you can have a finger of red flame) pointing to a machine that covered several acres. I examined it and read on the framework the English words, "Automatic - Simultaneous - Production - Consumption - Machine." It slowly dawned on me that this machine was the cause of the dead and dying. It was making and consuming hell's goods unceasingly. If any devil tried to snatch a jealous-pea, or a moralic-acid-bean, he was drawn in and consumed—of course, he went through the production mechanism—he must have devoured himself. I caught hold of a concentrated imp as she ricocheted off a relativity cavity in blue. Between libations from my flask, and squeaks and faintings from the imp, I elicited the following story. They have a precept in hell that a devil—human or divine—cannot eat unless he works. Their engineers had invented machinery for making the goods, and as the devils could not touch the stuff without contaminating their morals, the engineers made a machine for every devil, and as the production would quickly have filled hell up, they made them "Production-Consumption-Machines." They then made them automatic. I helped the devils to burn out the bottom of the reservoir.

## St. Peter's Market.

(This story was told to the Canadian House of Commons on June 5, 1922, by Mr. William Irvine, M.P., in a speech on the Budget which he devoted almost entirely to an exposition of the Douglas Credit Proposals).

There was in the parish of St. Peter's in the Island of Guernsey great need for a public market. A number of enterprising citizens organised themselves into a committee and proceeded to raise the necessary money in the usual way; which was to go to the Governor and secure his assent to the issue of interest bearing bonds to be sold in Paris or London.

When the committee presented their case to Governor de L'Isle Brock, he asked them the following pointed questions: "Have we the necessary number of mechanics to build the market house?"

"Have we the material, the rocks, bricks, lumber, lime, and sand, tools and teams as well as the food supply necessary during the operation."

To these very pertinent questions the answer came from the committee that they had. Then the governor spoke to them as follows:

Here you tell me that we have within ourselves everything needed to build a market house, yet you desire me to bond you to the bankers in Paris or London for a material which is of no manner of use in the construction of the house. Strange anomaly! Is it your intention to build a market house for bankers? If so, then you are correct in your endeavour to get paid by those bankers, but in such case, you should not place yourself under bondage to those bankers besides. If those bankers pay you for the house and hold you in bondage also, demanding an annual tribute, they will soon have both the house and the money they paid you. It will be no relief to say that we make the renters of the market stall pay that tribute to the bankers. The renters will be part of us, and will demand of their customers that tribute in higher prices for goods. So we, jointly, will have to pay tribute

in perpetuity for an article which, as I said, is not of any use to us. Allow me, gentlemen, to propose a better plan for building our market house, than by way of money and bondage. Having, as you avow, men and materials among us, all that is necessary to do in the case is to keep account of each man's contribution in work or materials, that in the future we may balance equitably the expenses of the building. This can best be done by means of a money which lays no claim to interest nor discounts. Instead of bonds, I will issue \$22,000 market house scrips of different denominations (as money) and with these pay the men and purchase the materials, then make these scrips receivable, at par with the legal tender money of the realm, for the rent of the market house stalls.

The committee took the advice of the governor. The market was built. The rent of the stalls was used to recall the scrip, and in ten years all had been recalled, and the building stood as a monument to co-operative financing.

A special anniversary was held by the community to celebrate their co-operative success. The governor, in a speech to the people, pronounced the following impressive tribute:

Well done, good and faithful servants. While living you have performed your work with equity, and now departing you leave no interest-extorting bonds, nor mortgaged home behind, but, instead, you open the portals to a brighter financial era. May the toilers learn wisdom from this example

Fellow-citizens: For the first time in the history of this Island you have learned to make your own money, you have built your own market house without borrowing one cent, without losing one cent in discount, and without paying one cent in interest. Now, when everyone who contributed work or materials has been fully paid, as attested by the return of the scrip, the house is yet your property. Henceforth, the rent of the same will be appropriated to the expenses of the government, and hence lessen your taxes.

Turning then to the market house and pointing to the flag floating at its cupola, he exclaimed in loud tones:

Behold a monument to your financial wisdom, and as good as if built with borrowed gold. May future generations profit by your example.

## Banks Under Suspicion.

[The following is extracted from an article in *The Business Week* (New York) of May 13.]

One of the many ominous revelations at the meeting of the United States Chamber of Commerce last week was the inarticulate antagonism that has developed in the average business man towards bankers and banking philosophy during this depression. Again and again one encountered uncomfortable evidences of the widespread feeling that the creative purposes of modern business management had been and were being somehow frustrated by the conservatism and hostility of financial forces. Irritation was specially evident toward some bankers' condemnations of business and labour for over-producing, over-expanding, and over-spending, and the platitudes about thrift and hard work which so often constitute the financial diagnosis of depression and its decalogue of recovery.

In the depression of 1921 farmers everywhere felt they were the victims of a Federal Reserve conspiracy of deflation—a delusion that has left an uncurbed complex in national politics ever since. Now, in this depression the small business man is convinced that business was somehow first sold up and then sold out by the banks, and that the unfortunate events of the past few years were steps in a subtle and pervasive conspiracy of the country's credit agencies to re-establish the control over industrial management and commercial enterprise which they had been losing through the development of free financial power and resources outside of the regular banking system in recent years.

Looking backward to the biggest bull market of all time, the small investor asks who it was that encouraged him in the belief that he was buying an equity in the prospective profits of unlimited industrial advancement and permanent business progress; who invited him to borrow without limit to realise these opportunities of the new era; and he remembers with rankling resentment the security affiliates of the banks and the towering pyramids of investment trusts fostered by them.

The reminiscent worker asks himself who finally financed the instalment purchases which he can't pay for now, and who accustomed him to enjoy on credit the high standard of living which he now hears condemned. And the business

man, too, wonders whence came the credit that encouraged him confidently to expand capacity and output, and why the spring so suddenly dried up.

None of these can believe that it is exclusively the consequences of their own sins, follies or inefficiencies that they are suffering now; nor when they see how many of even the biggest institutions have been conducted, and some of them wrecked, are they profoundly impressed with the superior ability of banking management or ready to grant its right to dictate the direction of industrial development.

These delusions of conspiracy and these recriminations are dangerous, and deplorable. Business and banking are inescapably interdependent. Both have many mistakes to atone for, many weaknesses to overcome; and there is no conspiracy anywhere in this chaotic picture save that of common error and ignorance. But bankers must begin to realise how business men feel about them and their utterances.

Never before have the banks had so serious and pressing a problem of public relations on their hands. They cannot meet it by condemnation or preachments. Business is beginning to balk at bearing alone the burden of blame for depression or of responsibility for recovery.

It asks constructive co-operation of our credit institutions and cannot hold itself accountable for the consequences upon public opinion if such co-operation is not forthcoming soon.

## When the Banker Ran His Bank.

This book\* is the story of a Bank and a Banker. Mr. Doughty Dormer, his father, and grandfather before him, had lived in the Bank House nearly a century, one generation after the other. They were custodians of the wealth of the town while it was growing to prosperity. They were trusted.

The writer looks on to 5000 I.E. (International Era) and says of the people in his own story:

"Of the Dormers and their methods of keeping by hand in paper books individual accounts of purchasing power, called Credit, only the curious and specialised had ever heard."

When Doughty Dormer died, Stephen his son realised "it didn't matter now who was the head, for whoever it was would get orders from London."

No one would ever again have that particular intimate grasp of the private affairs of one or two rich men on whose integrity and public spirit the civilisation of a corner of England depended. It had also depended on the Banker. If he took a drive out of the city "he knew every bit of land, whether it was paid for, and what chance there was of its being developed."

After his death they sorted papers in his study. There was a mem:

"Mrs. Jane Doughty, 1871 . . . having deposited . . . in consideration . . . no claim upon poor Debtors . . . no claim We should like to know more about this mem.—"no claim upon poor Debtors." A city might well grow to prosperity.

But as the book is written as the story of a little boy, the bank business is all in glimpses, perhaps more vivid and true as a consequence. For instance—

"Christmas was a stimulating season at the Bank House . . . dining room filled with strange visitors . . . having mysterious payments to make in the privacy of the house. In connection with these interviews would arise that faint but unmistakable ceremonial odour of cakes and Madeira, and the secret visitors would depart, looking more cheerful than when they came, wiping their mouths, and folding away little slips of stamped paper."

Or the glimpse of the lady who had come on a Sunday, and the next day was dead. Stephen hears his father tell his mother.

"Died in Forster's office."  
"Sheer want and lack of proper care," says Mother.  
"My dear, what could I do? You can't pay out money to just anyone—on a Sunday, too." Mother made a small exasperated sound.

Stephen heard no more, but the reader feels that no lady will ever die again through need of a small loan, whatever day of the week she comes.

If it is true that the Bankers' interest now is not in peoples or places but in the doctrine that the cheapest product shall capture the trade, wherever it is made and under whatever conditions (see *THE NEW AGE* July 16 Notes of the Week), then this chapter of banking history, only one generation old, is certainly to be noted by readers of this journal.

D. COUSINS.  
\* Castle Island. By R. H. Mottram. Chatto and Windus.

## CURRENT WOOL-GATHERING.

"TIMES" CORRESPONDENTS ON "ECONOMY."

CHARLES MARSTON, 4, Camden Park, Tunbridge Wells, is staggered at the fact that millions of people have votes who are not directly taxed. "Even those of our own household who pay no taxes at all can outvote us on election day." (August 4.)

WILFRID ASHLEY, Broadlands, Romney, Hampshire, says: "If £1,000,000 is spent in twelve months on road works, this gives employment to 4,000 individuals directly or indirectly. If the same sum is spent in a like period through unemployment benefit, it takes care of 20,000 individuals." His argument is that road expenditure stands condemned as a method of finding work for the unemployed. (August 11.)

F. G. MANN, St. Mark's Lodge, Grantchester Street, Cambridge, suggests that the collection of an "income tax for all" could be applied to wage-earners by adding the tax to their insurance contributions. They would pay the tax in stamps. (August 11.)

ARTHUR A. BAUMANN, Hythe, Kent, insists that proposed economies must not be debated by the victims. He enumerates eight threatened sections of the community, commencing with "school teachers, the best organised agitators in the country." "Things must be done before the General Election." "Let us realise the fact that nine-tenths of the electors, particularly the women, abhor economy, which must be presented to them as an accomplished fact." (August 12.)

GEORGE W. YOUNGER, F.C.I.S., 2, Mecklenburgh-square, W.C.1, wants a supplementary income tax of 6d. in the pound, levied in full without exemption or abatement on every kind of individual income. (August 12.)

P. HAWKINS, M.Inst.C.E., 37, Ellesmere Road, Chiswick, W.4, wants retrenchment in road construction and maintenance. He enjoys motoring on good roads, but is "sufficiently old-fashioned to feel uncomfortable in the enjoyment of a luxury paid for from capital which will return no dividends." (August 13.)

P. A. LEDWARD, giving his address as Tunbridge Wells, is scared lest we "open our newspapers one morning to find that the free gold market has been suspended overnight and that inflation is upon us." (August 13.)

A. A. SOMERVILLE, writing from the House of Commons, wants a universal tax on every kind of income, including doles—no exemptions or abatements whatever—the proceeds to be earmarked for the Unemployment Fund. (August 13.)

R. HENDERSON, Holden House, Southborough Common, Kent, wants a "poll-tax on every voter." (August 15.)

F. CROOK, Church Road, Northfield, Worcestershire, wants to make co-operative societies subject to income tax. (August 15.)

ERNEST J. P. BENN, Bouverie House, Fleet-street, E.C.4, expresses the opinion that: "If the pound goes, everything goes." (August 18.)

S. TAYLOR, Barley Grange, Bollington Cross, Macclesfield, suggests a system of voting licences. "Let each qualified voter take out a licence by a fixed date in one year to qualify for voting power in the next year." He thinks this better than a poll-tax (suggested by another correspondent) because it would be less difficult to collect the revenue. "Of course," he adds, "those entitled to two votes would want two licences." (August 18.)

BEATRIX CROFTON, Berwick St. John Manor, Wilts., referring to the slogan "Equality of Sacrifice," protests that before this is carried out existing inequalities of sacrifice must be rectified. Why should one-twelfth of the community be providing two-thirds of the revenue? (August 18.)

ALFRED BUTT, writing from the House of Commons, charges the Government with having known a year ago that the present plight was impending. "They had information which was not available to the man in the street. They had received a solemn warning from the bankers. He therefore suggests that immediately the electors have made the sacrifice now to be imposed on them they should be given an opportunity of replacing this Government with a new set of administrators—new schemes . . . employment to our people."

## Reviews.

Hitler. By Wyndham Lewis. (Chatto and Windus.)

Every social creditor must read this book, if only for the two chapters entitled "Are You a 'Credit Crank'?" and "Credit Crankery." Indeed, the book does not so much deal with Hitler as with this strange and ever-spreading disease of "credit crankery." Wyndham Lewis has written a book that will whet the appetites of the intelligent intelligentsia (a very small section of this stratum of society) for "social credit crankery." He does this on principle of forbidding schoolboys to sneak apples from the rectory orchard. All books on "credit crankery" are placed under an awful *Taboo*. It always works. The Bright Young Brains will rush to commit the latest sin—and will be tainted with "credit crankery" (perhaps). S. R.

These Russians. By W. C. White (Charles Scribner's Sons, 10s. 6d.).

"Here," says the author in his preface, "without statistics or any attempt to generalise about classes or groups, are accounts of the results of the revolution that is to abolish Individualism on a few of the hundred and forty million individuals, as they told them to me." Then follow seventeen chapters, headed, "The Housewife," "The Professor," "The Student," "The Merchant," etc., each chapter being a study of people actually met by the author while living in Russia. The book gives a good picture of various Russian types and how they have been affected by the revolution. S. R.

## LETTERS TO THE EDITOR.

### AUX FEUX.

Sir,—Isn't it amusing, or perhaps pathetic, that the Bank of England, having burnt £5,000,000 of Treasury Notes a year or two ago, should now have been borrowing from France in order that it may reprint them, plus £10,000,000 more? L. J.

[It's the "Old Lady's" climacteric, and she's not responsible for her actions.—ED.]

### BRITISH CREDIT IN SOUTH AFRICA.

Sir,—A month ago I sent a cheque for 6s. (six shillings) to Johannesburg to settle a small business transaction. To-day back comes the cheque, with the following explanation: "We are returning your cheque for 6s., as the bank are asking 1s. 2d. to discount it, or 1s. 8d. to clear it. We therefore suggest that you destroy the cheque and send us a postal order for 6s." Is this part of "equal sacrifices all round"? RICHARD HAWORTH.

August 18, 1931.

### THE MACMILLAN REPORT.

Sir,—There has, I gather, been singularly little discussion in the Press of the Report of the Macmillan Committee on Finance and Industry, overwhelmingly preoccupied, as all free and intelligent minds must be to-day, with the questions under inquiry. The reason for this pointed ignoring of a contribution to the subject made with such authority as that of Lord Macmillan's Committee must surely be either that few people, and those only "experts," were intended to understand it—in short, that it was designed as a smoke-screen against public discussion of finance—or that the Committee honestly and truly had nothing to say worth public notice. I confess that I cannot make up my mind whether the Committee was too clever by half for a body charged to give advice in a national emergency, or simply too prejudiced to have been invited to offer any advice whatever. And my inability to come to a conclusion was crystallised by the section Part II., of which Chap. I. bears the heading: "The Main Objectives of the Monetary System." Were the words "the Monetary System" consciously employed to exclude any inquiry into the obviously more fundamental question of the Main Objectives of a Monetary System? Or were the members of the Committee, without exception, incapable of distinguishing between an inquiry into the existing system, taken for granted, and an inquiry into the existing system in comparison and possibly in contrast with a normal Monetary System? In the absence of any attempt to define the normal function of a Monetary System in relation to Industry, the Report inevitably appears to be special pleading for the existing system, made plausibly "objective" by recommendations to the Bank of England for the better sucking of eggs.

A. R. O.

New York.

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