

THE NEW AGE

INCORPORATING "CREDIT POWER"

A WEEKLY REVIEW OF POLITICS, LITERATURE, AND ART

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NOTES OF THE WEEK.

The Debate on the Government's newest method of safeguarding industries evoked the usual speeches from the Free Trade elements in the Opposition. Nowadays the fire has gone out of the Protection-versus-Free Trade controversy. Nature, as Emerson said, gives you nothing; she sells it to you. Or to apply another aphorism of his, there is a crack in everything that God has made—including Free Trade and Protection. Whichever system we had, the mass of the people would have to pay for it. Protection relies on profits from a monopolised home market to subsidise foreign trade. Free Trade relies on banking, shipping, and insurance profits arising out of unimpeded international trade. Protection lays its emphasis on a large home revenue; Free Trade on a small home cost. Protection nurses the manufacturer; Free Trade nurses the entrepreneur. Free Trade involves a lower cost of living—with lower wages: Protection involves higher wages—with a higher cost of living. Neither of them involves a lower cost of living with higher wages—or even with the same wages. That is why the fire has gone out of the controversy. It is easy enough to exhibit the flaws in the present proposals. They expressly rule out agriculture from the benefit of protection, for the reason that food would be made dear and wages would have to be raised which would lead to more currency being demanded. Then, again, if external competition due to sweated labour happens to come from other parts of the Empire, the injured industries in Britain will have to put up with it. For instance, the jute industries here must continue to compete with similar industries in Bengal, which pay their workers wages ranging from 3s. 10d. to 13s. 10d. per week of sixty hours. But what is the use of criticism unless you have a better plan to offer? "Labour has its policy for solving this problem of foreign competition," declares Mr. Brailsford in the *New Leader*. "It would grapple with the inefficiency of our backward key industries by amalgamating the mines, or electrifying the railways." Yes, and when all this was done, and "waste" eliminated (*i.e.*, more labour put out of work), can Mr. Brailsford inform us where the cheapened products (assuming they eventually are cheaper) would be sold? Then again: "Our aim

must be by every device of international action, political and industrial, to help German workers to raise wages." Further, after referring to the "good work" of the International Labour office, he advocates "simultaneous legislation" in order to stabilise the working day at eight hours in Britain, Germany, France, and Belgium. "If only," Mr. Brailsford seems to say, "we can equalise wage costs in all these countries we shall have solved 'this problem of competition.'" Nothing of the sort. All that would have been done would have been to readjust the shares of these countries in the world market. Some of them would get extra trade, but others would lose it. Take Mr. Brailsford's idea of helping the German workers to raise wages. Very good; the German workers will be delighted—until they discover that they are helping their masters to lose orders and to reduce employment. Does he think there are no Herren Hodges in the Fatherland to warn the workers against premature agitation? Will they not, like our own Mr. Hodges, implore the workers to wait a few years while the world is being surveyed by their own leaders with the object of discovering a wage-earner making a good meal? It will not do at all. Economic teachers may as well realise now as in years to come that the world market is now too small to absorb the world's products, and that no international agreements can possibly bridge the discrepancy. It would be more sensible, fantastic as it may seem, for the industrial nations of Europe to put up a proposition to America asking her how much she would pay them to stop producing and to leave her to manufacture for the whole world, as she would soon be able to do if necessary. If that can be done by a private firm over a Government stamp contract, why not by a confederation of nations over a world-consumption contract?

Another controversy that lies on its deathbed is the suffrage controversy. It has commended itself so little even to Miss Christabel Pankhurst that, while it is yet breathing, she has laid it out for burial. The midwife turned undertaker. She ought to have thought very hard directly she witnessed the eagerness with which the first instalment of the franchise was pushed on to women by a Parliament of men. The vital question is not who shall vote; it is what they are allowed to vote for when they do vote. In an economically parched community the women thirst—even more

than the men; and if the issue at an election was the broad question: "Will you or will you not have water?" there would be every reason for eliciting an answer from every person alive—not even excluding children. But is the issue ever like this? Never. It is always put forward in this form: "How would you like water to be drawn from the well?—with a garden fork, a cullender, or a sieve?" The real thing—the policy—water, about which everyone can express an informed opinion, is excluded from the political programme. But the manner of doing the thing—the technique—the instruments, about which only a fraction of the people have any knowledge, fills the whole area of popular controversy. It is true that our analogy is crude, for even a child knows that the three instruments named all let water. But call them by indefinite names like Conservatism, Liberalism, and Socialism, let noble brows approve them with texts, and let the instruments themselves be concealed in party wrappings—and the trick will go through. For by what are the poor people then to be guided but by collateral evidences—the look of noble brows, and the sound of noble words? Miss Ellen Wilkinson made play in the House last week with the old objection that if women had the vote they would choose the best-looking candidates. She said that, looking round the House, she thought members need not be frightened. ("Loud laughter"—from all the *men* in the House. There's a kind of moral beauty in the enjoyment of a joke against oneself.) But the fact is that votes are given, and by both sexes, on far more irrelevant considerations than that of good looks. In these circumstances we agree with the advocates of the new extension of the franchise to women between the ages of twenty-one and thirty. By all means bring them in. When you trip over a red herring it is a sound policy to wipe, cook, and eat it—especially when the flesh is young and tender.

We are glad to notice that our remarks on food prices two weeks ago have been underlined by Mrs. A. Burrell. The question will be asked: "Mrs. Burrell! Who is she? Is she anybody of consequence?" The answer to the last challenge is: "No, she is not; she's only a consumer." But it is just because she is just a typical woman who buys things from shops that we value her support. As a theorist let us write her down as nothing. But as a mistress of the empirical science of making both ends of her money meet round the needs of her family she is everything. Listen. "Prices are heavier in poorer districts, where the intelligence is not equal to arithmetic, and the ability to judge quality." Then speaking of the modern spring balance, she calculates that these balances must be worth "some thousands a year to big firms." "I have," she told the Food Commission, "challenged the weight on some scores of occasions, and asked for the goods to be weighed with weights and scales, and in the majority of cases my protest has been justified." This sort of thing is not supposed to happen under our system of inspectorship of weighing devices; but here is a definite assertion to the contrary based upon facts within the witness's own knowledge. Following Mrs. Burrell came Mrs. Hart. Who is Mrs. Hart? She is—well, the answer comes out in her evidence. "It is much more difficult to-day to provide for a household than it was before the war." (Oh, ah—yes; she provides for a household. Very interesting, to be sure.) "It is not because I buy better food." (The *Star* report says that she "assured" Sir Auckland Geddes of this fact in answer to an inquiry. Good heavens!—that she had to "assure" anybody on the point. But there—better food is for the better classes. We forget.) "It is just that prices are higher." Thus Mrs. Hart rounded off her "assurance." Upon being asked by Mrs. Philip Snowden, with the air of an

uninformed visitor from Canada, whether there was "any indignation in the neighbourhood" about these things, she replied that they "seemed to be taken for granted now," but that the tendency was to "blame the Government." This reply evoked "laughter." How silly of the consumers to blame the very body they elect to protect their interests. Surely they ought to blame themselves. The next witness was Mrs. Wilson. "When you have paid your high rent, for coal, light, and clothing, there isn't a big margin left for food." This reiteration of an eternal problem must have bored the Committee, so it fished for a little amusement by asking Mrs. Wilson what it is all due to. Taken out of her own subject, she let go relevant facts, and indulged in moralising. "So many girls," she said, "had a false start. They got married during the war, and drew an allowance to start with; and, not having their husbands to cater for, they never had a fair start in housekeeping. *They had got a taste for good food and good clothes.*" "Ah! how true," you can hear the Committee sigh. "A taste for what is good—how false—how unfair." False and unfair! Why? Because it could not last, is, of course, the answer which Mrs. Wilson and the Committee would return. Turn millions of the best workers out of industry, and set them killing and destroying—then there is good food, there are good clothes for these girl-wives. But call their men back to useful work again—and the good becomes bad, and tastes must be degraded to the standard of the "fair start" in housekeeping. And nobody laughs. But let us proceed. "Before the war," said Mrs. Wilson, "children went to school on 'sop'—bread soaked in boiling water with a little sugar added—but if that was done now doctors and teachers dis- it out and ordered milk. In this way mothers discovered that a higher standard was needed." As covered that a higher standard seemed likely to violate the doctrine of the "fair start" in housekeeping, the Committee once more threw off its proper responsibility and asked her to suggest what it could do. Could she suggest a remedy for the food situation? Can anyone imagine such an attitude on the part of any other body of "experts" than politicians and sociologists? Try and think of the Royal College of Surgeons sitting round a patient whom they had cut open, and asking if he could suggest what should be done next! Mrs. Wilson was there to expose her economic complaint; that—and nothing else. And she, with a flash of unerring insight, returned this answer:—

"It would take all the experts in the world to tell the Government what to do, but I do feel that the present state of things should not be allowed to go on."

There you are, ladies and gentlemen of the Committee; now you know what you are put there for. You are there only to ask the facts about the present state of things. Witness after witness has told you the facts. The rest is up to you. You must find a way of preventing this "present state of things" going on. Come on now: you are experts in all three branches of the science of water-raising—the garden fork, the cullender, and the sieve. Forward to the well! All hands to the—oh, we forget that you do not believe in those new-fangled cranky inventions. However, to return to this lady, to whom much may be forgiven, for she has observed much. "What we do not understand is why, when the price of butter goes down, the price of sugar or something else goes up, so as to keep our purchasing power at the same level." Oh, excellent Mrs. Wilson: oh, most excellent lady. "If bread goes down, something else goes up in price." That is right, repeat it, repeat it: repetition is good for their souls. A member of the Committee jocularly suggested: "And that's the Government?" But the virtuous Mrs. Wilson would not see the joke. "That's the Government," she exclaimed. ("Laughter" once

more. ("These people have got the Government on their brains," they pityingly conclude. It is on their backs, at any rate.) She explained what she meant: "They don't seem to want the working man to make any advance." Excellent in its restraint, Mrs. Wilson. No, they do not seem to want it so; yet they would have it so, for a streak of the same humanity runs through us all. But, alas, they are all scared by the financiers out of thinking their own thoughts. We must not conclude without reference to the next witness, Mrs. Piggott. She confirmed Mrs. Burrell by saying that even middle-class housewives, as a rule, were "unable to judge at sight the quality and origin of foodstuffs such as meat." Then she added a further observation that "the public do not appear to get the benefit of prices and quantity when there is a glut of supplies." Subsequently she produced the event of the day. She exclaimed: "Jam used to be 3 lb. for 1s. Perhaps someone can tell me what it is now?" "Can you?" she added, turning to Mrs. Snowden. But Mrs. Snowden did not know; Mrs. Snowden—who could have told her in a moment who was the worst Foreign Secretary of modern times, or how dear the Royal Family had become to the members of the Labour Party—could not say how dear jam had become to the "providers for households." After that, of course nobody could expect to hear the information from the lips of Dame Helen Gwynne Vaughan. Nor nobody did. As for the men on the Committee—what could they know about it? The very subject was a close preserve so far as their educational wanderings were concerned. Eventually the figures were supplied by one of the former witnesses. They are not given in the newspaper report we read, but we know now. If anybody wants to know as well, let him inquire like we did: it will help him to remember. Jam—a most important article. It deceives children's palates into passing peace-time food products through to their stomachs, and is therefore the most vital element in their functional adjustment to the conditions of that "fair start" in life which we have been considering. Surely jam, of all things, must be cheapened—until the next war comes with its good food and sweet costumes.

Reports in the Press of last week go to confirm the account of world developments which Major Douglas gave at THE NEW AGE dinner. Brigadier General Mitchell, head of the United States Air Force, has been warning the Aircraft Committee of the House of Representatives that the defences of the Hawaiian Islands were "as obsolete as bows and arrows," and that Japan could capture both Hawaii and the Philippine Islands with ease, particularly Hawaii, which "could not hold out more than two weeks." At the same time General Chauvel and Colonel Smart, an artillery expert, are "examining the possibility of the military defence" of Port Darwin and other ports of Northern Australia. As the Philippine Islands lie about half way between Japan at the north, and Australia at the south, the layman can attempt the decision whether Japan is expected to attack Australia after capturing the Philippines, or whether America is expected to use Australia as a base from which to repel an attempt by Japan on the Philippines. A third item of information is that Japan is hesitating to join the new Disarmament Conference which is to be held in America until she knows what is on the agenda. She will not, so it is reported, agree to a limitation in the size or numbers of submarines or destroyers. In the meantime the agreement by which Japan recognises the Soviet régime has been put into the hands of the Regent at Tokio for ratification. There were rumours a week or so ago that Russia and Japan had entered into a secret military alliance, but they were subsequently denied—as they would be if true, or untrue; so once more the layman has to guess which. France, as well as Japan, is unwilling to reduce

naval armaments, especially submarines. Since the summoning of the Disarmament Conference is subject to the previous agreement of the Powers, on at least the outline of the proposed reductions, it will be seen that there are obstacles to be overcome. That they will be, we do not doubt. Any Power which foresees the probability of engaging in another war knows that it must spell-bind its nationals, when it does so, so that they shall be convinced that it was "taken by surprise," that its "trust in the pacifism of the 'enemy' has been cruelly violated," that it has been "plotted against," is "unprepared," and that "it is the duty of all citizens to rise, etc., etc." To sustain such a case plausibly, the Power in question must have first taken its degree in pacifism. It therefore attends a Disarmament Conference and passes an examination in the science of eye-wash—after which it comes home with a halo and wings corresponding to a cap and gown. After the Church and chapel notabilities have come, examined the uniform, certified its genuineness, praised God, and gone, the sly old Power changes into blue overalls and lopes along through the shadows to the naval dockyard. Arriving there it shuts itself up with experts, with whom it examines engineering devices for dodging the limitations of the new Disarmament Pact to which it has agreed. We heard of one of them last week—which is quick work, seeing that it concerned itself with a particular problem which *might* emerge if the Conference sat and if it happened to poke its prohibitions in that particular direction. But all this does not by any means involve the supposition that there is not a keen desire to preserve peace on the part of the real instigators of the Conference. But who are they? They are not the Powers as such, or at any rate they are not European Powers. No lay observer with anything of a nose for what is "in the air," can fail to detect the odour of cynical acquiescence which surrounds all discussions as to participation. The nations want to go, but they don't. They would like to reduce taxes, but they do not want to risk being caught short of sub-economic power in the likely event of the collapse of the economic system. Then, to come to the technical principle of disarmament, we mean the reduction of visible armaments in a ratio. At present the larger rights of armament are given to the larger Powers. But this is not even proportionately fair to the smaller Powers. The rule assumes that the power to wage a war is directly proportionate to the amount of armament with which a country commences the war. It is not. It is proportionate to the "real-credit" of that country as calculated in terms of new armaments after war has broken out. There are visible navies, for instance. But what about the potential navies? Before the last war Britain had a little visible army, but in spite of that—no, because of it—she was able to flood the world with as brave and even more flexible (un-military) fighters as any conscriptionist country anywhere. Morale, ideas, swift improvisations during warfare are the factors which sway events and shape destinies. These cannot be limited by any Conferences. There is, therefore, no way in which "security" can be rationed out by any known process of balancing military resources. Applying these reflections to the case of America, she could afford to give Britain a good start in the matter of visible armaments precisely because her own index of military productivity is higher than ours. These considerations, one may be sure, are not being ignored by our own strategists and tacticians. They have this importance, too, that they bear upon the efficacy of the Social Credit Policy as a policy of war finance. It is not going too far to suggest that the exigencies of another war would compel this country to put it into prompt execution. Assuming it be possible by any means at all to prevail on soldiers and civilians to "carry on" in the face of the diabolical

cal engines of destruction which are being prepared for their extermination, we cannot imagine any means less than a really generous diffusion of consumer-finance which has even a theoretical chance of confirming their fortitude. Nevertheless, those who are in charge of this country's destinies are taking a frightful risk if they are waiting for such a dread event before acting up to their responsibilities. For, depend upon it, obscure as the Social Credit policy may be in prospect, there is no intellect so mean that it will not be able to decide, in retrospect, that it ought to have been adopted before. Nor can the answer be "Nobody thought of it before." How can it, in the face of the evidence of Douglas's books, the Canadian Enquiry, and the pages of *Public Welfare*, *Credit Power*, and *THE NEW AGE*? Even so, tardiness might yet be forgiven if the act were done in time to avert the catastrophe. But woe betide them who wait for the Furies themselves to seal the charter of our emancipation with the blood of our race.

The Current Outlook.

II.

[Concluding portion of Major Douglas's Address at THE NEW AGE Dinner.]

Major Douglas said that in considering the international situation it was important to recognise the difference between Great Britain acting under the imposed policy of International Finance (whose personnel might be symbolised by Sir Otto Niemeyer and the Treasury, and Mr. Montagu Norman and the Bank of England), and Great Britain in the more popular sense of a political entity. Since Financial policy (Gold Standard Finance) now emanated from the United States, British financial policy of the orthodox variety was simply an echo of Wall Street and Washington, and for this reason implied co-operation with the United States, more or less in the position of an active subordinate; a co-operation which had as its true aim the establishment of a Supreme World State and the subjugation of individuality to it. But it was most improbable that any considerable number, either of British statesmen or British captains of industry, to say nothing of the great majority of the population, were at all reconciled to the relegation of the British Empire to the position of a Colonial Dependency of the United States (especially as the formality of consulting them had, as usual, been dispensed with) and there was considerable evidence that the position was becoming realised in sufficiently influential quarters to provide the possibility of formidable opposition.

Perhaps the most important indication of the development in the situation during the past year had been the correspondence opened by Mr. J. F. Darling in the columns of the *Spectator* and elsewhere, which correspondence warned the general public that a return to the Gold Standard meant the complete subjugation of Great Britain to the United States. Mr. J. F. Darling is a "practical" banker of some importance; and Mr. Brenton, with his usual perspicacity, had correctly remarked that "practical" bankers do not write letters of this description without feeling fairly sure of support from quarters able to make their weight felt. It must not be imagined that this controversy meant that Social Credit had become a political issue—it did not. It indicated a conflict at the apex of centralised control.

Major Douglas remarked that it would be, of course, absurd to say that this trend of affairs would take the form of an acute catastrophe on a specific day. The situation might develop for several years or it might come to a head in a very short time. Similarly, it was by no means impossible that the situation might reach a critical and acute stage in

some other part of the world than the Pacific, just as one might say that in a boiler in which the pressure was steadily rising, an explosion would eventually occur, although it might be impossible to say exactly at what moment, or on what exact position of the surface of the boiler, the explosion would become evident. But for his part he had very little doubt that the general situation was progressing into an antagonism along the lines he had been discussing, and that the serious and practical issue for his hearers was to realise the immense magnitude of the forces involved (in comparison with which even nations were pawns in the game) and to consider, with all possible earnestness, the action they might be able to take in the event of a catastrophe of the first magnitude.

The Epoch of "The Men of Business."

By Dr. Frederic Van Eeden.

II.

MEN OF BUSINESS.

Let me yet muse a little over those books of the men of business, Gillette and Ford. If I mistake not, it is with them that an alteration in the social life is taking place, which will deeply change the fate of mankind. Both Gillette and Ford compare it to a "birth."

I understand the comparison. There is a universal desire for right and justice. The human race suffers want, and the devout Christian longs for the coming of God's Kingdom upon earth. To the unbeliever this is certainly a beautiful dream, but a too delightful idea altogether. To the believing Catholic it is a certitude promised us by Christ. He spoke of the fields, white with the harvest. If we follow His indications, we shall gather where He has sown. I see it, with unflinching certitude. I feel this strong pressure within me, and my intellect tells me, in a manner, how it will come to pass. I have expected it all my life, from the moment that I became self-conscious. I felt the inner tension, and now at every instant I see something happen that strengthens my desire and increases my certainty. But I am getting old, my bodily strength is ebbing away, and I am beginning to perceive that personally I shall not be able to do much more to hasten on the birth and to satisfy the burning desire.

Yet can I speak and write, and as long as I draw breath I shall endeavour to serve and defend the cause of God, and to bring ever nearer His Kingdom upon earth. It is nearer at hand than most people think. On all sides is seen material progress, but this fails to satisfy us Christians; ay, it even frightens us. We Christians do see the spiritual progress as regards the intensifying influence on Life catholic, but of this unbelievers in their prosperity fail to grasp the significance. They stand aghast and astounded in face of their own increasing power, not noticing that they are getting entangled in the meshes of the Evil One. Every day one sees new wonders of technical science, of the mastery over matter—but Christians are looking forward towards the animation of the Holy Spirit, while unbelievers want to have no truck with the Holy Spirit. They laud their science.

Yet have we felt the Holy Ghost at the Stadion, and people without faith are unwittingly labouring to bring man's organisation to completion. The crisis can only last a few centuries, perhaps only a few years. The tension is tremendous, huge forces are massing, and fear is gripping at the hearts of the people of little faith. Where is the strong man in hiding who in Jesus' name shall exercise and marshall them.

So let me speak and do not arrest me. I see, and can yet make many others see. I am bound to appear

pedantic and arrogant to you, speaking as I do of myself without ceasing. My illumination is from within. When the frightful injustice of the world was borne in upon me, I looked around for a strong leader, but not finding one I gladly and confidently tried to do what I was not destined for: the Holy Spirit would surely guide me. Alas! it was not reserved to me; I was put to shame and humiliated as my folly deserved. But the truth which I carried remained unassailed and as strong as ever; and to keep silent is impossible for a poet who loves the truth, beholds the sufferings of mankind, and avows their errors from his own heart. I might have led a quiet life replete with beauty of nature, instruction and melody of words. But I had to share in the struggles of the world and of mankind; I had to fight for my daily bread; even the Holy Bread, the Eucharistic Bread, I had not vouchsafed me till after long desiring. I now write and speak, believe me, without false motive, without vanity, ambition or fear. What can these avail me? It is now only a matter of fighting on for a few more years. I shall not forsake my post, but I shall keep on calling for the Helper, keep sending out warnings wherever I see the Light shining forth into the night.

We were put in possession of free will—the greatest gift of God, as Dante says. This gift enables us to exert influence on the course and growth of what was created. Is not this wonderful? Awe-inspiring? How tremendous is the responsibility we fear! Every foolish deed has endless results, and never again in its consequences does it allow itself to be entirely reduced to naught. A slight movement of our hand changes the course of forces, and causes the heavenly bodies to slightly swerve from their path. The touch of a murderer's finger on the trigger of a gun may change the fate of a great nation. We knew all this, did not we? Yet does it still appear useful to me to call these truisms to mind once more.

Such were my musings at the perusal of Ford's course of life, how the words and actions of that one man rule the future of mankind and may change it. In that one small head lies perhaps enclosed the lot of mankind, even as one solitary little stone may in its downward course grow into an avalanche. The whisper of a diplomatist may kindle a bloody war of years or restore peace and prosperity.

And then, also, I understood quite clearly why my efforts to sow the seed of peace on American soil could not succeed. Yet linking up immediately with this came the reflection that the desiderata of a universal co-operation of the masses, hitherto lacking, were at last assembled—viz., in the person of Ford.

Gillette in his book is calling for the "Director," for the "Manager," who, as a leader with a strong hand, grapples with the disorderly muddle of production and distribution. But Ford, through his actions and success, shows that he is a "Manager." Thanks to his personal ability, his knowledge, energy, and patience, he has built up a gigantic concern out of nothing. He has constructed the people's means of traffic and brought it to perfection. He started with the motor-car, and made that "article-de-luxe" an indispensable article for daily use. Without the motor-car life in America would be henceforth unthinkable. And the Ford-industry lords it over the production of the whole world. By applying Christian principles in his factory, and bringing them into relation with the best product turned out under the best labour-conditions, Ford paralyses all competition. He repudiates the morality of Trade, of which F. Kors speaks: "The spirit of the United States of America is Christian in its widest sense, and is destined to remain so."¹

And, again: "There are two fools in the world: one of them is the millionaire who thinks that he is really acquiring power by piling up money, and the other is

the poor reformer who thinks that he can cure all the complaints of this world by robbing one 'class' of its money and giving it to another 'class.' They are both mistaken. They might as well collect all the pieces of the chess- or draught-board in the world, thinking that by so doing they should become quite expert players."

It is different with Ford. His activity never aimed exclusively at making money. He made profits because they were needed for his business. But that business was really and truly the business of mankind. He brought to bear all his capacities on the improvement of traffic, on the production and completion of the best and cheapest means of traffic under the best possible labour conditions.

Even now many people are foolish enough to think and to speak disparagingly of industry at large and the amelioration of our material life. I don't care to exculpate myself. I also have had truck with them owing to the influence of such hyper-idealists as Tolstoi, Ruskin and Thoreau. An aversion to the ugliness and misery of our modern life—a longing to go back to the simple life, to nature undefiled—such considerations as these led us to untenable exaggeration. But we turned away from it. Thoreau as well as Ruskin, Kropotkin as well as Tolstoi. And two great artists have couched their high expectation in the language of art. Those two are: the American poet Walt Whitman and the Dutch painter Herman Heyenbrock.

Both envisage the grand and mighty beauty of the big machine factories; they behold and admire industry in large as it unfolds itself; they have pinned their faith to the disappearance of all that, in labour and traffic, is still unsightly and sad. They believe in man and trust in God.

At the Stadion, on the blessed date of July 27, on the spot where so much has become clear to me, it was more unmistakably borne in upon me and visualised more clearly from within, how the progress of human nature consummates itself, and the activity of individuals is steadily weaving that robe which is to span the earth. One and all they are unwittingly lending a hand in the building up of that one sheep-fold, while the flock and the shepherd are still abiding without, waiting for its completion.

Is not this stretching out of the big body of mankind over the whole world a wondrous thing to behold? It is like a net spreading unity over all men, a system of nerves as ingenious as that of our own body.

And at the Stadion I was struck with reverence at the thought: have not all these devout Catholics foregathered here from the various regions of the universe by land, sea and air to obey the summons of the Pope?

And would they have been able to do so without the work of that one man, who, not exactly knowing whom he served, has improved the traffic on the whole face of the earth, hearkening to God's voice and joyfully searching till he had found the most perfect means of promoting traffic.

Did not Cardinals and Bishops, clergy and laity and fifty thousand worshippers flock together by way of Ford's means of conveyance? An unassuming and humble but strong and cheerful worker, trusting in his keen intellect and in his own right. And how should that grand Congress have fared had not the automobile been there to bring those thousands of people together?

God chooses his means and his servants everywhere. Let us not rail in an off-hand manner at the mere man of business, who does his duty faithfully. The entire structure of the one sheep-cote, of the City of Light, of the human kind, may be temporarily in the hands of plain, patient and trustful servants.

There must also be a material foundation to support the temple of divine unity and love. I have yet more to say—about Ford.

¹ Rev. Fr. Kors in "de Nieuwe Eeuw."

The Third Factor.

By C. M. Grieve.

V.

"Observer" in the Sunday *Observer* the other week quoted a paragraph to this effect: "One of the papers tells us that the B.B.C. is constantly besieged by requests from the lesser religious sects, and from cults of a definitely eccentric kind, to be allowed to broadcast, but *their intention is to keep to the broadest religious lines.*" "A sound rule," "Observer" comments. Hm! One wonders. Read it in conjunction with the Lasky Film Company's declaration as to the kind of stories to which they were limited by the necessity of catering for an immense public.* These big international cinema corporations are in exactly the same case as the wretched big-circulation home weeklies both in this country and America: they can use nothing that does not conform to mass-morality: they require "a good moral tone" every time. Talk about the "censorship changing front." It is—with a vengeance. The Cinema and the Radio are pandering to the censorship spirit on an unprecedented scale. After all one always had the consolation that literature, even under modern publishing conditions, could never be entirely confined to "best-sellers"; but we have no such consolation in connection with these two stupendous new arts, with their vast publics and incalculable potentialities—the level in the films of the one and programmes of the other has on the overwhelming average been even below that of the "best-seller" and almost insuperable forces are operating to ensure that it remains there. Will the new Broadcasting Protection Bill pass in this country? Probably—despite the outcry against the giving of search-powers to the police, and despite the cry of the scientists that its provisions would prevent research, and the further development in certain directions of radio powers! The latter is the more serious matter by far. But it was inevitable that an attempt should be made by the money-interests presently involved to inhibit those potentialities which might have ultimately unsettled the public upon which they are relying, or introduced incalculable new elements into the industry which might have carried them out of their depth in respect either of finance or foresight. Condemnation of this must be on all fours with that levied by one Socialist against the Capitalist system. "We do not condemn Capitalism so much for what it has done or is doing," he said, "but for what it has prevented, and is preventing, us doing for ourselves."

Another critic deals mock- frivolously with the social effects of Radio on the amateur artist. "Nevertheless," he says, "we could be doing with a little sociability. In the old days we used to curse the girl next door who eternally practised 'There is a Happy Land,' but somehow we miss her dabbling at the piano keys now that her ears are glued to the 'phones. We also miss being called upon in company to give our own little song or recitation. Most of us considered ourselves quite experts at rendering 'Less Than the Dust' or spouting forth 'The Green Eye of the Little Yellow God.' We miss our secret superior laughter at other people's drawing-room items; we miss stepping forth to give our own, thereby creating superior secret laughter in other people. There was the budding violinist who used to scrape his fiddle

*"Mr. Basil Dean proposes to give us two of the most important surprises of the new year. Of these two pieces the most widely discussed is 'Rain,' by Somerset Maugham. Perhaps a remark of Jesse Lasky, the film magnate, will give the best idea of its character. I had asked him if he intended filming 'Rain,' and he replied that if it were ever filmed it would certainly not be by Famous Players, as this organisation caters for a public of several millions, and there is too much in 'Rain' that might offend the religious and other susceptibilities of this vast public. Nevertheless, it is a great play."—Vide Press.

painfully before an admiring family; there was the relentless cornet player, who, hidden in a lonely room, used to madden the neighbourhood; there was the incipient organist who used to jazz around on the stops just to see how much row could be made; there was the intense mandoline cultivator, who used to wield his plectrum in a fixed endeavour to conquer the tinkling sweetness of his instrument. Where are they all to-day? They have certainly not died out, and they certainly will come into their own again. *Radio leaves the instinctive musician quiescent;* but after the lure has faded a bit he will take his fiddle from its dusty case again."

The Cinema and Radio "arts" seem expressly designed to overcome the Tolstoyan objection to the older arts—none of which, it would seem, except by ceasing to be themselves and degenerating into best sellers, oleographs, and music-hall ditties, can overcome their automatic tendency to exclude the masses of the people from their enjoyment. But Tolstoy further said that "good Art is Art that conveys feelings arising out of the religious consciousness of an age": and neither the Cinema nor the Radio is good art in that sense. But with them lie powers never possessed by any of the older arts to reach the great masses of the people, and to realise Tolstoy's desideratum when he declared that "Art is a human activity consisting in this, that one man consciously, by means of certain external signs, hands on to others feelings he has lived through, and that others are infected by these feelings and also experience them," or, again: "The destiny of Art in our time is to transmit from the realm of reason to the realm of feeling the truth that well-being for men consists in their being united together, and to set up, in place of the existing reign of force, that kingdom of God—that is, of love—which we all recognise to be the highest aim of human life. Possibly in the future science may reveal to Art yet newer and higher ideals which Art may realise; but in our time the destiny of Art is clear and definite. The task of Christian Art is to establish brotherly union among men." A function, be it remarked, which is claimed to-day by innumerable organisations ranging from the League of Nations, the churches in general, Rotary International, Freemasonry, and what not! What is Art doing in this gallery?

Under these circumstances it is, of course, peculiarly harrowing to find that home-made British films can make no headway against alien importations! Is it conceivable that Art's contribution to the pacification of humanity can be given without any call on British enterprise at all? Many good souls are naturally intensely worried over this excruciating paradox. That true English gentleman, Sir Oswald Stoll, for example, frankly deplores the present position. He has even gone the length of losing money in his efforts to overcome so unutterable an anomaly. At the last annual general meeting of the shareholders of the Stoll Film Company, he said that the fluctuation from a profit in one year to a heavy loss in the next was accounted for by their fight for British pictures. In such a fight the odds against British pictures were at present almost overwhelming. Combines in America, legal enactments on the Continent, under-selling in the British Dominions, and in many other places tended to limit purely British pictures to the comparatively small market of the British Isles. Even then the British public were either deprived of the opportunity to witness British pictures or the most numerous sections of the masses were *persuaded against the evidence of their own senses* by special exploitation and spell-binding posters that British pictures by comparison with foreign pictures could not possibly be worth seeing. "They had done good work," he concluded pathetically, "in regard to British pictures, and they hoped to do much more, but they could only hope to do it out of profits, not out of losses."

The Theatre.

By H. R. Barbor.

CENSORSHIP AGAIN.

During last week a new aspect of the problem of stage censorship was indicated by Mr. Owen Nares. It appears that a number of American actors have entered into a covenant not to appear in indelicate or indecent plays. Mr. Nares suggests that a similar stand should be made by British actors. It is an intriguing notion, but probably the idea would be greeted with more enthusiasm by those who have at heart the æsthetic and social welfare of the stage if this revolutionary theory had been advanced by, or had received the sanction of, players who have contributed anything of note to developments along these lines. Mr. Nares' record as a censor of his own activities certainly does not suggest that he is likely to commit a sudden *volie face* and become a constructive influence in the theatre of to-day, although the modernising of his and his brother actor-managers' mentalities to the key of contemporary thought and the demands of the intelligent theatre-goer is devoutly to be wished—and welcomed.

Again, with a convenient disingenuousness, Mr. Nares does not refer to the classics, but again, if we are to argue from his own record, we must conclude that the reason why Mr. Nares has never enriched the contemporary theatre by appearing in works of Elizabethan and Restoration drama may be ascribable to his dislike of the bawdry and indelicacy of the great master-works of other times. Nevertheless, the idea of an actor-censorship opens up delightful vistas of comicality for which we are duly grateful to this popular actor-manager. We imagine Mr. Nares presiding over a select committee on histrionic ethics composed of, let us say, Misses Dorothy Minto, José Collins, Violet Vanbrugh, Edna Best, and Sir Gerald du Maurier, Messrs. Leslie Henson, Ivor Novello, Godfrey Tearle, and Harry Welchman, obtaining evidence from Mr. James White and Sir Alfred Butt on "The Protestant ideal in relation to the Beauty Chorus." We imagine the committee's thunderous fiat determining the future policy of the Phoenix Society and their strict delimitation of Mr. Nigel Playfair's sphere of activity as a producer of eighteenth-century comedy. And what of Mr. Robert Atkins' work at the Old Vic?

Mr. Nares, combining the twin functions of John Knox and Jeremy Collier, might then rail unhindered upon the grossness of Goethe's "Faust," of Shakespeare's "Hamlet," and of Wedekind's "Fruhlingserwachen." But it is disrespectfully submitted that this discussion of sex appeal is very like to prove a fishing for trout in a peculiar stream. For after all, given the advantages of a knowledge of modern psychological science with which, Vienna and its professors being what they are, we should be loth to credit Mr. Nares, if we are to examine the whole conspectus of sex appeal in relation to the drama, we *might* discover that the popularity of certain of our matinée maidens' heroes is due less to their histrionic flair than to that same deplorable sex appeal. *De gustibus non est disputandum*, and who are we to decide which way the erring fancies of susceptible maidens and old maids are to wander? But in the name of Eros let us walk warily! Above all, let us remember that although Miss Mary Clare's skirt in her "White Cargo" costume was eventually sewn up at the dictates of an official of His Majesty's Household, sane showmanship and influential management in the person of Mr. Charles B. Cochran, fails to discern any tendency towards indecency in modern English drama, and very aptly considers that "if any actress refused a part because it dealt with real life, such an actress would be no artist."

It would be terrible to think that Mr. Nares' lady-like qualms could be ascribed to a lack of real artistry.

Music.

The most interesting instrumental recitals have been two of M. Egon Petri, in programmes of a very distinguished and serious nature. M. Petri was a favourite pupil of Busoni, and he has something of his immortal Master's artistic attitude and his command of piano tone colour. His style is broad, powerful, and massive, and his tone, when he does not push it to the extremes of a strepitous clanging fortissimo, admirable. This is, however, his defect, a tendency to violent sonority—a bigger tone than M. Petri's at times seems hardly possible, and it must be said that he very rarely breaks it, with all his forcefulness. His interpretations are those of a musician of wide and deep musical culture and sensibility, with a complete aversion for what may be called the fripperies of Bach, Bach arrangements by Busoni, Busoni, and Liszt, a programme on such original lines that it appealed at once to connoisseurs of piano playing and serious-minded musicians, to whom the ordinary recital programme of Beethoven, Chopin, Schumann, and a "modern group" is an emetic of the soul. Wonderful for the rich dark colouring of the piano tone was M. Petri's playing of the very beautiful Busoni Fantasia in F minor (on a partita of Bach), a splendidly and exhilaratingly typical expression of Busoni's sombre genius, to those few who know, understand, and appreciate his extraordinary and unique creative work. To hear a complete "Année de Pélerinage" is so rare that M. Petri deserves to be deeply thanked for this alone (the apart from his splendid playing of the work (the Italian year), and an overwhelming performance, quite demonic and possessed of the marvellous "quasi Sonata," "Après une lecture de Dante." The second recital was not so satisfying; the Prélude, Aria, and Final of Franck, with its sticky, glutinous chromaticisms, its childishly naive and transparent "cyclic" structure, which cannot give coherence and backbone to a work fundamentally incoherent and essentially invertebrate, its ugly, clumsy, and thoroughly unpianistic treatment of the instrument make it a work which, for me at least, cannot be heard without vexation, impatience, and weariness. Certain forced and extravagant gestures, *musical* gestures, in the playing of the twenty-four preludes of Chopin and Waldstein Sonatas, realise that in the latter works he hardly begins, so utterly different is the world to which these very late works belong from that of the middle period. A series of three wonderful transcriptions of Mozart works—the Andantino from the 9th Concerto, a Giga Bolero and Variation, and the Serenade "Deh! Vieni alla finestra" from "Don Giovanni"—transcriptions such as only Busoni could produce, and which are virtually re-creations, rounded off the programme. With the exception of too much weight in the first, all were finely played. There is no doubt that M. Petri is a great and powerful artist, and now perhaps the only pianist living who can make those who never heard him realise in some small degree what the name and art of Busoni mean, and why they mean it to those who had the priceless privilege of hearing him. M. Petri is the only one who can in any sense be called the heir of the Busoni tradition, if anything so absolutely un-like anything yet heard, so entirely "hors ligne" as Busoni's art can be said to establish a tradition.

KAIKHOSRU SORABJI.

Sunken Empires.

After hours spent in straining to grasp theories of abstract finance, it is no small relief to have the mind carried away back, ages even before Joseph cornered corn, to a past so remote that from it no word of such matters is ever likely to come down to us. This restful experience has of late been mine, and I propose to outline here the content of two notable books to which I owe it. I will first take "The Problem of Atlantis," by Mr. Lewis Spence.¹

It is now generally agreed that there is no widely-spread story, legend or myth, however wild or absurd it may seem, but has its origin in some actual happening. For instance, the tale of the lost island continent of Atlantis, recounted in one of Plato's dialogues as having been received from an Egyptian priest, was long regarded as the fanciful invention of some story-teller. But evidence of its substantial truth has of late been so rapidly accumulating that such incredulity is no longer easy. The mass of old and new evidence gathered and set forth by Mr. Spence is enough to convince the unlearned reader, at any rate, of the truth of the following statement:—

That the Cretan, Egyptian, and our own civilisations, as well as the ancient cultures of Central America, and probably that of Peru, all owe their origin to a race which lived on an Atlantic continent, finally submerged about 10,000 B.C.

Now, in the first place, there seems to be much biological evidence as to the existence at some remote epoch of a trans-Atlantic bridge, and the geologists, too, are in favour of the soundness of such a theory. Then the "Challenger" soundings defined in the so-called Dolphin Ridge, a large submerged area, the contours of which are said to correspond strikingly to those of the land described in Plato's story; and, moreover, pieces of lava dredged up therefrom clearly show by the particular form of their crystallisation that they must have cooled in the air and not in water. And an extraordinary discovery made only the other day makes clear the fact that the Atlantic bottom is certainly not static. It is stated that in 1923 the officers of a Western Telegraph Company's vessel, hunting for a lost cable, found, to their no small astonishment, that the sea bed had been raised no less than two and one-quarter miles since soundings were taken there twenty-five years before!

It is contended that the first wave of emigration to Europe from the possibly, even then, narrowing continent was that of the so-called Crô Magnons, who about 25,000 years ago were spreading from Biscay all round the Mediterranean and over Western Europe. Many of us have seen their wonderful drawings on the cave walls in France and their carvings on bone and ivory. But no traces of the origin or development of such art have been found in Europe. And, ages later, there seems to have occurred in Central America a full-blown, highly-conventionalised art which must have taken thousands of years to reach so mature a stage. And no traces of the development of this art, no earlier forms of it whatever, have come to light on American soil; the inference being that its long growth must have taken place elsewhere.

Into a discussion on the existing mass of myth and legend from both sides of the Atlantic I have no space here to enter, though it is a part of the question of the utmost interest and importance. So also is the comparison of the legendary town-planning of the city of Atlantis with that of Carthage and of Mexico City, and even with the plan of certain works on the Isle of Arran. Maya and Egyptian architecture, too, are shown to have had a common source, most clearly demonstrated in the matter of the construction of their respective pyramids, though round this and some of the former subjects controversy still rages.

1. "The Problem of Atlantis," by Lewis Spence. (W. Rider and Son, Ltd., 10s. 6d.)

There is a very striking resemblance between certain gods of the ancient Mexicans and those of the Egyptian Pantheon. The worship of Osiris, for instance, had its equivalent across the Atlantic, and the custom of embalming, usually associated with the worship of that god, was practised in Peru and Mexico, in the Canaries, and in a very early form among the Crô-Magnons.

It is not possible in the space at my command to do justice to this deeply interesting book. It is well written and put together, the product of deep and wide research, and full of meat for hungry minds.

Curiously enough, the other book I happily chanced on had also a submerged empire for its theme, but in another hemisphere, and drowned this time by the Pacific.

Very many people have read with interest Mrs. Routledge's description of Easter Island and have admired her excellent photographs. Yet her book remains in essence little more than a note of exclamation at the wonder of an apparently unsolvable problem, which may be stated as follows:—

Isolated in the Pacific, 2,000 miles from the South American coast, and over a thousand from the nearest atolls to the West, lies a small, hungry, treeless, rocky island capable of supporting a few hundred people only. Here are platforms of large and often wonderfully fitted stone, and very many megalithic statues, which must have taken thousands of men with large supplies and material many years to quarry, transport and erect. And though the islanders have been for the last 200 years notorious as being the most shiftless, lazy and featherheaded lot in the Pacific, yet the stern and commanding faces of the great stone figures among which they wander, and the scope and size of the whole work convince us that here a great and imaginative race once held sway.

And all this great work was stopped suddenly. Tools are found beside half-quarried statues, and 40-ton megaliths lie stranded half-way to their destinations. Who were these planners and workers and what were they trying to do? How could they have existed on this hungry island and what cut short their work?

This was the problem to be solved, and Professor McMillan Brown, of New Zealand University, deeply versed in the carefully handed down traditions of the Polynesian race, familiar with its language, customs and mythology, was the very man to solve it. He tells us that the great Papuan hegemony had in course of time, possibly by reason of the slow submersion of the land, become divided into more or less separate island communities, which however all kept their language pure and unadulterated. One of these nations, quite possibly still under some sort of imperial rule, dwelt in a large island or islands somewhere adjacent to Easter Island. The Arikihis, or ruling class, of this community must have selected this poor and useless island as the site of what was to have been the awe-inspiring mausoleum of their race. In carrying this project into execution, they must have conveyed to it the thousands of workers necessary, and have kept them supplied for many years with food and material for their great and extraordinarily laborious undertaking.

And what brought all this highly organised busy labour to its sudden end? Professor Brown says the main island or islands suddenly went down, and he makes out a pretty good case for his theory. There is much geological evidence to show that wide-spread changes have taken place in the land levels of the Pacific. Some Islands have undoubtedly sunk and again risen since human times, and one of the Cook group disappeared with all hands as late as 1830. So the theory of total immersion is not an unlikely solution of the difficulty, and it is rendered more probable by the fact that this land

was twice seen by Europeans. Juan Fernandez saw it in 1576 and thought it was a continent. In 1688 John Davis, of "The Bachelor's Delight," saw and reported it, and it was for years on the maps as Davis Land. But in 1722 it had gone.

This book, which is entitled "The Riddle of the Pacific,"² is a mine of valuable information, even though some of it is not quite perfectly digested and arranged. It goes on to tell us that one at least of the governing race seems to have escaped, and his story, made out by Professor Brown from the wealth of traditional lore which he has collected, is of the greatest interest. His long voyages, his efforts to stave off starvation from, and to perpetuate his rule over the large population of inferior and now resourceless islanders are all excellent reading, but I must leave all that now to speak of another matter.

The author has studied throughout Polynesia those great stone works which bear witness to the power and unity of that great race, isolated for ages in the Pacific, which became well advanced in civilisation while still remaining in the stone age. Widely spread are these remains and their two most noteworthy features are great statues and wall work of the hugest stones often fitted together with perfect mortarless jointure.

Now precisely the same wonderfully fitted megalithic walls are found nowhere else in the world except Peru, and in Peru also are much the same stone statues.

Polynesians at one time were perhaps the boldest pre-compass navigators that ever braved the broad ocean. The prevailing winds would have made voyages to America possible even if return thence was out of the question. There are recorded Inca traditions of the attacks and settlement of such people, and there still exist remains of harbour fortifications, which are believed to be of Polynesian construction, and stone shipways for drawing up their great canoes. Moreover, an unmistakable Maori meré, or stone war club, has been found in a tomb in Ecuador. No trace of the South American civilisation has ever been found in Polynesia.

To those who take pleasure in the romance of the distant past it is quite fascinating to believe that in Peru the two great prehistoric civilisations of Atlantis and Polynesia actually met.

PHILIP T. KENWAY.

Pastiche.

BUSINESS AS USUAL.

By "Old and Crusted."

"An old clergyman over eighty years of age is very ill indeed. His wife is too delicate to nurse him, and his daughters who are at home cannot do so, and the old man needs constant attention. They have had a nurse, but the expense is beyond their income. Will any kind friends send me £2 2s. a week for a few weeks, or I fear all the family will collapse?"

(Morning Post, February 12.)

"I should like to tell you, from my own knowledge, that those who are in control of the great banks are just English gentlemen and men of business, conscious of the fact that they are responsible for the smooth working of an important machine, the equipment of British industry, and that they are animated by a genuine and very keen desire to run their machine, not as a money-making concern in the first place, but in the general interest of the country as a whole."

(Mr. Walter Leaf, Annual Report, Westminster Bank.)

"But you were always a good man of business, Jacob. 'Business!' cried the Ghost, wringing its hands again. 'Mankind was my business. The common welfare was my business; charity, mercy, forbearance, and benevolence, were all my business. The dealings of my trade were but a drop of water in the comprehensive ocean of my business!'"

(A Christmas Carol.)

2. "The Riddle of the Pacific," by J. Macmillan Brown. (Fisher Unwin, 30s.)

It is a wonderful thing this "business" of which we hear so much. Those of us who were brought up in late Victorian days have vivid recollections of all the little specious aids to saving and accumulating odd coppers, by way of money-boxes and penny banks, which were supposed to develop the right frame of mind, and nourish those habits of economy, so necessary to a career of successful money-grubbing. Of the making of goods for any useful purpose or of their wise distribution to satisfy daily needs—ne'er a word, although there was a certain pride in sound workmanship and fine quality which kept many a mill-owner from degenerating into a mere profit-making machine. The noble army of Chartered Accountants had not yet informed us that it was our business "to make money, not goods."

Now, every phase of human energy has its literature. I wonder how many of the younger generation have any idea of the fearful and wonderful mental pabulum that was served out to their parents and grandparents in the days of the great Queen! Well, here is a specimen. I have before me a copy of a weird miscellany called "The Friendly Visitor" for 1875, and—mark you—it was a Christmas gift! Heavens! What a compilation! Most of the stories are what the pious authors would have described as "temperance tracts with a beautiful moral," but their special venom seemed to be reserved for tobacco. One of the saints starts a characteristic yarn thus:—

"It is two years since I left off the use of tobacco. I only chewed a little, but I did enjoy a cigar,"

and goes on to relate how shocked he was to see, on his way to the city, so many "dirty, uncared for boys" smoking discarded cigars or broken pipes. Holding forth on this topic to his little bright-eyed son, he is suddenly pulled up by the unexpected comment, "Please, father, boys would not want to smoke or chew tobacco if men did not do it." One up to little Arthur. Father threw away his half-smoked cigar and never touched tobacco in any form again, vowing it was

"An evil, let it be looked upon or used in any way whatever. It generally leads to drinking and to other vices."

Think of that now when buying your next packet of "yellow perils"!

Dancing was also anathema. One "gay, dissipated young man" casually informed his mother that he was going to a ball; whereupon the dear soul expostulated with him, and tried to divert him from his unholy purpose; but, alas, to no effect; the young dog was obstinate. As he was going out the distressed lady fired at him:—

"My son, while you are dancing with your gay companions in the ball-room I shall be praying to the Lord to convert your soul."

The upshot was that he spent a very miserable evening, became converted, and a member of the Christian Church.

That is how we, in our generation, were prepared for the great business of money-making.

If those good people had only possessed the faintest sense of humour it would not have been so bad, although they must have raised a grin occasionally, as in the case of the teetotal expert and "Friendly Visitor" who, when advertising some sort of revivalist meeting, issued ten thousand handbills headed:—

Chapel for the Destitute
(near the Bank steps).

Thus do coming events cast their shadows before them.

But the cant and the humbug of those pious, prosperous days have not vanished entirely. One can still find traces of them in the lengthy addresses of our Money Lords. Nothing is more striking in the economic situation of to-day than the steadily increasing gap between purely financial interests and those of the great mass of the people. Money talks—so we are told—but its more alluring accents are addressed to the favoured few, and not to the ruck of us, whose wine-bins are favoured few, and who are short of £2 2s. a week for a nurse.

I wish one of the chairmen of the "big five" could have a visit from Marley's Ghost the night before the next annual meeting. Just try to imagine him getting up and saying, "Gentlemen, the address I intended delivering to you is in the waste-paper basket. I have come to the conclusion that we are on the wrong tack; we have entirely mistaken the purpose for which this great institution exists, and I am about to suggest a complete change of policy. The common welfare is our business, mankind is our business, the dealings of our trade are but a drop of water in the comprehensive ocean of our business"—which is—to facilitate the production and delivery of the right goods and services to the right users, etc., etc.

Then that old clergyman might get his nurse, and this shop-soiled sybarite a trip to the Riviera to recover from the depressing after-effects of an attack of the flu.

Question Time.

THE BASIS OF CREDIT CONTROL.

By W. T. Symons.

[The substance of a lecture recently given to a Rotarian Club.]

Criticism of the Credit System and proposals for shifting the basis of credit have been going on for some years, and suggestions have been made for use of the national credit directly by the State for the public benefit. Such proposals have received a good deal of support in some quarters, but the upholders of the existing banking principles have been unanswerable when they fell back upon the generally-accepted quantity theory of money, i.e., that if by expansion of credits you put more money into circulation in advance of the goods for manufacture of which the credit is required, the whole level of prices will rise to absorb that money, i.e., the evils of inflation will result.

It is this difficulty that has been met and solved by the proposals of Major Douglas, who in a time when all eyes were directed to production pointed out the overwhelming success of the productive side, and directed attention to the consumers. With the issue of Major Douglas' first book, in 1919, a new possibility was opened up, and a new direction given to public thought. An analysis was there made by a first-rate intellect, thoroughly trained, and experienced in a series of high executive business appointments, and later as a senior costing officer to the Air Force during the war; and on this analysis proposals were made, the unique feature of which is that they do not attack any section of society, or set out to enrich the poor at the expense of the rich, or even at the expense of the foreigner. These proposals solve the central difficulty of the time by correcting a radical error in the financial system, through which part of the money needed to buy consumable goods is withdrawn from circulation just when the goods come on the market.

Major Douglas, almost alone, in 1918, foresaw the situation that would follow the boom, and when every voice was calling upon industry to produce more, he tackled the problem from the other end and stated unequivocally, what we have all found to our cost since then, that the real problem of the modern world is how to put sufficient money in people's pockets to create orders for the productive organisation to supply. Endless credits in a boom period to producers, he observed, flow from a financial system that can only advance money to producers, but never a penny of credit to consumers, though all production is foolish unless proposals are designed to create a steady and secure market at home and so lessen dependence upon export trade.

Briefly, the analysis is this:—
1. The harnessing of solar energy by the modern world, and its application to production and transport, have brought about a productive and carrying capacity so great that, if nothing hindered, ample goods and services of every kind could be at the disposal of everybody.

2. But as this capacity increases, the mechanism that should effect the distribution of the goods by sale—the financial system—is steadily running down, and producing the absurd anomaly of limitation and starvation in the midst of plenty. Every increase in efficiency, every transfer of human toil to a machine, every reduction in waste, throws more members of the community out of employment, and nullifies the benefit of the advance; because the world policy of finance consists in distribution of goods only through employment and the remuneration paid for employment (—"employment" in this comprehensive sense meaning not only wages, but salaries of management and dividends to shareholders and owners).

3. The century of machine production has upset all the old landmarks of human society. Far from there being any difficulty in supplying, or carrying from distant places, everything useful for a higher standard of life for everybody, there is capacity of every kind crying out to be used. Capital, in the form of investments and machinery and plant, is being lost and ruined by disuse; and human beings of every degree of skill in the operation of this capital and these machines, are deprived of their occupation and of the livelihood dependent upon it; whilst, at the same time and in the same places, people by myriads are in acute need of the things that could be made and carried by the application of that capital and that labour to the raw material of the earth. And those who would bring food and raw materials from distant places have their vessels rotting and rusting in every harbour.

This condition of affairs is not radically affected by any of the political programmes. No suggestions are made that can possibly, even on the most optimistic assumptions, do more than alleviate the situation a little here and there.

None are made that do not involve the injury of part of society for the benefit of some other part.

4. Allowing for temporary accentuation of the difficulty by political disturbance of markets, it is yet true that this century of machine production has brought us then to this point: that human labour is displaced to such an extent that it is no longer possible to employ, in the old sense, anything like the whole population of working age; all that could possibly be consumed, even by a universally higher standard of living, can be produced—and much better produced—by the efficient use of machinery and of methods already in existence, handled by a much smaller number even than those now employed. But no means has been found of using this great human advance. No financial machinery exists to enable the community as a whole to benefit by this release of human effort. The large numbers displaced from earning wages and salaries are reduced to want, and those using the capital, as owners, are following. This radical defect has been latent in the financial system all the time; but the fact that only Great Britain (for a long time)—joined in more recent pre-war years by Germany and Japan—had developed the system far, and that they had, almost unchallenged, all the rest of the world in which to dispose of their manufactures, served to conceal the fatal defect. And the money flowing back from the export markets to the wage and profit earners, kept them from realising the entire lack of provision in the system for the moment when that continual expansion became no longer possible. That time has now come; and beneath all the merely political causes of distress and of war now lies this immense paradox of wealth producing poverty; and this great impetus along the road to conflict between nations: that each great manufacturing nation, Great Britain, the United States, Germany, Japan, could supply all the rest of the world with all the manufactured articles it needs, and each nation has stark before it the fact that it must have a very large and increasing export market (increasing because of the continual displacement of labour, by development of machinery, and the consequent reduction of money distributed in wages, etc., to be spent in the home market). Each nation must have this increase or maintain an immense body of unemployed persons at home. Modern governments are faced with that dilemma; and each knows that it is absolutely impossible even to maintain its former volume of export trade, much less to increase it; consequently, we live in a state of increasing general poverty, and increasing danger of further war for the purpose of acquiring the exclusive right to some region of the world for the disposal of manufactured goods. There is no real solution of this situation for us, except by putting the people of this country in a position to buy the consumable products of the country (or their equivalent in goods obtained from abroad), and no way of effecting that but by offering them at a price that can be paid; and the price that can be paid is a calculable figure, made up of wages, salaries, and dividends. Major Douglas, therefore, addressed himself to examination of costs, for which his war experience fitted him peculiarly. He found that "overhead charges" constitute a large and increasing proportion of cost, compared with the money paid out to individuals engaged on any given piece of production. Yet the money paid to individuals engaged or interested in the process is, in the aggregate, and at any time, all that is available to buy the products of the industrial system. Further analysis showed that the remainder of cost represents values remaining in the community for future production, and therefore properly forming the basis of such issues of money as may be necessary to dispose of the goods, into the price of which these values have gone. In short, this part of cost constitutes the Real Credit of the community, upon which financial credit is created. But under the present price system the consumer is debited with the Real Credit remaining, which has been expressed as a bank loan, in nearly all cases, at the commencement of the productive process and cancelled at the end when the loan is repaid.

Major Douglas, therefore, asks the obvious question, "What is the object of industry?" and he answers it: "To supply goods and services to its utmost capacity as when and where required."

Keeping close to this objective it then becomes clear that the prospective purchaser should be the determining factor in the matter, and if some way is found of supplying him with the money which makes demand effective, the greatest difficulty to us all as traders and as private purchasers is met.

This brings us at once to the question of price. And the kernel of the Douglas proposals is that the price of consumable goods should be determined by applying to the cost of any given article the ratio of values destroyed (that is money paid away in the process) to values created and remaining (factories, machines, advances repaid and

cancelled), and selling to the consumer at that fraction of the cost of any given article. The remainder of cost, consisting of a proved value, remaining for future production, is the proper subject for an issue of credit and should be made up to the individual producer in that way. This would enable him to liquidate debts incurred in the process and cancel the credit created at the beginning of the cycle, as at present, but not out of price charged to the consumer. In this way price in the aggregate would be found to equal available purchasing power at any given time.

Reform on these lines would largely increase the value of money in everybody's pocket, because the price of consumable goods would certainly be very much lower than at present; a quarter of the present price is calculated to be immediately possible. This would mean an immense demand for goods of all kinds, and thus a great Home market would be created. No one would have an interest in hindering or suppressing labour-saving devices, because they would automatically go into the credit side of the national account and reduce the price of commodities. There would be a minimum of Government interference in administration and there would be certainty of getting financial advances for any needed goods. Consequently, a great stimulus would be given to individual enterprise, which at present is either harassed by denial of credit or by fear of embarking on manufacture, because of the uncertainty of selling, on completion, even at the minimum price needed to cover the cost.

These reforms would end the terrible necessity for foreign markets, whilst leaving the nation in an advantageous position to export such goods and in such quantities as might be desirable to exchange for needed imports. In simple language these proposals reduce money to its proper place as a ticket system, which can only be considered to be working successfully if sufficient "tickets" are issued for available goods and service.

E. V. C.—I am sorry I have not made myself clear. Let me put it another way. What is gained by proving that A will not buy A + B when A is not required to buy A + B?

The advantage of observing the fact (not "proving") that the public's purchasing power ("A") is not sufficient to defray total industrial costs ("A" + "B") is that it sets the problem how the remaining costs ("B") are to be recovered.

The rate of flow of total prices is certainly greater than the rate of flow of purchasing power to individuals, but the rate of flow of prices of ultimate products is just equal to the rate of flow of purchasing power to individuals—the difficulty being that individuals do not spend all this purchasing power on ultimate products.

Do you agree that eventually all costs must be recovered in prices from the consumer? If so, do you also agree that all these costs must sooner or later be included in the prices of ultimate products? If so, would you—having admitted that these costs and prices are accumulating at a faster rate than purchasing power in the hands of consumers—accept the conclusion that some ultimate products must remain unbought by the public, even should they use all their money for their purchase? For the rest, you appear to be confusing the logical working out of the above problem with the devices adopted by industrialists to defeat its consequences. Thus, when you say that the "rate of flow of prices of ultimate products" is just equal to the rate of flow of wages, salaries, and dividends, there is this much truth about it, viz., that manufacturers and traders are forced to try and make it so. They use two alternative methods. One is to restrict the quantity of ultimate products produced; which is only a short-lived palliative. The other is to sell at under cost. In regard to the latter alternative, if Sir Chiozza Money's estimate is true that something like £5,000 millions of "capital" has been "lost" out of £8,000 millions invested during the last fifty years, you have here a measure of the extent of this selling at "under cost," or, in other words, of the destruction of price-values carried out by the industrialists themselves simply because the public were short of money (by that amount) to pay them. A little reflection will show that this writing down of price-values is the equivalent in principle to the "Just-Price" discount—but with this vital difference that the discount comes out of limited resources of the producers instead of being a new draft upon the almost inexhaustible financial credit of the community.

LETTERS TO THE EDITOR.

DESTITUTIONISM.

Sir,—I wonder what is the precise nature of the false premise that Mr. Lyle finds in the statement: "The direct aim is to prevent a surplus of supply over demand." Does he take it to mean that, in the Social Credit Scheme, effective demand is to be equated to available supply by limitation of production rather than by increase of consumption? I must

confess that this meaning can be read into the words, and I wish therefore to disclaim it as emphatically as I can. What I have meant is that the equalisation of demand to supply and the equalisation of effective to real demand stand in the relation of means to end. In the order of excogitation, no doubt, the end comes first, and may therefore, if we like, be called the direct aim. But in the order of execution, the means has to be realised first, and thus constitutes a direct aim in distinction from the ultimate end that it is intended to lead to.

But what is the bearing of all this on the question that I have raised? "To equate effective demand to real demand" may conceivably include the elimination of destitution and economic insecurity. But this equating is to be carried out only "so far as is humanly possible." There is thus a loophole for justifying the continuance of destitutionism after realising the scheme. This is therefore exposed to the same danger as Socialism, namely, that of being used by destitutionists for the conscious or subconscious purpose of diverting attention and energy from the task of establishing economic security for all consumers alike. Under the guise of an alluring promise to do much more than just securing a minimum income, Socialists have raised a force that threatens to uphold destitutionism for generations. Mr. Ramsay MacDonald now demands fifty years for the realisation of the Socialist programme. Mr. Bernard Shaw seems to postpone economic security to the date of his Redistribution of Income Act, 1969. As neither of them can expect to live so long, it is clear that for immediate purposes they have become destitutionists by relegating the establishment of economic security to some distant millennial age. This has been the fate of all movements that have aimed at apparently grander ends than that of anti-destitutionism extricated from entanglement with other proposed reforms. What is there to preserve the Social Credit Scheme from a similar course of development? To insist that the direct aim is to equate effective to real demand as far as is humanly possible seems rather the beginning of a drift in the direction in which Socialism has gone to become an insidiously effective fighting force for the continuance of destitution and economic insecurity, whatever useful reform it may bring about by way of compensation for its failure in the economic sphere.

S. C. SOPOTE.

[The psychological difference between the appeal of the old reforms and that of the Social Credit Scheme is the difference between (a) calling a conference of rich and poor to settle how to distribute the burden of a levy on existing wealth and (b) calling a similar conference to distribute new wealth. In case (a) it pays the rich to prevent a settlement. In case (b) it pays them to reach one. Mr. Sopote's letter, of course, merits a more extended answer than this, and we hope to deal further with the points he raises later on.—Ed.]

O MORES.

Sir,—In "Social Credit," by Major Douglas, page 132, I find the following: "There is a widespread feeling on the part of executives . . . that the only method by which large masses of human beings can be kept in agreement with dogmatic, moral, and social ideals is by arranging that they shall be kept so hard at work that they have not the leisure or even the desire to think for themselves."

Or, as the moralist has expressed it: "For Satan finds some mischief yet for idle hands to do."

And the hymn-maker has said:

The common round, the daily task,
Will furnish all we need to ask;
Room to deny our friends and say,
We're much too busy now to play.

But the nursery-rhyme has held up to us the warning example of the bee:

How doth the little busy bee
Toil all the summer day
And gather honey so that we
May steal it all away.

And Horace, enforcing Solomon's lesson, but sharpening his conclusion, has said:

Go to the ant thou sluggard,
Consider her ways and be wise;
She knows from end to end the art,
How to economise.

Learn from the ant thou glutton,
She lays up winter's store
But when she's got enough for that
She don't work any more.

But pause from gainful getting
Is what you never do,
While there remains one other man
Who's making more than you.

A STUDENT OF MORAL ECONOMICS.

ST. PAUL'S.

Sir,—I am now considering the Pyramids—do they look "top-heavy," I wonder? Or are they rather large about the base; and is the ramp of their sides too straight, or flat, or what-not? Wouldn't a perfectly circular sphere be a better shape than any of the Pyramids? Because it wouldn't matter if it really were "top heavy" if it didn't look so, not even if turned up-side down—er!—er!!—of course—that is—in the absence of the "look," the "assurance" of the "experts" might supply it!!!—the "look" I mean! I hope this is clear; it is a profound problem; possibly suitable for the consideration of some of the newer of THE NEW AGE readers! But let me once more consult "Low of the Star"—no! no!—I mean "Belcher"—not the *Punch* artist—the other one; architect-chap, I think he was—or is—or might be. . . .

Sir, I withdraw; and so will not need to be "seconded" by Mr. N. Dudley Short, as I'm not interested even in Mr. Somerville's views on boxing now that I've seen his letter in last week's issue of your paper. Having come to the conclusion that he's not "top heavy" enough to have a good "punch"—is, in fact, not a real "*Punch*-artist" at all—no matter how light he may be on his "pins"—his "make-shifts!"

St. Paul's is a masterpiece of human art—whether we affect to like the "style" or not. *Some Art has been produced in every "style"—and is consequently precious to the cultured.*

HAYDN MACKAY.

CLASSES FOR SPEAKERS.

Sir,—There may be some London readers of THE NEW AGE who are anxious to speak and work for Social Credit, but who feel hampered by not having a grasp of the theories of orthodox banking and currency. Unless one knows the enemy's case thoroughly it is impossible to be a good propagandist.

If any of your readers feel this difficulty they may be glad to hear that Mr. Arthur Kitson has kindly consented, if sufficient people are interested, to hold a series of classes in Westminster dealing with "Fallacies of Orthodox Economics." It is tentatively proposed to take Hartley Withers's "Meaning of Money" and "Bankers and Credit" and to expound these two books from the standpoint of the New Economics, with questions and discussion. It may be necessary to charge a small fee to cover expenses, but the scheme depends upon whether or not a sufficient number desire to have the classes.

Anyone interested is asked to write to me and to say what time in the evening would be most convenient. I thought of 5.30 to 7.0 p.m.

ALISON NEILANS.

CENTRAL LONDON GROUP.

The next meeting will be held on Thursday, February 26th, at 7 p.m., at 70 High Holborn, when a discussion will be opened on

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The postponed Conference will be held at Hope during the week-end March 27-29. Further particulars in later announcements.

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