

THE NEW AGE

INCORPORATING "CREDIT POWER."

A WEEKLY REVIEW OF POLITICS, LITERATURE AND ART

No. 2037] NEW SERIES Vol. XLIX. No. 21. THURSDAY, SEPTEMBER 24, 1931. [Registered at the G.P.O. as a Newspaper.] SEVENPENCE

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NOTES OF THE WEEK.

The real nature of the present "crisis" may be described as the emergence of a situation in which the bankers have lost control of their financial machine, and lost it so completely that their impotence has become manifest to the "classes" and is being divined by the "masses." That the machine has been constructed by the bankers is a fact proved not only by evidence but attested by their own boasts during the last century. Up to the year 1920 they were able to get the story believed that they had placed the machine at the service of the community. But since that year the political leaders of every great nation in the world have publicly renounced the right to interfere with credit-policy, while the bankers have publicly claimed immunity from interference—have threatened to "upset the whole fabric of government" if interfered with—and have in fact carried out that threat (in the case of New South Wales) with so little attempt at concealment that even the Dean of Winchester, in the midst of his devotions, was able to see that bankers are, as he wrote in *The Times*, "an effective Second Chamber." We prefer to say that they are effective gangsters. In New South Wales they took Mr. Lang for a ride. Well, for the last eleven years the world has watched these things; and it is now too late for the bankers to disclaim the exclusive authorship and control of the machine. And it is preposterous for them to call upon all sections of the community to bring their machine under control so that they can afterwards resume their driving of it in safety. The machine is taking *them* for a ride—and a good job, too. "Oh," they will say, "but the whole community is riding with us." No, not the whole. Some have got off, and have been constructing a fast car in which they can overtake the bankers' runaway. In other words the Social-Credit scheme is on the road, and will arrive alongside the present obsolescent and uncontrollable system by the time that the passengers and their

damn-fool inventor-drivers are scared enough to jump across to safety. No jolts, no slackening of speed—during the transition from the old to the new; and then, forward with "business as usual"—"buy and pay," on the top gear of prosperity.

At the present moment every section of the community is rocking the boat. And even if everybody sat still and took the captain's orders, the boat would rock just as violently, for, not knowing what orders to give, he keeps changing them—"starboard," one minute; "larboard" another; and occasionally "starboard," in order to see whether the politicians at the wheel will give the rudder another waggle or let it rest, in either of which cases he can curse them or praise himself according to the result. For example, and in order. First shout from the bridge: "Government Departments—reduce expenditure." Second shout from the bridge: "Local Authorities—not so fast with cutting down expenditure." Third shout: "Employers—don't reduce expenditure on wages; try to employ more men." Fourth shout: "Consumers—don't be niggardly in your buying; keep trade flourishing." These four examples, all of them taken from Press articles during the last week or two, clearly amount to general order to the community to *spend-save*. The only way to do it is for them to divide the week up into "spending" days and "saving" days. What you spend on Monday you save on Tuesday; and what you save on Tuesday you spend on Wednesday—and thus will every good citizen, by flapping the rudder of his budgetary policy, propel the ship of State into smooth water! The energy which produces this remarkable effect proceeds from the operation of what is known (to experts who cannot explain it) as the "Law of Alternating Currency."

People, however, are preferring to rock the boat in their own way rather than rock it to order. There are many methods, and they can be collectively described as measures of self-help. They range from extra-political enterprise down to criminal actions.

Here are examples, most of them chosen at random from a period of a few months.

Farmers storm the town of England to get food.

The adoption, and recent extension, of the barter system in the United States.

Bartering of wheat by Canada for Brazilian coffee.

The "Waera" currency experiment in Germany. (Incidentally we hear through a correspondent this week of a report that the Reichsbank recently sent the police and got the experiment stopped. Can anyone confirm this?)

The spontaneous revolt of 12,000 sailors against the pay-cuts. The naval officers concerned, instead of reporting the men to the Admiralty for disciplinary punishment, made representations on their behalf.

The procession of teachers in London to indicate their resistance to salary-cuts.

The decision of groups of London teachers to suspend the organisation of games outside school hours.

Farmers' united action in boycotting auction sales in the Provinces under distraints granted in respect of non-payment of Tithe. In one case an outside bidder was assaulted and chased into a wood where he took cover, the farmers posting sentries round the wood to hold him there while the rest of the body went to another auction sale. In this case the auctioneer had to declare "no sale," and in another a stack of hay worth £100 was let go for 10s. to the highest bidder.

Withdrawals of currency from the banks by private depositors. (Not reported in the Press.)

Ratepayers' strike in Poplar (a year or two ago).

Mr. Hatry's unorthodox creation of security-values (unorthodox because direct, and criminal because the law reserves for the bankers alone the right to create security values by the indirect method of creating credit). This rocked the boat badly.

Lord Kyisant's interpretation of accountancy-law. (Sub-judice.)

Mr. Lang's election programme announcing intention to rescind the banks' Charters in certain circumstances.

Mr. Lang's suspension of interest payment on N.S.W. Loan. (Great agitation in the London Press.)

Chile's suspension of interest payments. (No comment in the London Press.)

The speeding up of robberies of money from banks—the improvement in the technique and initiative of the robbers.

Present signs of better technique among forgers of notes, and of a wider resort to forgery, tending to undermine popular confidence in the safety of paper-money and to put the Bank of England in the dilemma of either guaranteeing to honour bad notes taken in good faith or of watching a flight from the "Norman" paper-pounds to the King's silver-shillings.

Messrs. Waterlow's enterprising resistance to the doctrine that the cost to a note-issuing bank of replacing illicit notes is their face value. (Vide the Bank of Portugal case (Appeal), where Lord Justice Scrutton held that the cost was that of the printing only.)

Anonymous threatening-letters recently received by Mr. Snowden and other members of the present Cabinet.

These are, as will be seen, all measures by which different sections of the community attempt to adjust themselves, or offer resistance, to the conditions arising from the bankers' control and use of the existing financial machine. Unless there is a radical change in their policy these methods will be resorted to more and more frequently, and by a growing number of people. Moreover, the turn of the screw now threatened is bound to produce a substantial number of new methods of self-help. In respect of anonymous threats, these are futile; and to carry them out would be worse. Not only would such hole-and-corner stuff discredit the propaganda of all bodies now ranged against the policy being served by Snowden and others, but it would waste the most valuable asset belonging to the Credit Reform movement. Speaking for ourselves, and as concerns the Key Ministers, we consider the personnel of the present Cabinet perfect—for our purpose! Heaven forbid that any maniac should interfere to prevent their carrying on the good work.

The latest reading of the barometer indicates an early election, in spite of the fears of some authorities that a dissolution will depress the pound. We

fancy that, if and when an election comes, the element of uncertainty about its outcome, which was held to be the main objection to holding it, will have been removed. For, since the difference between MacDonald's Government and Henderson's Front Benchers has been shown in the debates to have been merely the question of the cut in the dole, it looks likely that (as Lord Melchett has publicly suggested) the Government will renounce that cut, and thus make it easy for those members of the Opposition who desire it to unite with the Government, and difficult for those who do not to remain in opposition. The prospect is that the "National Party" which goes to the country will pool all three Party-fighting-funds, leaving those who do not support the economy ramp with no resources except such as they may be able to scrape together. This will of course reassure the hypothetical "foreigner" as to the certainty of the electors giving the right answer. For even if a large majority of voters held out against the arguments of the National Party candidates, they could not return alternative candidates unless these presented themselves; and considering that every candidate has to deposit £150 in cash before a contest begins, in how many constituencies would alternative candidates be found? The official verdict of the "country" is therefore a foregone conclusion. And we look forward to seeing the verdict returned, because it will register the abandonment of the last pretence of democratic government, and set a precedent for true patriotic leaders who are going to emerge, when they, in their turn, propose to take direct action against the bankers.

The disclosure of the fact that the difference between the members of the late Cabinet was on methods of economising and not on the soundness of the principle of economising has been a good thing. For it has lifted the opponent of the economy-principle above the suspicion that he is a Party-man in disguise. And it will be well for dissenting members of the Labour Party to realise that unless they are prepared to challenge the principle, they may as well join the National Party. But if they challenge on the principle, they should fight under some other auspices than that of the Labour Party. It should afford readers an interesting exercise to invent an appropriate name; but let us provisionally call it the Financial Freedom Party. The Party should consist of only a small group in the House—in fact this would be forced upon it by its lack of election funds. This would enable advocates of Social Credit and other credit-students to concentrate their activities on the few constituencies in which F.F.P. candidates stood, and to support them on some such agreed policy as the restoration of the Financial Prerogative to the Crown. The candidates should agree to ask the electors for a specific mandate to press in the House for the immediate publication of the evidence given before the Macmillan Committee, and for a debate on such items of evidence that the F.F.P. wished to bring to the attention of the House. Nothing more. The line should be clear and straight: "I want your vote to be given to me for this single specific course of action, as being the best step towards the general objective that I have described to you." The object would be to deprive the Government supporters of the chance to challenge the interpretation of reason by the mandate, besides arousing public interest by the novelty of the novel nature of the mandate given by the constituency. We have no doubt that some hundreds of our supporters would be only too glad to help in a contest of this character; that they are competent to argue the case politically and technically goes without saying. We recommend Mr. W. Brown to consider how far this is practicable. He stands in a unique position. He has been disowned

by the Trade Union Combine because of his criticisms of Mr. Snowden; and he has resigned from the Parliamentary Labour Party. His only affiliation is with the Civil Service, for whose conditions, as he says, he is largely responsible—and therefore he is committed only to an economic policy, not a political one—a policy which is consonant with the larger policy which we advocate in these pages. He proposes to fight at Wolverhampton as an independent critic of the present Government and the present Opposition. We hope he will meet with success in any case, but we should like his success to mean something more than the reflection of a grievance, but to be the electors' endorsement of a first step towards reconstruction.

Monday, September 21. The decision of the Bank of England to come off the gold standard, announced this morning, is an important event, but it does not mean that the Millennium is here. Its value for us is that, now that it has been taken, and the prophesied "unthinkable catastrophe" does not follow—which it won't—the reputation of the Money Barons and Press Barons, as oracles, will be seriously discredited, and that of the Social Credit Movement correspondingly enhanced, in the estimation of everybody who happens to have come into contact with our analysis and forecasts. But this is all the dividend we shall get out of the situation at present, and we shall have to plough it back into our main objective, which has little to do with the relation of credit to gold, but everything to do with the relation of credit to the cost of living. We do not underestimate the importance of the admission that gold is not the indispensable standard that it was thought to be: but we have to remember that the removal of an automatic check on currency-expansion is no guarantee that expansion will follow, nor if it does, that a better standard of living would be achieved. The outcome of this change will depend entirely on the new policy and method of credit-control which the banks will adopt. They are coming off gold—but on to what?

The news was communicated first to the editors of the chief London newspapers, who were summoned yesterday (Sunday, September 20) to Downing Street by the Prime Minister for that purpose. There they were told not to use scare-headlines when announcing the Bank's decision, and were probably supplied with a summary of reassuring points on which to base their leading articles, together with technical data to support their explanation why the people of this country, who, by the rule of logic, ought to be dead, are still alive to hear the tale. Because of the short notice at which the bankers had to make their decision, the Government to endorse it, and the Press to comment on it, we cannot hope to gain clear guidance from this morning's newspapers on the question of the Government's ideas for handling the situation. Indeed no definite ideas can be formed until the reaction of the public to the announcement reveals itself.

The advice given to the public to keep their heads is wise; but how much more weight would it not have carried had the Press not been scaring them during the last few weeks with the "Look-at-Germans" warning against "inflation"? The *Daily Mail* now declares that there is not going to be any inflation at all. And the newspapers in general concur in the statement that no immediate serious disturbance to prices need necessarily take place. All this is quite credible; and we hope that the public will respond to these assurances. We certainly do not want panics and disorders breaking out at the very time when everybody capable of it should be bending his mind to the examination of the deeper causes of the emergency.

Let Us Suppose.

SYSTEMS, SANE AND INSANE.

[Readers must not be misled into imagining that the scheme here adumbrated is illustrative of Social Credit. Whilst embodying Social Credit principles, it departs from Social Credit technique. Social Credit proposes to leave the technique of modern currency, credit and banking substantially unaltered. What it proposes to alter, radically, is Banking Policy, especially in regard to the principles of credit cancellation.—A. W. C.]

It is not without significance that Australia, a country which either produces, or can produce, all the "enabling requisites" for a high standard of living for her small population, should be deeper in the mire of capitalist finance than almost any other.

So far as purely physical considerations go, it would not greatly matter if this glorious young country were isolated from the rest of the planet, and she therefore provides a theatre for some interesting suppositions as to what might happen if, in the event of widespread economic collapse and the breakdown of her credit system, her whole industrial life were placed under the direction of a Dictator whose mind had never been contaminated by the "iron laws" of economics or the principles of "sound finance."

How would he tackle the host of problems crowding upon him?

Let us suppose him to possess a good knowledge of the country, its physical resources and industrial equipment, and to be possessed of shrewd common sense. It would not be long before he discovered that the host of problems confronting him were merged into one major problem, namely—how to distribute the products of industry amongst the people who wanted to use and consume them.

In surveying the products of the country, he would note that they fell into two very different categories; firstly, certain goods and services which were wanted by individuals for personal consumption, and, secondly, goods and services, grouped under the heading of capital equipment, for which the individual citizen, as consumer, had no use whatever, and which merely served the industrial organisation as the means for furthering, stage by stage, the network of operations which ultimately culminated in the production of the things that people wanted; and our Dictator's problem would be the equitable delivery of the first category of production to the citizens of the country.

Let us suppose that he elected to use a ticket-system for this purpose; providing the citizens with tickets in return for their industrial services, the tickets entitling them to receive definite amounts of goods and services. He would grade these tickets in multiples of a unit, and he would assess goods and services in terms of units, such assessment being based roughly on the total man-hours occupied in their production.

He would next ascertain from trade and other statistics the total output of all goods and services of which the industrial organisation was capable when fully manned, and, knowing the number of persons and families to be provided for, he could calculate the average standard of living in terms of goods and services. Finally, he would grade the various workers roughly according to proficiency and knowledge; the majority at slightly below the average and a minority at varying degrees above it.

Our Dictator would be then in a position to launch his system, the main features of which we may suppose to be somewhat as follows:—

Local ticket-offices would be installed in all districts, upon which all local business organisations

could indent for tickets to pay to their workers in exchange for their labour. All businesses would keep parallel accounts of their outgoings in tickets and their outgoings in goods and services, either direct to the public or to other businesses. Only those businesses delivering direct to the public would collect tickets from the public; these they would return to the ticket-offices, which would ultimately function as a sort of National Check and Audit Department. No payments in tickets would take place between business firms; tickets would simply function as incomes for individuals, who would exchange them for goods and services in accordance with assessment-schedules displayed in all retail stores, etc. Such stores would indent on manufacturers or growers, etc., as and when they required goods, and manufacturers would indent on one another and on growers and miners of raw materials, etc., keeping accounts of all such transactions in goods and services. These accounts would show the output in goods and services concurrently with payments of tickets to working staff, and every increase in the ratio of the former to the latter would be rewarded by a bonus in tickets to those responsible for it.

The question of ownership of industrial plant would be shelved for the time being. Directors and managing staff would receive salaries in tickets in the ordinary way, but shareholders might be bought out gradually, later on, at a valuation to be fixed by a Commission.

All persons capable of rendering industrial service would be employed; persons incapable on account of age, disablement, etc., would receive pensions in ticket-form. There would be no taxation: all Civil and other servants would receive tickets in exchange for their various social services.

Leaving aside details of accountancy, the chief point to notice is that there is nothing in the system corresponding to the cost-price relationship of the capitalist system. A worker would receive tickets in exchange for his or her services—so many units per hour—and could exchange these for scheduled amounts of goods and services. For the moment, it appears to be a system of wage-fixing and price-stabilisation.

But we must follow our Dictator. Suppose, to begin with, that he had rather over-estimated the capacity of the productive organisation, with the result that stores became depleted and were unable to supply all the goods, etc., corresponding to the tickets presented to them. This would certainly be objectionable, but less so than the sight of consumers waiting outside over-loaded shops with empty pockets.

Our Dictator would now have two courses open to him. He could either reduce the tickets paid per week to all workers, or he could lengthen the working day, or both. In any case, the result would be a gradual increase in goods brought to market measured against the claims for them presented in the form of tickets. This would become apparent from the filling of the retail stores and a slackening in their indents for goods, etc.

Our Dictator would now be in a position to consult the people. If they were satisfied with their standard of living, he could reduce the hours worked per week while keeping the weekly issue of tickets unaltered, and the reduction in working hours could continue progressively as improvements in processes reduced the man-hours necessary for a given volume of production. But if, as more likely, the people wished to raise their standard of living, he could maintain working hours while progressively increasing the tickets issued to each worker per week, as and when retail stores began to accumulate goods. Alternatively, or in addition, he could reduce the assessment of various goods and services as the total

man-hours required to produce them diminished. And as improvements in processes set free workers, these could be employed on new undertakings; any additional tickets required being issued to the ticket-offices demanding them from a ticket central bureau.

Now suppose, at any stage in this process, that the Australians wished to obtain from abroad some special goods which, for various reasons, they were unable to produce. Suppose they wanted a foreign design of air-craft and were prepared to part with a surplus of wheat and wool in exchange. If these latter commodities were plentiful in the world's markets, it might be that Australia would have to part with enormous quantities of wheat and wool for a very small number of air-craft; but, however, bad the bargain from Australia's point of view, our Dictator could close with it, and he could continue making a series of such bargains, indefinitely, so long as his people were satisfied with their standard of living. There could be no such thing as the bankruptcy of any productive organisation, for the matter would be the simple one of an exchange of goods.

Thus a progressive rise in the standard of living would ensue, until the people were satisfied with it; after which the rate of flow of goods, etc., to retail stores would be kept roughly constant by a steady diminution in the hours worked per week. The Age of Leisure would arrive.

And now, having made all these suppositions, let us conclude with a few more.

Let us suppose a small "Push" of virtuous and upright gangsters to bump off our Dictator, and take charge of the ticket-office organisation.

Suppose them to cancel all assessment-schedules, and to issue tickets to all businesses as loans on condition that they sold their products and services to other businesses or to the public for an indefinite, larger number of ticket-units, so as to repay the loan with interest, and make a ticket-profit for themselves if possible.

Suppose them, also, to urge the public to refrain from exchanging a portion of their tickets for goods and services, and to subscribe these tickets to groups of pseudo-gangsters, who would finance new industries, and promise to pay them interest on those tickets.

Suppose, moreover, that the tickets supplied to pensioners and to persons engaged on social services were not issued from ticket-offices, but were extracted from the pockets of other citizens by a process of taxation.

Suppose, further, that the goods remaining on the markets unclaimed, as a result of the above, were wasted or sabotaged, and that would-be workers could not exchange their labour for tickets owing to the falling off in indents from retailers to producers all down the scale.

Finally, let us suppose that any master-gangster could rush into any ticket-office at any time and destroy whole blocks of tickets for no better reason than that his feet were cold, and we shall have (God pity us!) a picture, reasonably accurate in essentials, of the present financial system.

A. W. COLEMAN.

"THE 'FAIT-ACCOMPLI' OPTIMIST."
 ("Sir,—Now that we have balanced the Budget . . ."
 —vide *The Times* correspondence day by day.)
 An optimist fell six stories;
 And, passing each window-bar,
 He reassured his anxious friends—
 "I've a breathing-space—so far." R. C. R.

Music.

Promenade Concert, September 15.

Whether the strange note about Alban Berg in the *Radio Times* was intended either as an excuse for cancelling the original and highly interesting announcement for this particular evening of fragments from this composer's brilliant and masterly opera *Wozzeck*, or to convey some information about this extraordinary musician's work, is not entirely clear. It fails on both counts, for the information, such as it is, is wrong in two important particulars and it is quite inadequate as an excuse for depriving us of the *Wozzeck* extracts. The "pitched spoken word" which replaces the usual vocal writings in this work is not an "innovation" of Berg's, and he takes the trouble expressly to disclaim it as such by quoting *in extenso* as an indication for the performers Schönberg's note to his Pierrot *Lunaire* in which this device is used decades ago. Secondly, the set of songs sung on this occasion do not "give some idea of the means by which Berg gets his remarkable effect in *Wozzeck* any more than Schönberg's *Verklärte Nacht* gives any idea of how he gets his effects in *Erwartung* or *Die glückliche Hand*. Gross misstatements of this sort in a journal presumably designed for the enlightenment of the public are not readily to be overlooked or pardoned. And the little air of smug self-righteousness and complacency with which it is remarked of *Wozzeck* that it is a work "we are not very likely to hear in London. For one thing it is far too new, for another, far too morbid," is quite uncalled for. It is a matter for deep regret that so far there is no prospect for English audiences of hearing what is generally recognised as one of the outstanding works of our time. The tone of the remark reminds me of a bookseller whom I once asked if he had or knew a translation of a certain play of Wedekind—"No," he replied in high immoral indignation, "I wouldn't have the filthy thing on my shelves!" . . . Later he published a translation of that very play himself.

The six songs sung on this occasion with great understanding, remarkable sympathy, and high musicianly intelligence, but inadequate breadth and fullness of vocal tone by Margot Hinnenberg-Lefèvre, are, are not really representative although the distinction, originality, and individuality of the mind behind them is patent, while the beauty of the fabric, the fine quality and closeness of the texture, the sheer musical substance of these in their way, wonderful songs, was a continual delight. Of course, there will not be lacking those, and with that muddle-headedness in other matters which has so often been pilloried in other columns of *THE NEW AGE*, it need not surprise us to find him of the *Radio Times* gaily in the van, who, with that genius which is the hall-mark of all "sound" criticism, will find in these beautiful songs nothing but the only echoes they ever hear, namely, of Wagner, Strauss, and Debussy. Musical processes and kinship of mood with certain works of Mahler they will naturally not find for they don't know them when they see them, but there they are nevertheless. Berg, like so many other musicians of the first importance in Central Europe, does not take his views as to the greatness and significance of Mahler from Mr. Fox Strangways for example. And, incidentally, I was very, very glad to see that very able and competent amateur (I use the word in its French complimentary, not its English insulting, sense), Mr. Robert Lorenz making a spirited protest against the impudent ignorance which seizes the opportunity to exhibit itself on those rare occasions when we do get a major work of Mahler.

But who could have guessed that the proximity of these beautiful songs, the work of one composer's immaturity merely, could have such a devastating effect on Mr. Cyril Scott's Piano Concerto product of the latter's full maturity? I know no work of modern times with which the passage of time has dealt more severely than with this. It now sounds utterly empty and banal—of substance, texture, or line it is almost wholly devoid, and the constant repetition of figures in broken fourths in the piano part in mechanical transpositions reminds me of a remark made to me a number of years ago by a well-known English critic when he described the composer, I thought at the time rather harshly, as a "rubber-stamp composer," but I fear that the justice of the description was cruelly in evidence the other evening. The composer played, I thought, with much less than his usual effect, producing a dry, brittle, dead tone that is not at all typical of his usually admirable playing.

KAIKHOSRU SORABJI.

IF.

With apologies to Rudyard Kipling.

If you can keep your cash when all about you
 Are losing theirs and blaming all but you;
 If you can trust no one when all men need you,
 And charge allowance for their needing too;
 If you can wait, when deeds would save a nation,
 Or being talked about, don't give replies,
 Or being questioned, don't give explanation,
 Indeed don't talk at all, but just look wise:

If you can scheme—and look mere hale and hearty;
 If you can think—but not reveal your aim;
 If you can meet with Press and Party
 And treat those two imposters just the same;
 If you can bear to hear the Laws you've spoken
 Broadcast by knaves to make a trap for fools,
 And watch the things they gave their life to, broken,
 And bid them build 'em up with worn-out tools:

If you can make a heap of all their winnings
 And this just coldly cancel into dross,
 Then bid them start again at their beginnings
 And never breathe a word about their loss;
 If you can force their heart and nerve and sinew
 To serve your turn long after they are gone,
 And so hold on when there is nothing in them
 Except your Will which says to them "Hold on!"

If you can walk with crowds and keep your virtue,
 Or talk with Kings—nor lose the common "touch";
 If never Want in face of Plenty hurt you,
 If all men beg from you, but none too much;
 If you can fill the working minute
 With sixteen seconds' worth of business done,
 Yours is the Earth, and everything that's in it,
 And—which is more—you'll be a Banker, son.
 J. W.

The *Birth Control News*, published by the Society for Constructive Birth Control, appears to be chiefly intended to apotheosise Dr. Marie Stopes. One of the issues of the magazine which lately came into our hands contained a justification of restricting the population which deserves to be set on record. Under the heading "Birth Control From a New Angle," it is noted that "Birth control has not yet figured conspicuously in the literature of Utopian romance. Some day an imaginative novelist, etc. Meanwhile, so far as the world has derived advantage from the new era of machinery it has been by facing the population problem. Since 1900 the working capacity of all our machines has increased 1,100 per cent., while population has increased only 50 per cent." Those who do not believe that this great improvement of the world is due to family limitation appear to be described, in the Stopesian terminology, as "the ostriches." The distribution problem created by a world in which over a period of thirty years the population moves from two to three, and the production from two to twenty-two, does not appear to disturb the Society for Constructive Birth Control, which firmly believes that the way to treat a poverty-stricken wife is not to cure her poverty, but to provide her with contraceptives.

The Films.

Up For the Cup: Capitol.

Here at last is a really British film. By that I mean a picture which, instead of dealing with only a small social stratum and betraying too little of the nationality of its director, quite definitely portrays something of the life of the people of this country, and also has a definitely national atmosphere and theme. "Up for the Cup" is also essentially English in its humour, both in conception and execution, and Sydney Howard, who has been compared with Charlie Chaplin, is an essentially English comedian. Mr. Howard is a valuable acquisition to our screen. His methods are, at first appearance, as obvious as they are robust, but after you have watched him for a time you will perceive certain subtleties that are somewhat in the Chaplin vein.

"Up For the Cup" is the most completely satisfying picture yet made by the British and Dominions Films Corporation. The Lancashire sequences are in places extraordinarily atmospheric, the photography is excellent, the dialogue is natural and amusing, and if the humour is not of the highest order, it is never forced, while the whole film is charged with inventiveness down to the final fade-out, which combines humour with originality and an element of surprise. Jack Raymond, the director, and Herbert Wilcox, the British and Dominions director of productions, have every reason to be satisfied with their job of work, which, unless I am greatly mistaken, is going to be a great box office attraction. The film has only two blemishes; the Lancashire accent does not ring true, and Joan Wyndham, as the *jeune première*, is colourless and completely fails either to look or to act the part of a Lancashire mill girl. But as she has very little to do, it does not matter very much.

I had the privilege of seeing "Up For the Cup" on the "Homeric" on the night before the Schneider trophy contest. This was the first occasion on which the world première of a film has been given on board an Atlantic liner, and I congratulate Mr. Wilcox on his enterprise in utilising the opportunity of a demonstration of British supremacy in the air for showing a cosmopolitan audience so admirable an example of what this country is doing in the film world. He could not have chosen a better picture for the purpose.

Nature Note.

The British International publicity department inform me, apropos of their new sun-bathing film, "Let's Go Naked," that "in order that the sun-bathing atmosphere shall be maintained throughout the production of the film, which will occupy a studio containing a bathing pool of warm water, Norman Lee, his whole staff and unit will wear bathing suits until the completion of the picture." I hope it keeps fine for them.

This Week's Films.

Although nothing that is strikingly new is being offered the public this week, filmgoers have the choice of a varied and interesting bill of fare. The outstanding picture is "Metropolis," directed by Fritz Lang, which made the reputation of Brigitte Helm and is being revived at the Academy. At the Pavilion there are "Creeping Shadows" ("The Limping Man") and "The Mystery of Marriage." This latter, which is by way of being a sequel to the German "Mystery of Life," has been directed by Mary Field, to whom there belongs so much of the credit for the admirable "Secrets of Nature" series. "Smart Money," a film depicting the life of a professional gambler, and having an unusually strong cast, is at the Regal, and "Up For the Cup," reviewed above, continues at the Capitol. At the Stoll you can see the beautiful Constance Ben-

nett and the polished Adolphe Menjou in "The Easiest Way," and the Empire is giving the first European presentation of "Daughter of Luxury," the new Marion Davies film, which also has Irene Rich and Leslie Howard in the cast. To those of my readers who have not seen it, I recommend a visit to the Academy. Incidentally, "Metropolis" has the added virtue of being a silent picture.

DAVID OCKHAM.

The Power of Suggestion.

By John Hargrave.

The Power of Suggestion is the greatest of all powers. It is more powerful, even, than armed force; since it can stimulate, increase, deflect, disintegrate, and withhold armed force. It matters very much, however, *what* is suggested and *how* it is suggested.

Suggestion is a positive-negative force, a Good-and-Bad force. It can be used for what is Right, or for what is Wrong.

Those who use this power for what is wrong eventually destroy themselves. Those who use it for what is right are impregnable. They cannot be overcome.

Only those who know what is right from what is wrong can use this power effectively. Those who are not sure, at any given moment, as to what is right and good, and what is wrong and bad, are unable to use the power of suggestion in any powerful way. It is used by others upon these impotents. It is played upon them, an invisible "ray" moving them to do this, or not to do that. Therefore, in order to use the power of suggestion, it is necessary to know Right from Wrong in your own heart.

Those who use this power for good, use it openly and have nothing to fear. They use it as the healing word—the *ves-hae!* The healing command "Take up thy bed and walk!" is this power used for what is right and good.

Those who use the power for what is wrong and bad, are driven to use it secretly, and have everything to fear. Eventually they come to fear everyone and everything—even themselves. They use it as the poisoned whisper. They shun daylight and move in darkness. For them the word "suggestion" means innuendo, nods and winks, false rumours, intrigues, and every kind of chicanery, cunning, lying and deceit.

No one is so open to be bluffed, hoodwinked and led astray as the man who habitually bluffs, hoodwinks and leads others astray.

The "good business man," quick in the uptake and sharpe as a needle, falls an easy prey to the "good suggester."

Suggestion used for bad or unworthy ends has the effect of destroying judgment. The continual use of the power of suggesting, either to bolster up one's own self-esteem, or to give false impressions to other people, blunts the faculty of discernment.

Honest John Blunt is not so "honest" as he likes to make out, and his secret delight in the title "Honest John" proves that he is in need of the power of suggestion of the word "honest" to reassure himself, and to blot out those everyday thoughts, words and acts of dishonesty forced upon him by a mathematically "dishonest" (unsound) economic system.

A man who uses the power of suggestion for what he knows (i.e., feels in his heart) to be right and good is armed with a most powerful weapon, and eventually becomes immune to any sort of suggestion that may be laid as a red herring across his trail. Simple Mug as he may appear, his very simplicity is his strength.

The suggestion contained within the A+B Theorem is Right and Good: it affirms Life against Death. It destroys "No" with "Yes!" It establishes Plenty in place of Want.

The suggestion put across by the Bankers' Combine is Wrong and Bad: it places Death above Life. It establishes Poverty in the midst of Plenty.

Because of this, Finance is forced to work in darkness, in secret, in fear of itself—of its own shadow.

In fighting the Financial Dictatorship it is essential to use the righthanded power of suggestion—the positive power—and to apply it in the positive way. That is, openly, hiding nothing, avoiding all hole-and-corner methods.

Any attempt to use the power of suggestion (which is the one, the only, power we have) in a way that imitates, or attempts to imitate, the left-handed "underground" methods of Finance spells defeat.

News Notes.

MISS LOUISE OWEN AND LORD ROTHERMERE.—Miss Louise Owen has published (September 10) a book entitled *Northcliffe: The Facts*. (Published at her address, 22, Buckingham Gate, London, S.W.1. Price 5s. Printed as by her at 2, Johnson's Court, E.C.4.) In this book she reproduces the evidence and cross-examination (covering 100 pages) in the trial of her action against Lord Rothermere (November 29, 1926—February 15, 1927) and re-affirms her allegations of that time. These, it may be remembered, were chiefly (1) that since the late Lord Northcliffe had made two wills, in 1919 and 1922 respectively, they could not both be valid; and that since the administration of the estate took place under a will propounded as representing a compromise between parties severally interested in the first two wills (she not assenting) the administration was antecedently irregular, besides being exercised in a manner contrary to Lord Northcliffe's wishes: (2) that Sir George Sutton, the Executor under the "compromise" will, had acted improperly in selling to Lord Rothermere 400,000 Deferred Shares in Associated Newspapers (which shares carried the control of the company) at a price (£4 per share) which, she said, was much below their proper value. In the present book Miss Owen writes under considerable emotional stress, and it is not easy for the reader to assess the credibility of many of her comments. Happily, however, she has assembled and published what appear to be all the legal documents relevant to the action, besides copies of a fair amount of correspondence between her and her own solicitors. So anyone who cares to take the trouble can form his own judgment on the question of how far she had reasonable grounds for bringing her action. As concerns the two wills, it appears that the first one appointed Sir George Sutton as co-executor with Mr. H. P. Arnholz; while the second appointed Lady Northcliffe sole executrix. The first will was a long document containing a multitude of bequests to persons and charities, including many of the people on the staffs of Lord Northcliffe's newspapers. The second will was a very short document which left "everything I possess to my wife to use exactly as she chooses under Sir Robert Hudson's guidance." Miss Owen's contention was, and is, that the second will was made when Lord Northcliffe was *non compos mentis*. She prints affidavits sworn by three of the male nurses who attended him during the closing weeks of his life who, between them, say that he was continually giving them notes to take to the City, which they pretended they would do in order to humour him. One of them, Leslie S. Richardson (Appendix D., p. 323), in his affidavit (dated December, 1917—it should be 1927, for the other two are dated 1927, and all three refer to events happening in 1922), states that he only witnessed the will "to pacify a man who was sick." There is internal evidence, in the opening clause of this will, to confirm the suggestion of insanity—for example, where Lord Northcliffe refers to his suffering from a disease caused by eating poisoned icecream. Leaving this on one side, the position was this: that Will No. 1 appointed Sir George Sutton as an executor, and Will No. 2 did not. Miss Owen's complaint is that neither will was relied on to the exclusion of the other, but that a third will was constructed and under which Sir George became an executor, and under which, so to speak, a new schedule of bequests was drawn up which differed from the testator's intentions as expressed in either of the authentic wills. Her action was brought partly to test the legality of this compromise. As will be remembered, the case was stopped in the middle, and the test not made. Assuming that legality could be established, there remains her other allegation that Sir George sold the shares mentioned at an unreasonably low price to Lord Rothermere. On this point she recalls that during the hearing of the Action the legal representatives of the Crown stated that the Inland Revenue Authorities declined to accept the figure of £4 as the value of the shares (p. 259). She now quotes a letter dated October 28 of last year in which Mr. Arnholz (co-executor with Sir George Sutton) states in reply to her enquiry: "I do not know the value put upon the above-named shares for Estate Duty purposes by the Inland Revenue Authorities." Upon her reminding him that he had had eight years to find out, he replied, explaining that in 1927 the Inland Revenue Authorities had lumped together the shares in question and other shares in the *Times*, and had put a single valuation on the lot, "so that," he wrote, "I am perfectly right in saying that I do not know what valuation the Authorities have put on any one share." We must, we are afraid, resist the temptation to reproduce Miss Owen's comments on the history of this case, as they contain serious allegations against several legal and political notabilities

which we should say they will have to take notice of. The launching of this book just now, when Lord Rothermere is so deeply engaged in arresting the "flight from the pound" and protecting the nation from the risks of an election, strikes us as a humorous coincidence. But we doubt if Miss Owen will get the case re-opened. Everything affecting the public interest is now being "settled out of court"; and none of her insinuations of collusion between lawyers equals the Collusion of Politicians now manifest in Parliament. Speaking for ourselves, we are not so much interested in the question of what Lord Rothermere ought to have paid for the shares as in the question where the money came from which bought them. Readers who are at all interested in the relation between the law and finance as discussed in these columns from time to time will find this book full of illuminating and useful disclosures.

MR. W. J. BROWN, M.P.'s, recent address to his constituents on the Crisis is by far the most statesmanlike and informing analysis that has been uttered by any Member of Parliament. It has been published, under the title of *The Crisis and the Labour Movement: Where I Stand*, as an 8 pp. pamphlet at 2d. The printers are Vacher and Sons, Ltd., Westminster House, S.W.1. We do not know if it is intended for sale except in Wolverhampton, his constituency. Enquiries had better be sent to the printers, since, while the House is sitting, they can get into touch with Mr. Brown. He declares that the Opposition are no better than the Government, and has decided to "serve the interests of my constituents . . . and of the broad masses of Civil Servants for whose conditions I am largely responsible . . . regardless of whether that brings me into conflict with the Government, the Opposition, or both."

IMPORT RESTRICTION.—"We must restrict our imports. The only alternative is a lower standard of living." These are headlines above an article by Mr. J. M. Keynes in the *Evening Standard* of September 10. This truth can be tested as follows. (1) Home production, 100 articles; Exports 25 articles; Imports 50 articles—Result, 125 articles in the country; therefore a low standard of living. (2) Home production, 100 articles; Exports, 100 articles; Imports, nil—Result, no articles in the country: and therefore a high standard of living. The reasoning is based on what is known as Spooof's Law of the Conservation of Consumptive Energy, from which is derived the principle of Vicarious Nutrition. This principle is applied by the process known as lending your dinner to the foreigner. The energy he exerts in eating it raises your standard of living, and correspondingly depresses his own.

"BANKSTERS."—This is a new word which we submit for the use of our fellow crusaders against the illicit credit-trafficers. Couple it with "Ramp" and you get a designation, "Bankers' Ramp" which fits not only the professional bankers' activities but those of politicians and Press-magnates who are working with them. Thus we can use the term "Banksters' Government," and, later on, "Banksters' Party" when, as looks likely, the Government and Opposition find a formula on which they can unite as a basis for a joint electoral programme. Further, we should imagine that the notoriety of Al Capone, the gangster, is sufficiently widespread to have made his name a common word; in which case it may catch on to the soap-box circles if the particle "Al" is prefixed to the tionable personages. For example, we like the look of such combinations as: "Al Snowden"—or "Al Thomas," "Al Norman," "Al Niemeyer," "Al Strakosch." However, somebody had better try the experiment where catch-phrases are likely to be popular. A parallel to "Bankster" is "Rampster"—an appropriate designation for any public man whose history is associated with ramps in general (e.g., the Marconi scandal).

ANOREXIA NERVOSA.—This is the name of a disorder occurring mostly in young unmarried females—its characteristic symptom being that of "going off food." The C. W. Daniel Company have published a small book entitled *Anorexia Nervosa: A Discussion by Drs. W. Langdon Brown, F. G. Crookshank, J. C. Young, George Gordon, and J. C. Bevan-Brown*. (Pp. 63; published at 46, Bernard Street, W.1. Price 2s. 6d.) When a girl manifests this symptom the problem of the doctor is to guess whether he ought to bully or coax her into taking adequate nourishment. Any coercion out of season is likely to change her mind. Any coaxing out of season is likely to encourage her to "show and prolonged coaxing is likely to encourage her to "show off" her disorder. To add to the difficulty there is usually an anxious mother on the scene who gets into a psychological condition which makes her a second patient rather

than an assistant to the practitioner as well as getting on her daughter's nerves and spoiling things. The lay reader will follow the discussion fairly easily—all the more so if he knows a few elementary psycho-analytic terms—and will find some useful information in it. Speaking from the point of view of Social-Credit economics as applied to the present Economy Policy we feel inclined to suggest that instead of holding discussions on the best way to cure this disorder, doctors should be encouraged to foster its growth. There ought to be a "Society for the Promotion of Anorexia Nervosa," subsidised by the British bankers. For if only everybody could be induced to get the "flight-from-the-food" habit, we could stop the flight from the pound and balance the Budget in two winks. Let the psycho-analysts carefully consider whether *Anorexia Nervosa* may not be a manifestation of patriotism—the adjustment of the *psyche* to the New Economy. "She laid down her knife for her King, and her fork for her Country." What a beautiful act. It were treason to cure it!

MONTAGU NORMAN'S VETO.—Speaking at Bathgate, West Lothian, on September 13, Mr. E. Shinwell, ex-Minister of Mines, made this statement: "I can say that with a certain public appointment Mr. Montagu Norman, governor of the Bank of England, not only objected to a decision reached by the responsible Government Department and its Ministers, but insisted on the appointment of another person, and also further advised the salary he was to receive. In this case the views of Ministers were overruled and Mr. Norman's advice accepted. The salary granted was also twice as high as that originally proposed."

The Long and Short of Loans.

[Scene.—A public meeting held under the auspices of the "Friends of Economy."]

Speaker (in the course of his address): We borrowed short, and lent long.

Voice 1.—Speak for yourself. Who's "we"?

Voice 2.—How much did you have on it?

Speaker.—I mean "we" generally—the country. I personally did not —

Voice 1.—Good. You're excused. We won't cut your wages.

Voice 2.—Yes, but who's the country? Do you mean us?

Voice 3.—That's soon settled. Hands up anybody in the hall who's been borrowing short and lending long.

[No movement in the hall.]

Voice 4.—(Sings) Lending longer Lucy, lending longer Lu, How I'd like to lender Lucy all along with you.

Voices.—(Taking up chorus) Lending longer, longer lending, lend along with you.

Chairman.—Order, order. This is pure obstruction. You all know perfectly well what the speaker means.

Voice 1.—Speak for yourself, mate.

Voice 6.—On a point of order, Mr. Chairman, I submit that the interruptions have some relevancy, although perhaps not formulated in the best of taste.

Voice 2.—Good for you, old boy.

Voice 7.—Wat's 'e saying abart elephants?

Voice 2.—The old toff means we're keeping the speaker to the point.

Voice 3.—Whoever's borrowed short and lent long, it's nobody in this hall.

Voice 1.—Unless there's any liars here.

Voice 2.—No, mate. He called us honest citizens when he begun his speech.

Voice 7.—I say it's the unemployed. A bloke wot drors a dole for nuffink is borrowing from us wot's at work.

Voice 8.—Yes, but borrowing long —

Voice 9.—And not lending at all.

Chairman.—Order, order. You're not giving the speaker a chance to explain —

Voices.—Order, please, for the gentleman.

Speaker.—Ladies and gentlemen; if you had listened to me you would have saved a good deal of time. Our borrowing was from foreign lenders, and our lending was to foreign borrowers.

Voice 1.—That let's the unemployed out, then. So my question: "Who's 'we'?" is more important than ever.

Voice 7.—If it ain't none of us, and it ain't the unemployed, who the h— are the b—s?

Chairman and Voices variously.—Order, order! Hear, hear!—Sit down!—Mind your overdraft, etc., etc.

Voice 6.—Mr. Chairman, may I paraphrase the inquiry of the last questioner and invite the speaker to inform us if the persons who have engaged in these international

transactions can be identified, either as individuals or as a group?

Voice 7.—I want's an answer to my question first. Wot I asked was: "Who the h—"

Voice 3.—That is your question, mate.

Voice 8.—The gentleman's borrowed it short and lent it long, as you might s—

Voice 7.—I won't 'ave my questions borrowed by any b—

Chairman.—Order, order!

Speaker.—In answer to the last question these transactions are the business of large financial institutions, and are undertaken in the best interests of the country.

Voice 6.—Thank you. And I take it that the Government, as the repository of the country's interests, assumes responsibility for these transactions.

Speaker.—That is so.

Voice 6.—I suppose that the Cabinet initiates these transactions, or at least approves any borrowings and loans contemplated by the institutions referred to?

Speaker.—Strictly speaking, no. The political Government does not interfere with credit policy.

Voice 6.—Such interference, I gather, would infringe some law of the Constitution?

Speaker.—I would not put it so high as that: I would rather say that the doctrine of non-interference is a post-war convention which has been formally subscribed to by all political governments, and that this convention therefore has the force of constitutional law without being actually incorporate in any political Constitution.

Voice 1.—Why mustn't Governments interfere?

Speaker.—I did not say they must not. Governments have voluntarily accepted the convention, because they recognise that they lack the qualifications necessary to engage in these highly technical transactions. They abide by the advice of the bankers.

Voice 1.—And what about it when the bankers make a mistake.

Speaker.—Well, no man is omniscient, and it is impossible to foresee what event may show retrospectively that a certain course of action was wrong. The whole question is whether, at the time the action was taken, any politician was in so good a position as the bankers that he risks and advantages. The answer is obviously that he was not, and never is. The convention of political non-interference cannot guarantee that things will always turn out exactly right, but it does undoubtedly ensure that the margin of miscalculation in matters of credit policy is reduced to the minimum humanly possible. Bankers know best; and they do their best.

[Loud applause from the platform—derisive interjections from various parts of the hall: "Please don't shoot the banker"—"Let's send the hat round for him"—"— and tell him to go away."]

Voice 1.—Mr. Chairman; if nobody can understand this borrowing business but the banker, why isn't a banker here to explain it?

Voices.—"Hear, hear"—"Produce your banker!"

Voice 7.—Fetch the b— out. (Shouts of "Order, order.")

Chairman.—The speaker is quite competent to explain—

Voice 3.—... why the Treasurer of the Slate Club ain't present at the share-out! (Loud laughter.)

Chairman.—That's an ignorant remark. There is no question of money being missing.

Voice 6.—Perhaps it would enlighten us if the speaker would say in simple language how the bankers "borrowed short and lent long."

[Disturbance in a corner of the hall, the subsidence of which leaves audible an intended sotto voice inquiry by a deaf member of the audience: "Did he say 'taken' short—?" and replies from neighbours: "No, mate; borrowed."]

Another voice: "— and caught bending."

Voice 7.—Wot I arks is wot's 'appened to the dough?

Speaker.—It's quite simple. The bankers have not lent more than they borrowed. The difficulty is about the time. It's the same as if you, my friend, were to borrow a pound from our Chairman for a week and lend it to me for a month.

Voice 7.—I'd watch it, old toff; you wouldn't—

Speaker.—Let me explain. You wouldn't just borrow for a week and lend for a month. That would be silly. You would borrow at an interest-rate of, let us say, rd. a week, which you would pay the Chairman, and you would lend to me at, let us say, 2d. a week. In that way you would earn a clear rd. a week for yourself. And here's the point, the Chairman would not necessarily ask for the pound back at the end of the week: he would renew the loan every week

Notes of the Week.

[Reprinted from THE NEW AGE of June 3, 1926.]

When thieves pull it off honest men hear them let it out. The Political Correspondent of the *Daily Mail* writes in its issue of May 29 upon the row going on in Labour circles over the strike fiasco. Readers, bearing in mind the charge of the *Daily Mail* at the opening of the strike that the Council of the T.U.C. had been plotting revolution and perfecting plans of holding up the community and so forth and so on, will appreciate the new interpretation of the affair now offered by this correspondent:—

"The utter failure of the Trades Union Congress to coerce and blackmail the community by a general strike has produced a violent reaction in Labour circles.

"The entire blame for the failure is being laid on the members of the General Council, which, it is now common knowledge, drifted into the general strike with no detailed plans worked out, believing up to the last moment that something would happen which would absolve it from the need of trying the machine in actual practice.

"As a result it was not until after the strike was actually in being that the General Council sat down to consider how the machine ought to be run, in view of the unforeseen fact that the community, directed by the Government, was perfectly capable of looking after itself and was, moreover, intent upon doing so."

If this is all "common knowledge" the *Daily Mail's* earlier hypothesis was all uncommon garbage. We accept the present account as substantially true; it is consistent with the interpretation we offered in these Notes a fortnight ago. If it is common knowledge now it was special knowledge in Government circles just before the strike—in which case it confirms our hypothesis that the Government was privy to the precipitation of the trouble in a much greater degree than were the Trade Union Council as a whole. This is than were the Trade Union Council as a whole, for nobody not to implicate every individual on either side, for nobody who is not a babe at politics is ignorant of the fact that cliques and factions are a constant feature of high councils—whether of military, political, or industrial leadership and direction. In a leading article in *The Post* of May 29, a reference is made to "men (i.e., certain members of the Trades Union Council) who stand so near the edge of the right wing of the Labour movement that they could easily fall out of it." There are "rights" and "lefts" in every high command, and they each keep their own counsel. On the Trades Union Council there were some who believed in political action, and therefore welcomed anything that served to discredit direct action, and there were others who took their stand on direct action and sniffed at politics. Yet these two irreconcilable attitudes were both personified within the body of strategists responsible for leading a general strike. The strike, it will be realised in a few months' time, was not a strike, but a Capital-Labour lock-out of the Trade Union movement. Such a concept of that event is being confirmed not only by the *Daily Mail*, as we have seen, but by several unguarded statements in other quarters. Wait and see, for instance, if projected legislation respecting trade unions supposed to have become necessary as a result of the "strike" does not tend clearly towards turning the movement into a mere mechanism for subsidising a Parliamentary Labour Party. In the meantime the "constitutionalists" had better put their swelled heads under the cold tap. In their own interests the less they talk the better. Their only hope of maintaining the general strike was the utmost that could be accomplished by any future general strike is by keeping their mouths shut tight. Their logical rôle, if they must gossip, is to pretend that the last strike was conducted efficiently by a council which thoroughly believed in a strike policy, and was launched by this council at a moment most favourable to its success.

Speaking of the general strike at Plymouth on May 16, Mr. Cramp expressed the belief that there would not again be a strike of that character, for its logic, if carried out to the end, meant that the strikers starved and paralysed themselves as well as everybody else. But to show that an act is illogical is no guarantee that it will not be attempted again. In Plumstead there is already cheerful gossip about "another strike in six months." Irresponsible chatter it probably is, but nevertheless a significant suggestion that the surrender of the T.U.C. was not initiated from the rank and file who bore the stress of the fight-below. The rank and file who assumed its directing had more grit than the leaders who assumed the truce: in fact, the day after the calling of the truce there were more soldiers in the field than on the day of the truce: the momentum was gathering, not slackening. A common

so long as he didn't require the money and so long as he felt confident that you could return it at a week's notice.

Voice 1.—Why shouldn't the Chairman lend the pound to the speaker direct and get the whole twopence?

Voice 7.—Yus. Wot's the game, 'anding me a penny a week fer nuffink? A man wot drors money wivout working for it—

Voices.—Shut up.

Voice 8.—I would like to raise a point. I take it that, leaving the question of interest out, the British banks did not lend more money than they borrowed.

Speaker.—That is correct.

Voice 8.—Then the difficulty is just this question of time; the British banks have had to pay back the money at the end of the week, so to speak, and have got to wait till the end of the month to get the money back themselves.

Speaker.—Yes, that is roughly the situation; there is a sort of vacuum, a temporary time-lag—

Voice 8.—I take it that the debtor—I see that Germany borrowed this money from our banks—is not refusing to acknowledge the debt: the money will turn up some time?

Speaker.—Yes. There has been no repudiation. Germany is temporarily embarrassed, but the debt is a good one.

Voice 8.—Well, it seems to me that if our banks can rely on that, all they require is temporary support, so I do not see why they should not seek this support by way of a loan repayable to investors when Germany pays up.

Voice 9.—The last questioner has anticipated me. I would just like to add this: that if the support is to be secured by taxes on our incomes, by wage-cuts, and so on, we all ought to be credited with the money we pay, and be paid back when Germany settles up.

Speaker.—I'm afraid the matter is too complicated to be resolved so simply.

Voice 1.—It doesn't seem difficult to me. If a chap's short of a pound for a month and collects a pound from me to help him out, I want my pound back at the end of the month. Why should I give him my pound?

Voices.—Hear, hear.

Speaker.—You are mixing two questions up. The reason for the proposed taxes and retrenchments is not to raise money to repay our short-term creditors—in fact they have themselves lent us the money to do that with—

Voice 1.—Wot's that?

Voice 7.—Do you mean that our banks haven't got to pay back—?

Speaker.—Let me finish. Our banks have got to pay back the money, but their short-term creditors are, so to speak, giving them a little holiday.

Voice 1.—Then why shouldn't we get a little holiday?

Speaker.—Because these creditors are only allowing our banks this holiday on condition that the British people submit to the new economies.

Voice 7.—Wot's the game?

Speaker.—There's no game. These creditors demanded their money in the first place because they lost faith in our ability to hold our own in the world markets, as is shown in our increasing adverse balance of trade. They are quite willing to withdraw their demand when they see Britain once more able to compete in the world market and win back her lost trade.

Voice 8.—Pardon me, but I do not quite see their motive. We are given to understand that the United States and France are the short-term lenders. Why should they allow us a holiday on condition that we increase our power of competition? Would not the effect be to deprive them of some of their export trade?

Speaker.—I think that there is a corrective to such a tendency, because of the fact that all nations are interdependent—what injures or benefits one injures or benefits all.

Voice 3.—Oh yeah!

Chairman.—Ladies and gentlemen, these interruptions have exhausted the time at the speaker's disposal, and as he has to catch a train I will now thank him in your name for having delivered such an informative—

[Loud applause—scuffling for hats.]

Voice 1.—Mr. Chairman, one last question: Is there any proof that the borrowing and lending we've been arguing about really took place?

Voice 2.—That ought to have been the first question.

Voice 7.—(urgently)—'Ere! See the clock? They closes in ten minutes.

Voice 9.—That's the most informative remark I've heard to-night. Come on; who's for a drop of something short?

[Exeunt omnes.—Voice 7 protesting about there being no tax on the "toffs' drinks" but a penny on his pint of ale.]

paralysis is no bogey to a mass of malcontents, so it be common. A better argument is to point out to them that the starvation never is common; the "enemy" feeds always.

It would have been interesting to hear what conclusions Mr. Cramp, so logical along this line, had come to on the question of the future of trade unionism. Granted that a general strike is futile, is a particular strike futile? It would seem so. In the first case, the worker starves himself and everybody else: in the second he starves himself and nobody else. It does not look too good for the striker either way. Yet one seeks in vain for any suggestion from Mr. Cramp that the workers should discontinue contributing to strike funds. Since he expressly complains that the recent strike has cost the N.U.R. £1,000,000, would it not be as well to remove all future temptation to strike by ceasing to collect funds for that purpose out of the workers' wages? Apparently Mr. Cramp regards such funds as useful to have even though useless to spend. "The railway unions," says the *Star's* report of his remarks, "had saved their lives by the action they took regarding the agreement." "Saved their lives" may be paraphrased as "cut their losses." The "life" to be preserved is always that of the institution, never of the human beings who construct it for their protection. *The railwaymen are dead: long live the National Union of Railwaymen.*

This is leaving out of account the death of the miners. Mr. Frank Varley, M.P., a member of the Miners' Executive, says that the colliers have been "badly let down" by the T.U.C. in suddenly ending the general strike. He calls it an "abject surrender," and threatens a "reckoning day." By all means have a reckoning day, but not if the reckoning is going to be dissolved in a flood of recrimination. There is a large question to be settled. The trade union movement must come to a decision whether the general strike failed because strikes, as bargaining weapons, are now inherently useless, or whether it failed because it was mismanaged. On the answer depends the issue whether the movement continues to be a trade union concern or resolves itself into a savings bank and investment trust. There is no intelligible middle course that we can imagine. Shortly the movement will see what happens to the miners' wages. If they are reduced, the last argument for the principle of strikes—and strike funds—will have been laid low. We notice that now the menace of the general striker has been eliminated the *Daily News* is outposting the *Morning Post* in its militancy on the wage dispute.

"We have never had any sympathy with Mr. Cook's proclamation that he will accept no reduction in wages whatever under any circumstances."

No sympathy. Has the Archbishop of Canterbury stolen it all?

"It is nonsense. He will have to do so, and so doubtless will a great many other people."

Ho, ho! That's the stuff to give 'em. Nonconformity is putting off the "baggy trousers" which the late editor of THE NEW AGE once attributed to it, and is winding puttees on its legs, hoping thus to pass for a seasoned soldier in Lady Bathurst's regiment. As for the management of the *Daily News*, we appreciate its problem of reconciling breadth of view with breadth of circulation, and concede that the reduction in the price of the *Morning Post* to one penny for twenty large pages last Monday week (against twelve small pages of the *Daily News* for the same sum) and the consequent jump in its sales must have jolted a few cash registers round Bouverie Street. Is the *Daily News* going to bring its price down to a halfpenny? No? Then we have no sympathy with it. It is nonsense. It will have to do so, and so doubtless will a good many other papers.

The *Star*, upon resuming normal publication on May 17, published a special article by its editor. It can be summed up in the formula of the "No. 1" turn at the music-hall (before the "stalls" arrive): "Here we are again"—to which the obvious reply is, "Yes; well—what about it?"

"We have found it difficult to realise that a paper which had once stopped could start again, but here we are, looking very much as if nothing had happened, and one of the lessons we have learned is that the public is just as much disturbed as we are by any interruption in publication."

Then follows a description of the troubles and difficulties (successfully overcome) of keeping up publication during the strike, and so filling the aching need of the public for the *Star's* message. The "lesson" learned is bunkum. In

normal times any journal must keep up a continuous appearance, not lest the public refuse to forgive it a miss, but lest they forget it. When they all suspend publication the public misses them; and when they all resume the public buy them according to previous habit. But let one of them lag by a day behind the rest, and it will soon learn that the public are like Time and Tide.

All this fits in well with our theory, last week, of the secret history of the general strike. Everything was made so safe for the "capitalist" newspapers. They were all suppressed together for eleven days, and their vacant places kept warm by two improvised and temporary official organs. Can anyone imagine the tacticians of a strike organisation which meant stern business neglecting to exploit the possibility of setting the Press fighting the Press. To put the whole Press out of action simultaneously was to keep it in action permanently. That illustrates one of the weaknesses of a general strike—"all out together." It looks imposing enough, but so do all impostures. There was a very compelling reason why the suspension of negotiations with the T.U.C. by the Government. For on the day on which the *Daily Mail* failed to appear, all its competitors came to its rescue it would have suffered permanent injury to its circulation. Or one may look at the episode from another angle. Why did the *Daily Mail* alone (other journals were "interfered with") decide not to appear rather than to alter a couple of passages in its leading article? Principle? Not when it risked its readers' trying out some other newspaper. We suggest that it was foreknowledge that the strike was inevitable. In that case the risk was small, for the public would be left ten days or so during which, having no newspapers but the improvised ones, it would slowly forget its one day's patronage of rival organs, and would revert after the strike to its usual choice of journal.

There will, moreover, be special significance to readers of THE NEW AGE in the recollection that the very journal which thus alone adopted such an uncompromising attitude in defence of its right to say what it chose, is of all journals the one which has most consistently and vehemently preached the superiority of American institutions over those of Britain. Was it not the *Daily Mail* which so strongly advocated the re-electricification of this country, to be carried out under the supervision of American experts? And, more recently, was it not the *Daily Mail* which organised the visit of British Trade Unionists to the United States to gaze in wonder at the achievements of an industry adequately fed with producer and consumer credits (although, of course, this is not the lesson the *Daily Mail* suggested)? There is no escaping the suspicion that the conspicuous attitude of its editor towards his disaffected employees may have had something to do with the question of responsibility we shall see. In the meantime, we note that this journal charges one penny for sixteen small pages. It is too much, relatively to the price of the *Morning Post*, a journal, moreover, to which the following testimonial is on record by the late Lord Northcliffe in his "Newspapers and their Millions" (1922):

"I said to the old journalist (let me call him Senex): 'Who is the most powerful woman in England, outside the Royal Family?'"

"Lady Astor, M.P., of course!" he said.

"Lady Astor!" I replied; "it is true that she controls the *Observer*, but, in my opinion, Senex, the most powerful woman in England without exception—other than Royalty—is Lady Bathurst, the beautiful and accomplished director of the *Morning Post*. You may not always agree with the enormous headlines, but you will admit that, right or wrong, the *Morning Post* is bright, consistent, sometimes flighty, BUT ALWAYS ENGLISH."

"Senex, at first surprised by the suggestion, agreed with me, as will every thinking person."

That judgment is four years old. Whether it is still held, probably only Sir Arthur Conan Doyle and his friends could tell us definitely; but from many present indications we are inclined to endorse its accuracy.

Comments upon the strike are multiplying fast. The *Daily Mail* gives summaries of typical views from all the Dominions. Seeing that these views must have been based on censored press cables from England, they may be taken as read. In a different category are the remarks of some of the Labour leaders themselves. Mr. Lansbury states in his journal that immediately before the capitulation of the

T.U.C. it had received information that the Cabinet had decided to arrest the members of the General Council and of the local strike committees. If that is true, the T.U.C., by calling off the strike before the decision could be carried out, went out of its way to let down the trade-union movement; for those arrests would have consolidated it more closely than any exhortations of revolutionaries could have done. We doubt whether there was the slightest intention to carry out the threat: it would have set up a tendency to decentralisation in leadership—a tendency which we pointed out last week was the one thing which both parties to the struggle feared above all things. Mr. John Wheatley, M.P., writes in the *South Side Standard* (Glasgow) "A Survey of the Great Surrender":

"The workers have sustained a smashing reverse. It was not inflicted by their bosses nor due to their own weakness. It is a most astonishing result to a most magnificent effort. The struggle will surely rank as the greatest and most bungled strike in history.

"From the first moment of the struggle, and indeed before it, prominent Labour leaders were whining and grovelling. The real tragedy was that in its hour of trial the Labour movement was deserted by those in whom it had placed its greatest trust."

The moral again is—decentralise your leadership. We are as firm in our conviction as we ever were that the weapon of the strike is futile when used by Labour to win economic emancipation through a victory over the industrial capitalist. But it can be quite otherwise when it is used in support of a joint Labour-Capital clean-up of the financial jugglery which has for so long deceived the worker and his master into believing that they are predestined enemies. Even so, the strike would have to proceed on a different plan from any that has yet been followed. There are other ways of revolting against economic repression than by the mere withdrawal by the employee of his service from his employer. That can only result in throwing both of them deeper into debt to the credit-monopoly. We do not propose on this occasion to define any of these possible alternatives, but we will say in general that decentralisation must be the principle of them. In the Labour movement, decentralisation not only of leadership but also of funds; instead of the "one big union with one big purse," the reversion to many smaller unions each with a purse of its own. And decentralisation must be applied to the contents of those purses. Open the "one big purse" to-day, and what do you find? Money? Not a chip to speak of; but a forest of scrip—shares, bonds and what not. "Oh, but these are worth money—they can be changed into money at market rates," the trade unionist will reassure himself. Yes; they can—so long as there is no strike! If trade unions wish to exercise economic power for any purpose at all they must renounce the luxury of interest and dividends, and keep their money on current account. A few thousand small trade union purses filled with cash, and each purse under the separate and local control of each union, constitute a potential power transcending a thousandfold that supposed to be resident in a national "fund" of dividend-earning investments. A purse, if it is to be used as a purse, must be a purse of stolid cash, not a portfolio of elusive bonds. Just pull yourselves together, all you young leaders in the movement, and consider this money question in relation to your own rough-and-ready test of what is good for the worker. Have you not always proceeded on the intuitional principle of declining to do what the "enemy" suggest that you should do? Very well. At the very top of the "Capitalist system" are the banks. Now what, above all things, makes the banker beam? A large proportion of fluid assets (cash) to other assets (loans and investments). That is so, is it not? Then do you not see that an investing Trade Union Movement is playing directly into the hands of the banking system? Fluid assets are power. Yet day by day the trade unions are gathering from their members this power—and feeding it into the mouth of the banking system. Think this over, and you will undoubtedly reach the conclusion that the next democratic business of trade unionists is to compel a thorough overhaul of their leaders' financial policy. In this connection we have heard two rumours. One dates back some months. It was to the effect that the funds of one very powerful trade union had been augmented by £80,000 as a result of buying rubber shares on tips received from a well-known and popular peer of the realm. The other is recent. It dates back only to the commencement of the general strike. A tip was then given to certain leaders to invest union funds in railway shares. Whether they were to utilise strike funds for the purpose, or whether they were to buy "for account," and rake in the profit for "Socialism" (!) on the rise before settling day we do

not know. If the rumours are true (and there is, at least, nothing improbable about them), while no imputation lies against the personal integrity of the principals in these affairs, there is ground for strong criticism of their judgment. They would be good managers of a Labour investment trust, but since the trade union rank and file certainly do not take that view of the main function of their movement, they ought to have an opportunity of knowing what goes on in their name. If the individuals who pay their due and levies week by week are not allowed to appraise and revise the financial policy of their unions, they had better stay outside them.

Mr. Baldwin's proposals for settling the coal dispute have been rejected by the Miners' Federation. The Press, which was purring yesterday over dangers left behind, is, as we write, squalling over dangers now to come. These coal-scribes make us yawn. Look at their attitude. The coal-owners and miners have a sum set them on a slate. They can keep passing the slate to each other. Neither can get the sum right. At last, in desperation, they let go the slate and fall to fisticuffs. Others join in, and a small riot ensues. A gentleman called Samuel comes along and separates them. Joy in the Press. "The fight is off." Everything is to be forgiven and forgotten. Just so. Samuel has picked up the slate and disappeared with it. But as soon as the coalowners and miners have recovered some of their breath, Samuel's friend Reading turns up and politely hands them the same sum on the same slate. Not a figure has changed. There are a few expert cnlookers who say that the sum cannot be worked out. They are so certain of this that they want to ask what sort of teacher it was who set it. But the Press is too busy to report this kind of gossip. Why should it, when all that is needed is a handshake and two new slate-pencils? However, we are pleased to see that the miners objected, among other things, to the idea of an "independent chairman" on the proposed wages committee, because the issues were too important to be left to his casting vote. That is a right attitude and ought to be persisted in as strongly as is the resistance to the principle of wage reduction. Besides that, if we want a Vice-Regent to settle our industrial and social economy we need not import him from the East: the British Constitution has already provided for one in the office and function of the Archbishopric of Canterbury.

Across the Channel there is gossip about a possible change of Government in France. M. Peret, the Finance Minister, faithfully maintains the continuity of financial policy; he sighs about the debt, but signs nothing. It was disclosed last week that the Government had asked the Bank of France to allow the gold reserve to be drawn on to guarantee credits for the support of the franc, and that the Council of Regents, including Baron Edouard de Rothschild, had refused. We would like to see some French Minister raise the question of the ownership of this gold. It does not belong to the Bank. Banks buy their gold, it is true; but the financial credit with which they buy it they create for the purpose of the costless method which we described in our issue of May 13. They got the gold for nothing. To the extent to which they claim it as their own, to that extent they have been subsidised. Queer state of affairs, is it not, when one reflects back on the fact that Britain was paralysed for eleven days for having subsidised the mining industry?

Mr. Lloyd George contributed an article to the *Hearst* newspapers during the strike, and is being taken to task here for writing it. The sudden collapse of the struggle gives point to the banter of the *Evening Standard* and the *Morning Post* over his failure as a prophet. (He had given reasons for expecting a prolongation of the struggle.) But it would be as well for his critics to get clear of the pit-props before they shout too loud. The struggle continues, and until it is composed, no wise statesman will assume that it cannot again reach formidable dimensions.

LETTERS TO THE EDITOR.

BANKERS IN FRANCE.

Sir,—Living in France, the moment the "crisis" in England was announced, I remembered the collapse of the Herriot Administration of the Cartel des Gauches. The resemblance struck French newspapers also. They noted that the two "Socialist" cabinets had lasted the same number of years, the same number of months, and almost exactly the same number of days.

In each case the people through their Government had been using their own money freely; but this, on "sound financial principles" appeared as a debt to a private institu-

tion. Considering the "debt" too large, the private institutions, under the rules of the game, called upon the people, through their Government, to reduce it.

Everyone knows now why Herriot got the sack; he wanted to make the financiers pay their income tax. The attitude of these gentlemen was summed up in a now-famous phrase of one of them—"L'impôt sur le revenu, c'est l'impôt des 'poires.'" This same wit was a member of almost every Ministry, till quite recently: has his *mot* become too notorious? He was actually put in charge of Réparations—"a gold mine for the next twenty years."

The direction of attack was identical—the foreign exchanges. In France it was pushed home, right home. In England it was threatened. Did too much of the world's finance depend upon the £ to admit of more? Anyhow, enough was threatened to scare our leading statesmen.

The slogans were the same—Lack of Confidence in the Government (Socialist), Flight from the Franc/Pound, Sacrifice for Country!—England, my England!

And now, the mess is greater than ever. Men more tightly bound to money; money to gold—gold to New York and Paris. What a prospect!

I. C. E. B.

OUR LONG-LOAN POLICY.

Sir,—The Macmillan Report contains the following interesting facts:—

British Net Income 1924-1930 inclusive	£557 millions.
New Overseas Issues for same period	£819
Surplus of money lent over money received	£242

Last night, at the House of Commons, Mr. Snowden stated that the Midland Bank figures of Overseas Issues for the period January to August, 1931, total £46 millions.

It would appear from the above that the export of British capital has been very much in excess of income, and it would be reasonable to assume that the present financial crisis is caused by this fact, although no mention of it has been made by any political party or newspaper. Assuming that our Overseas Issues during the last seven years had not exceeded our income, we should presumably have £242 million more money in this country which, in the ordinary course, would be largely used for trade development. Our unemployment figures, in that case, would consequently not be so high, and would probably not have precipitated the present budget crisis.

"THROGMORTON."

ANSWERS TO CORRESPONDENTS.

M. B. C.—Our view about the *Protocols* is that they could have been written by anyone who was versed in Machiavellian philosophy and who understood the secret of credit-power which Major Douglas independently discovered in 1918. It is only on the assumption that the secret was *not known to anybody at all* before Major Douglas revealed it that the *Protocols* become impressive in the sense of exhibiting uncanny powers of prevision in their author. But if in 1905—the date usually ascribed to this work—the author was "in the know" concerning what is now called the Douglas Theorem, we see no cause to marvel at his predictions—they logically proceed from humanly intelligible principles. As a matter of fact, there are, recorded in the literature of the Social Credit Movement, many "Protocols of the Learned Governors of the Central Banks" which for accuracy of prediction can easily look the "Zionist Protocols" in the face. If you come in contact with people who are impressed by the book, we suggest that you exploit it to the advantage of Social Credit by explaining "how it is done." But the snag is that the people in question will be mostly types who love a mystery, and who will be offended if you smudge it out with Douglas's economic naturalism. They are philosophic sensualists who in the lines of the poet—

Thrill to the touch of a Hidden Hand,
And won't hear a voice till it's still.

AUSTRALIAN SOCIAL CREDIT DIRECTORY.

- Powell, Robert, King's Cross Mansions, 239, William-street, King's Cross, Sydney, N.S.W.
- Morrison, G. M., Room 215, Adyar House, Bligh-street, Sydney, N.S.W. Hon. Sec., Douglas Soc. Cr. Assn.
- Wilkinson, J. R., 1, Museum-street, Perth, W.A. Hon. Sec., The Douglas Credit Movement of Western Australia.
- McKellar, 6, Ormsby-grove, Toorak, S.E.2, Victoria, Australia. Editor, *The New Economics for Australia*
- Ireland, P.M. 103, Hawdon Street, Heidelberg, N. 22 Melbourne. Secretary, Melbourne Social Credit Group.
- Da Costa, C. B., architect, Deagon Street, Sandgate, Brisbane. Secretary, Brisbane Social Credit Group.

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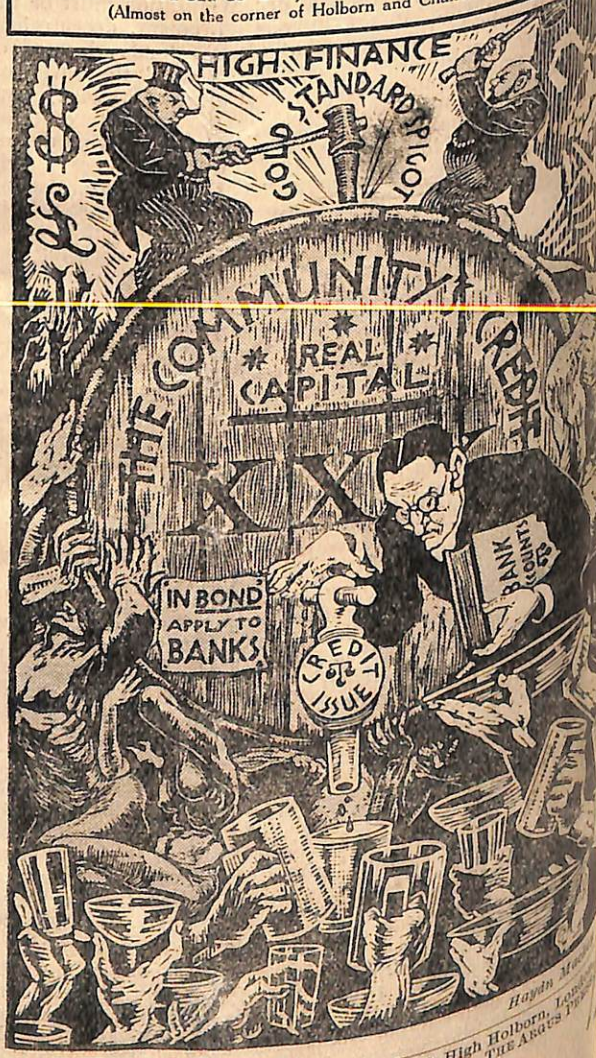
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Published by the Proprietor (ARTHUR BRENTON), 70, High Holborn, London, W.C. (Telephone: Chancery 8470), and printed for him by THE ANGLES LIMITED, Temple-avenue and Tudor-street, London, E.C.4.