THE
NEW AGE
INCORPORATING "CREDIT POWER"
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CONTENTS.

NOTES OF THE WEEK.

A number of inspectors and officials of the London General Omnibus Company have seceded from the Transport Workers' Union to form a Union of their own. A few days ago the Seamen's Union not only withdrew from the International Federation, but is considering the question of cutting itself off from political affiliations in this country. These are healthy signs. The conduct of the General Strike has proved the futility of centralisation from the point of view of the ordinary worker. The "One Big Union" is dead: long live the "Million Tiny Unions." In saying this we shall appear unsympathetic to Labour: but only so to those who judge new departures by the conscious motives of the people who institute them. It does not matter a scrap under what immediate influence the omnibus officials and the seamen are "ratting": the whole point is the ultimate effect of their doing so. They are leading a movement towards decentralisation; and to the extent to which their example is followed the economic power of Labour, considered as an economic power, is multiplied. A straight fight between centralised Capital and centralised Labour is a foregone conclusion. Labour cannot possibly help losing. But a long term of guerilla warfare between centralised Capital and decentralised Labour gives the latter a good sporting chance. Suppose even that decentralisation went so far that the whole power of Labour were split up into self-determined shop committees. In such a case every strike would mean that the trade of the firm whose workers downed tools would be swallowed up by competing firms. It may be objected that for that very reason a strike would be fatal to the strikers themselves. So it would, if their masters chose to be ruined. But they would not, if there were any means of meeting the strikers' demands. The whole question turns on that point. And it is much easier for workers to decide it empirically in respect of a single business than for Labour as a whole to do so in respect of industry as a whole. In a general strike trade as a whole (at least internal trade) is not lost by Capital, it is only suspended. And given support by the bank, Capital can support the suspension almost indefinitely. But no bank would finance a single firm during a strike whose trade was being irrevocably lost to its competitors. So if the rationale of the strike policy is to win rights by inflicting damage, the whole case goes against a centralised general attack. This is true apart from the fact that a centralised Labour body gets into the hands of leaders whose policy is indistinguishable from that of Capital for all practical purposes. It would cost Capital more in terms of internal dissention, rivalry and jealousy, to win (as it would) a long series of sporadic fights than to win a pitched battle in nine days. A general strike unites the Capitalists, and *strengthens their borrowing powers*. A series of sudden, short, sectional strikes would divide them and weaken their borrowing powers. We must not be presumed to be advocating strikes. We do not. But until Labour appreciates the merits of the alternative policy we stand for, let it at least make its own policy as effective as it can. The withdrawal of undivided initiative from the apex of the Labour Trust, and its distribution among groups at the base, is a sound policy, however misguided may be the use *immediately* made by these groups of their new responsibilities. Ultimately we have not the least doubt these responsibilities will be utilised in the direction in which we are ourselves bidding Labour to look for its emancipation.

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The Mexican Government has passed new regulations calculated, in the opinion of Catholics, to exterminate the Catholic Church in that country. The *Universe* publishes a list of them in its issue of July 30. They provide, among other things, that all instruction in schools must be laic, that no religious corporation may establish or direct primary schools, that religious vows are illegal, *that ministers must not criticise Government authorities and fundamental laws of the country*, that religious periodicals must not comment upon national political subjects, that no meetings of a political character shall take place in churches, that churches shall not have the capa-

city for acquiring, possessing, or administering real estate, or real estate securities, and that those who actually do have such real estate shall turn it over to the Government of the nation, that the churches are the property of the nation. The *Universe* reproduces in all thirty-three regulations of this tenour.

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Their significance will be appreciated the better by reflecting on what would have been the position of the Archbishop of Canterbury with regard to his intervention during the General Strike had such regulations been in force in England. Both he and the Committee of Churchmen who subsequently tried to find a basis for a settlement of the mining crisis would have been liable to fine or imprisonment. The repression of Catholicism in Mexico is not a new thing. The Catholic Church ceased to be a legal entity there in 1857, and its church property up till now has therefore been held by individuals. The new regulations circumvent this ruse, and close up other loopholes left in earlier legislation. Feeling runs high, a cable from Mexico City of last Wednesday stating that prominent society women paraded the streets there barefooted as a protest against the Government's policy. On the other hand Labour unions are organising parades in support of the policy. But the Catholic economic reprisal is the matter of chief interest. The population of Mexico, which is overwhelmingly Catholic, are being enjoined to abstain from all unnecessary spending; not to travel unless obliged, and in all ways to demonstrate within the limit of the letter of the law that they object to the new legislation. President Calles predicts the failure of the economic boycott, and threatens to prosecute the Archbishop of Mexico for sedition. In London, Cardinal Bourne has sent a letter to his clergy in which he announces that Cardinal Gasparri calls upon Catholics throughout the world to "unite in prayer with our Holy Father the Pope on Sunday, August 1, the Feast of St. Peter in Chains, to obtain the Divine consolation and assistance for our persecuted Mexican brethren."

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We have a larger sympathy with what is called the "secular" outlook than the average Catholic would allow himself when matters of political privilege are in question, but on this occasion we think we may dismiss the idea that the Mexican Government is moved by any such disinterested convictions as are comprised in the secularist movement as understood here. We can take it for granted that there is some scheme on, and that the Catholic influence is inimical to it; also that strong external influences are behind the political Government of Mexico. As the situation develops we may learn things which link it up with the rift between Latin and non-Latin currencies and war offices in Europe and South America. Wall Street is probably taking a direct part in the game, holding that all agencies of moral suasion should be amenable to financial policy. With the growth of the newspaper trust finance is able to control the consciences of the people unaided, and naturally looks with jealous eyes on other institutions which divide that control. The position wants watching; for we would not be surprised at all to see a revival of "anti-clericalism" even in this country, if the Committee of Churchmen were to persist in challenging the Government on the inwardness of the subsidy. A Church which preaches economic abstinence can rely on protection against secularists and atheists. The turn of the latter will come when finance has no further use for the Church. There is a Geddes Axe waiting for superfluous priests as well as for redundant civil servants.

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*** Owing to the Editor's absence these Notes will be curtailed this and next week.**

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Will readers bear in mind that the increase in price to sevenpence takes place with the next issue.

Bellum Ex Machina.

Growing realisation of the fact that high productivity is causing more mischief than it cures should deepen public interest in the history of the development of machine production. For this reason the latest edition of Mr. J. A. Hobson's "The Evolution of Modern Capitalism"* will be welcomed by students. A long supplementary chapter discusses the "economic transformation" brought about by the war, but the chief value of the work does not lie here. The war has brought about a revelation rather than a transformation, much as a photographic developer precipitates the evidence of a miscalculated exposure on a dry plate.

Among the many facts bearing upon machine production in Mr. Hobson's survey the most interesting to readers of THE NEW AGE will probably be the following quotation which he gives from a speech made at the Industrial Remuneration Conference in 1885.

> "In carpet weaving fifty years ago the workman drove the shuttle with the hand and produced from forty-five to fifty yards per *week*, for which he was paid from 9d. to 1s. per yard, while at the present day a girl attending a steam loom can produce sixty yards a *day*, and does not cost her employer 1½d. per yard for her labour. That girl with her loom is now doing the work of eight men. The question is, How are these men employed now? In a clothier's establishment, seeing a girl at work on a sewing machine, he asked the employer how many men's labour that machine saved him. He said it saved him twelve men's labour. Then he asked: 'What would those twelve men be doing now?' 'Oh,' he said, 'they will be much better employed than if they had been with me, perhaps at some new industry.' He asked: 'What new industry?' . . . . at last he said they would probably have found employment in making sewing machines. Shortly afterwards he was asked to visit the American Singer Sewing Machine Factory, near Glasgow. He got this clothier to accompany him, and when going over the works they came upon the very same kind of machines as the clothier had in his establishment. Then he put the question to the manager: 'How long would it take a man to make one of these machines?' He said he could not tell, as no man made a machine; they had a more expeditious way of doing it than that—there would be upwards of thirty men employed in the making of one machine; but he said: 'If they were to make this particular kind of machine, they would turn out one for every 4½ days' work of each man in their employment.' Now, there was a machine that with a girl had done the work of twelve men for nearly ten years, and the owner of that machine was under the impression that these twelve men would be employed in making another machine, while four and a half days of each of these men was sufficient to make another machine that was capable of displacing another twelve men."

The moral of this illustration *of forty years ago* needs no emphasis. It may be exceptional, but it is indicative of a general movement. Here is a case where (on the figures given) twelve men, displaced by a sewing machine, and transferred to a sewing-machine factory, could *together* make another sewing machine in less than half a day, thereby putting a further twelve men out of work for ten years. Yet a day: ten years! This is a ratio of 1:7300. it is doubtful if the half-day's income enabled those twelve men to buy more goods than before the sewing-machines were adopted. At any rate, we know that incomes have always been so adjusted as to keep the worker alive while he is at work, and very little longer—in case he should take a holiday! Is it any wonder, then, that industries cannot find markets for their output?

"The most distinctive feature of modern economic internationalism," says Mr. Hobson, "is not the growth of ordinary commerce across political boundaries, but the increasing investment of capital in foreign countries." In other words, surplus output goes abroad as a loan. In the years before the war, he shows how Britain's foreign investments increased while her home investments declined. And now since the war, there is not an industrial nation which is not striving to its utmost to find borrowers of its unsaleable products. The whole difficulty about the American debt is simply America's refusal to accept payment in goods. Let her assent, and the so-called ruined debtor nations of Europe would wipe out their indebtedness in no time. But she will not, for the reason that she has a surplus production of her own. The logic of this situation, left uncorrected, is war.

Is the argument not conclusive that both in Europe and America the urgent need is to discover how to distribute these surpluses in home markets? That is a financial problem, for its solution depends on the principle laid down by Major Douglas that "the cash credits of the population of any country shall at any moment be collectively equal to the collective cash prices for consumable goods for sale in that country." When the war ended, industry had to change over from war production to peace production. Its next duty is to change over from "export" production to "home" production. Naturally, it will not do that without a guarantee against financial loss. That guarantee can be given, and fulfilled. The method will be to provide the home consumer gratuitously with extra purchasing power. As soon as home consumers can put their money down, industry will turn its back cheerfully on the foreigner (for which the foreigner will be extremely grateful), and will make them the kind of things they ask for.

Hitherto the idea that financial credit can be issued gratuitously has been scouted as impossible. But economists and others who have asserted this are in process of becoming discredited. Witness the agitation of the *Daily Mail* for a general cancellation of international debts. Supposing that this comes about. What will it entail but the retrospective transformation of loan money into gift money? It will mean, for instance, that Great Britain will say in effect to her Allies, "We will make you a present of the goods you owe us for." Very good. But Great Britain has other "allies"—namely, the fifty millions of people who themselves are Great Britain. They will be watching very carefully to see how the bankers deal in their ledgers with those cancelled foreign loans, arguing to themselves that what the banks may do for other peoples they can surely do for them. It will require some ingenuity for financiers to plead, after having given away production overseas in order to avoid the *evil* (!) of being repaid in foreign products, that the financial system is powerless to distribute surplus products within these islands. We suppose that there are people capable of arguing that if every family in this country had a house of its own and a year's supply of clothes the whole country would be poorer. But the only persons who will be convinced by the argument will be those who believe that the proof of the pudding lies in how it is described by those who do not want them to eat it.

*Walter Scott Publishing Company, 1926. Price 7s. 6d.

PRESS EXTRACTS.

(Selected by the Economic Research Council.)

Mr. Ford said "The British strike was 'put over'; but British labour does not know it. It was jockeyed by the people who are always putting things over, the same people who put over the wars." Mr. Ford said he referred to "the people back of the statesmen," and refused to become more specific in his description. "If I named them you wouldn't publish it," he said.—From an interview with Boston newspapermen; quoted in the "*Commercial and Financial Chronicle*," May 22.

"Owing to the attitude of the Bank of England and Barings the indignity of receivership has been averted (of Armstrong, Whitworth and Co.), and the whole position is now being examined with meticulous care *with the object of framing a scheme which will set this fine old company on the path of real progress.*"—"*Journal of Commerce*," June 3.

Virtual Wealth.

Money is a claim to goods, just as a gallon bucket might be conventionally regarded as a claim to a gallon of water. As nobody can eat his cake and have it, so nobody can spend money on goods and have the money as well as the goods. He must give up his gallon pail in exchange for the gallon of water. If this axiom is thoroughly grasped one can see that the possession of money implies the non-possession of the equivalent goods. As long as a man keeps his pail he must go without his gallon of water. The presence of the pail means the absence of the water. Unspent money cannot have *bought* its owner anything. And the more money in existence the more it *hasn't bought* for its owners. The more gallon pails a community owns the more gallons of water it is doing without. It cannot dodge this fate. For directly one man exchanges his pail for water, another man gets the pail; and until this man in his turn parts with the pail for water he has to abstain from water. It is the property of pails always to be empty—always *to be filled* but never filled. And so it is the property of £1 always *to be spent* by the man who possesses it, but never finally spent. As the pail is filled for one man so it becomes empty for another. It is in a state of being full and being empty as fast as it passes from one owner to another. So when you see a community with 2,000 millions of pails, you can say either (a) here is a people who *have got* 2,000 million pails; or (b) here is a people who *have not got* 2,000 million gallons of water. Or, to translate into money—the British people as individuals have between them £2,000,000,000; and *because* they have it, they are not in personal possession of the goods which that sum might purchase.

This is the central theme of Prof. Soddy's book.* He designates these unbought goods by the term *Virtual Wealth*, which he variously defines and presents as follows:

> "The quantity of wealth which it suits a community *not to possess*, though legally entitled to possession on demand, is worth all the money in the community. This negative quantity or shortage of wealth is termed in this book the Virtual Wealth of the Community. . . ."
>
> "The Virtual Wealth of a community refers to all the kinds of wealth that are *about to be purchased* both in production and consumption. . . ."
>
> "The quantity of money in a country is the quantity of a peculiar sort of debt that would exist in that country if there were no money . . . this debt . . . represents a deficit of real wealth, composed of all the actual things which the owners of the money are *entitled to possess* but voluntarily go without. . . ."
>
> "If a nation's affairs were liable to be wound up . . . it would be necessary for the nation to keep in store, or put into the token itself, a quantity of wealth equal to the quantity of money . . ." [because these always exist] "in addition to those in full possession and enjoyment of all the wealth in the country, others with legal title to demand it for whom no wealth whatever *either exists or need exist*. . . ."
>
> "The second essential is that new money must not be issued more rapidly than the *Virtual Wealth of the community increases* . . ."
>
> "The causes that produce a change of Virtual Wealth are largely *psychological*. . . ."
>
> "Virtual Wealth = Quantity of Money × Purchasing Power of Money.
>
> "The Virtual Wealth of a community is *not a physical but an imaginary negative wealth quantity*. It does not obey the laws of conservation, but is of psychological origin. *It increases with the number of the population* and the national income . . ."
>
> "[Banks] have been allowed to regard themselves as the *owners of the Virtual Wealth* which the community does *not* possess" (author's italics).
>
> "When its value or purchasing power is constant, the quantity of money is a measure of the Virtual Wealth. . . ."

* *Wealth, Virtual Wealth, and Debt.* By Frederick Soddy, M.A., F.R.S. (Allen and Unwin. 10s. 6d. net.)

"The issue of money should *therefore* be regulated by its purchasing power, so as to maintain the purchasing power constant, more being issued if the purchasing power tends to rise, or the index number [of the general price level] to fall"—and vice versa.

To initiate Professor Soddy's system—

"Some £2,000 millions of National interest-bearing Debt should be cancelled and the same sum of National money (non-interest-bearing National Debt) issued to replace the credit created by the banks.

This, he says, will save the taxpayer £100 millions a year in interest. Henceforth the banks

"should by law be required to keep national money, £ for £ of their liabilities for customers' 'deposits' in current account, and only be permitted to lend money genuinely deposited into their keeping by its owners. . . ."

There is no intelligible connection between the author's theory of Virtual Wealth and his proposals. Nor does he specifically relate these proposals to any particular economic objective. The reader is left to gather that this objective is to enable people to live at a higher level of comfort.

There appears no practical reason for dragging in the theory of Virtual Wealth at all. If money represents wealth abstained from, what then? Shall we abolish money and go back to barter? No? Then what? Apparently nothing, except to stabilise purchasing power. The only consequence of that would be that the quality of money would then "measure" Virtual Wealth—the wealth we abstain from. If the bread we buy is always 6d. a loaf, then the total number of sixpences we have "measures" the loaves we do not buy—loaves which "are not," nor "need be, in existence." But where are we when we have "measured" them? Are we any nearer getting them? Or ought we not to try to? It would appear so, because Professor Soddy insists that we cannot progress industrially without abstinence.

If every pail can be stabilised at a 1-gallon capacity a million pails will "measure" a million gallons of water. But so long as we abstain from the water what does the "measure" mean to us? What do we do with it? Prof. Soddy's proposal amounts to this. That as the pails tend to increase in capacity the number of them must be reduced, and as they tend to decrease in capacity the number must be increased. His object apparently is to make the total number of pails at any given time equal to one million gallons of water. That is to say, Virtual Wealth must be stabilised. Even then, this Virtual Wealth being, by his own definition, imaginary, negative, and psychological, what happens when it is stabilised? What physical gains do we achieve by establishing this metaphysical equilibrium?

Again. The substitution of national money for bank credit amounts merely to advocating a change in the material of which the pails are made, not an alteration of their capacity, which he insists must always be 1 gallon. Professor Soddy will object to this analogy, pointing out that it ignores the saving of interest which would take place if national currency replaced bank credit. One may grant this, but can immediately ask what relation the question of interest has to his theory of Virtual Wealth.

No doubt, not only interest, but many other elements in the system are related with it in his own mind: but he fails to demonstrate the relationship. There is nothing of practical value in his book which he has not already said in his pamphlet *Cartesian Economics*. Even his "principle" of Virtual Wealth has been anticipated and condensed in the following passage from Foster and Catchings' *Profits*:

"The primitive community produced what it consumed and consumed what it produced; but the intrusion of money at once made possible the overthrow of that balance. *For money is suspended purchasing power.* It is left hanging over the market, to be used, nobody knows when, where, or for what." (*Profits*, pp. 4-5.)

Those authors, however, go on to show *why* that fact is important—namely, because the "suspended purchasing power" is reinvested and drives prices beyond the reach of consumer incomes. But Professor Soddy makes no such use, nor any use at all, of his principle. He ignores the accountancy of credit in the industrial system altogether, fixing his mind exclusively on the regulation of the flow of credit and the price of it.

His book calls to mind the following remarks made in another connection:

"Popular accounts of the theory of relativity continue to appear, and one must presume from this that public interest in the subject has by no means died out. Writers at this time of day, however, are under an obligation which did not burden early expositors, in that they have to *justify their intrusion into an already over-crowded field.* However unsuccessful existing literature may have been in making the new ideas clear . . . the *mere accumulation of volumes directed towards the same end* is in itself an evil quite independent of the intrinsic worth of the volumes themselves. . . . The reader who is able to follow each chapter quite clearly may be left at the end quite *incapable of forming a definition of relativity suitable for a dictionary.* . . . He appears to introduce difficulties into Einstein's exposition and then to devote a considerable space to their elucidation. . . . The author appears to have some power of thought and expression, which should be concentrated on a subject with which he is better acquainted." (From a review of two books on Relativity in *Nature*, June 26.)

This book should not have been written. Professor Soddy says he addresses it to the public rather than to the specialist. We defy either to get anything out of it but a headache.

Medicine and Psycho-therapy.

I.

Just as the theory of evolution is applicable to all species of organisms except germs, so the theory of progress may be avowed by all organisations except the medical profession. The one great advance of knowledge announced by the medical profession in my time is that prevention is better than cure; moreover, that prevention is the business of the patient, who must either live according to a régime impossible in this present civilisation, or accept the consequences. Incurability is paradoxically alleged to be the sufferer's offence and the doctor's injury; and once the wretched patient has really got the disease it is too late to do anything but warn the undertaker. That "there's nothing new under the sun" is a saying occasionally ejaculated when a layman discovers that the ancients were not all savages. In medicine it is a prohibitive dogma. It is almost the function of medicine to see that anything new is kept in the dark. The only purpose in calling in the doctor, apart from his surgical experience, is to secure one's family from the coroner's suspicion.

By a majority of three to one the recent representative meeting of the British Medical Association decided to appoint a committee to investigate psycho-analysis, the chairman causing much laughter by observing that no time limit had been stipulated. The attitude of the organised medical profession to psycho-analysis resembles that of ancient Egypt to the use of steam; it fears that such a terrible power can hardly be employed without danger to the community. Already the abuses of psycho-analysis are so grave that some of them amount to animal practice, which many doctors consider sufficient grounds for refusing to touch psycho-analysis with rubber gloves. The same sort of argument would proscribe the use of a good proportion of the pharmacopœia. In fact, there are highly intelligent physicians of the homœopathic school who consider that practically every dose of drug administered by orthodox medicine is excessive and poisonous, and that the patient gets better in spite of it.

A psycho-analysis of the medical profession's corporate mind—and such is desirable—would reveal that the main motive of its desire to have medicine an empirical science is fear of the verdict of materialism on magic. The profession dare not, for fear of being accused of witchcraft, accomplish healing without being able to offer an empirical explanation based on the known laws of physics. So crazy is the profession for explanation that its real function, healing sick patients, has been overlooked. Diagnosis has taken entire precedence in research to cure. Theory, which ought to be the winged helpmate of practice, and capable of changing form, has been converted into its leg-irons. Medical theory largely cripples the practice it ought to help. Anyone who found a cure for cancer would be called a quack. Anyone who identified a germ of cancer would be an exact scientist, praiseworthy though he render no therapeutic help whatever, and worthy of honour though he were subsequently proved wrong.

This attitude of the medical profession towards science is of peculiar psycho-analytic interest. For medicine is magic. And there is plenty of evidence that doctors actually repress into the unconscious the knowledge that at their best they are magicians. The patients' children, who are more to be depended on for the truth of the matter than anyone else, regard the doctor as a magician. For most patients the difference between one doctor and another does not represent a difference in efficiency between two applications of science, but a difference of rank between the pretending magician and the real one. Whether the good bedside manner is induced by ambition or concern for the patient hardly matters; that it is, in effect, a means of hypnotising the patient into sufficient hero-worship to get well for the doctor's glory is acknowledged by everybody with self-knowledge enough to see it. It has long disturbed the conscious desire of the profession to be scientists rather than medicine-men. The need for results—among doctors dependent on practice—reinforces the unconscious desire to work magic sufficiently to keep the good bedside-manner an acknowledged essential for the successful medical man.

The term quack is uttered with that excess of vehemence which psycho-analysis would teach the doctors to distrust; for vehemence is so often a mask for repressed envy which is hate, or for the equally repressed conviction of one's own sin. To hear a doctor refer to a quack makes one ask oneself whether he wishes that the quack did not cure. Even the healer who can explain his cures may not be exempt from the charge of quackery. If he has not gained a diploma in medicine, and thus given many years, to fitting his observations within the explanations of other men, and to learning the Latin babu for his anatomical parts, he is equally failing in his due prostration before that mania of magicians with bad consciences to satisfy scientific herd opinion.

Psycho-analysis, like medicine, is a branch of magic. Precisely as the practitioner writing a prescription is responsible before the angels for the way he mixes his poisons, so the analyst is responsible for the suggestions he cannot help giving, and for the culture of the forces he cannot help releasing. The doctor carries the trusting patient's life in his hands, a thought which excuses a good deal of conservatism and exclusiveness. The psycho-analyst carries the trusting patient's sanity in his hands, a thought that excuses a good deal of caution and makes one wish that both doctors and analysts were holy men.

RICHARD MONTGOMERY.

Germany and the Future of Europe.

By John Gould Fletcher.

I.

During the years that have elapsed since the signing of the Versailles Treaty—years in which the European spirit has been like Prometheus cast back and rechained to the rock, without the consoling presence of the Oceanides to share his wrongs, and without apparently even the tongue to give them utterance—at least, in the countries which were victorious—during these years there has been much talk of "saving Europe." But what is Europe? Is it a collection of national boundaries, customs, habits? Is it the Latin spirit, invented and patented by Messrs. Mussolini and Poincaré, and which we have seen in operation invading the Ruhr, exploiting Tripoli, bombarding Damascus, destroying the independence of the Riff? Is it that British Empire which has sunk so low as to be unable to keep its word with its own workpeople, or is it the eunuch-born League of Nations? Or is it something far deeper and more profound than all these? The question is worth asking: What is Europe? To answer it we have to look at the greater problem of man, and of man's social organisation.

A dozen, a hundred, a thousand, or a million men may die without changing a social state in the least, or without breaking a mechanical state in which humanity at large is struggling. But if that same million men come into contact with a tradition that is to them alien, and attempt to assimilate it, the result is a culture which is different from what has been before, and a social order renovated from top to bottom. For example, Greece, Rome, and Judea once met together and created the thing called Christianity. What actually happened on the human plane was that the life-stream of Greek blood met the Roman life-stream of blood and the Judean life-stream of blood, and fused together at Galilee to make the human archetype which all Christianity since has worshipped. Or one can equally well say that the Greek spirit, the Roman spirit, and the Judean spirit, taken in ultimate fusion, are Christianity. For blood is spirit, as Nietzsche pointed out about a thousand times without anyone paying any attention to him.

If this had been understood, there would have been no world-war. If it had been known that the European peoples are necessary to each other before Europe can exist as anything else but a mere name on a map, there would be no such thing as the four years' butchery, or the seven years' aftermath, with that comic creation of the League of Nations as a straw-doll substitute for the living flesh and blood of what might have been united Europe. For there is no Europe. There are simply Europeans living in various countries. That is to say, England revelling in her illogical Englishness, and France rapt in her dream of controlling the populations of Islam; and Spain keeping to herself, and Italy strutting about in uniform, and Germany driven to despair and outlawry, and Central Europe a perfect ragbag of dishevelled nationalities. There is no European spirit to be found in that particular mish-mash. And the less European we are with regard to it the better.

What, then, is Europe? The answer to that question must be sought in European history. Europe is the sum-total of social, cultural, ethical, and aesthetic values which Christianity (considered as an absolute, not as a relativist faith) came to *give* to the world. The Great War which destroyed Europe also destroyed Christianity as an absolute faith—so much so that people nowadays either are indifferent about

religion, or are ready to adopt Christian Science, spiritualism, theosophy or any substitute (none of which are compatible with the historic thing that has been called Christianity), rather than to seek salvation in the churches which had not the courage or the faith in Europe or mankind to utterly condemn the war and prevent it.

When Jesus appeared on this planet, He said that you cannot put new wine into old bottles. This saying, which was aimed at the old State-religion of the Jewish, no less than at the State-religion of the Roman Faith, was totally misunderstood by his disciples. The majority of them were Judeo-Christians, living and obeying the law, and expecting a messiah who would deliver them, not spiritually, but politically. After Jesus's death they went on living as Jews, expecting every moment to witness the end of the world. For they knew that the law and the prophets had been accomplished, and it seemed to them that there was nothing else to be done in the world. We can understand and pardon their feeling, for we, too, have been through a world-shattering upheaval such as they witnessed. But the task of the Spirit is not finished so long as there are men on earth; and all we can say about these early primitive Christians is that they were profoundly mistaken.

Paul alone saw the future—Paul, who saw with heroic eyes the paradox: that the world would be destroyed, and yet that the world must be made anew into Christ's kingdom. Like John the Baptist, who had stood outside the temple, and had summoned sinners to repentance, Paul cast the dust of the temple from his feet in ceasing to be a Pharisee. He went forth to the Gentiles and summoned them to Christ. And it was the Holy Spirit which inspired him to do so, for without Paul not a Gothic cathedral would ever have arisen from the soil, Dante, Shakespeare, Goethe would never have written, Beethoven or Mozart would not have been, two thousand years of history would have been different.

Paul went first to the Greeks. Who were these Greeks? They were or had been a thousand years before, Dorians, that is to say Celts. Their own mystic roots, as Plato could testify, stretched back through Orpheus to such things as the talking oak at Dodona—to the primeval forest myths of Teutondom—to the Aryan peoples of Central Europe. The fair-haired Archæans, practising burial up to the time of the Trojan war, had become mixed with the short, dark-haired Pelasgi (who may have been basques or Lemurians, or anything else, but who were at all events different). And they had adopted elements of an earlier faith; the faith in the underworld, in the ghost, that must be kept away, in the furies, and in the necessity of burning the body after death. But at Eleusis and elsewhere had been kept alive the purer Dorian tradition; the tradition of the great nature-mother of the Neo-cult, of the mystic initiation, and the blessed after-life.

Three hundred years after Saint Paul had preached to them, this same people were brought into contact with the Goths, who were Germans, Teutons of the purest stock. Athens and Eleusis were sacked and destroyed—they had fulfilled their purpose. But the Greeks, before whom Paul had stood on the Areopagus, converted their conquerors to Christianity.

It was not Jerusalem, nor was it Rome that brought Christianity into the world. It was the Teutonic-Celtic stock of Europe. They were the new bottles that carried the new wine into the world. And it was they who maintained its newness throughout the nineteen hundred years that followed.

That Europe is, and has been, nothing but Teutondom—nothing but the German spirit—is the purpose of my argument.

The True Inwardness of Catholic Sociology.

VII.

The Guilds were regulative associations, not administrative such as those with which the National Guildsmen have been most concerned. Nor were they democratic in constitution. In the great majority of cases at least, their government was entirely in the hands of the masters. Still, the journeyman had a recognised status in the Guild; he enjoyed the full benefit of its stipulated conditions of work; and he was, in some sort, the employee rather of the Guild as a whole, than of the individual master, from whose fiat he had a right of appeal. Further, he would, as we have already noticed, normally expect in due time (and not too long a time) to become himself a master.

Now it is as well to remind ourselves that Social Credit was originally commended precisely as a short-cut to the establishment of National Guilds. And there should be room, in some cases, for actual administrative Guilds. It is quite conceivable that railways and mines, for instance, might be operated by National Guilds with a formal and guaranteed monopoly (though, as we have already noted, with proper representation of the consumers' interests). In other industries, Guilds, more or less on the lines of those which have been tried in the building trades, might secure a greater or less proportion of the trade. In some cases it is possible that such a Guild might absorb the entire industry—though without any formally recognised monopoly.

What should be the exact constitution of such a Guild is another matter. Extravagant claims have been made by some Guildsmen—as that every decision must be made by a committee and every directive functionary elected by the actual people to whom he is to give orders. Such a conception of democracy in politics would reduce it to an absurdity, and there is no reason why this should be more workable in industry. On the other hand there is no more reason for decrying, on this ground, the whole claim for democracy in industry than for doing so in regard to politics. In each case alike it is a question of finding the best practical machinery for realising, so far as may be, the fundamental postulates of democracy. It is essential, of course, to leave ample scope for individual enterprise and initiative; directive functionaries must have a considerable field within which they can exercise a free hand at their own discretion. The point is that the limits of any such field ought to be constitutionally determined. There is no reason, too, why the mass of the workers should not have the power, or a predominant share of the power, of appointing, and, if necessary, removing the ultimately responsible directors of an industry. This, it is to be noted, was clearly provided for in the original "Douglas Scheme" for the mining industry, when the results of that scheme had fully developed themselves. Again, though day to day decisions must needs be taken by the individual captain of industry, yet, in regard to wider and more permanent decisions as to methods, ways might well be found by which the views of the workers as a body might effectively make themselves felt. Such matters, too, as actual conditions in the workshop ought only to be settled with the fullest and freest assent of those who have to work under them. Once more, there ought to be the amplest opportunity for positive and constructive suggestions as to methods, and for the putting forward of mechanical inventions, by the rank and file. But no doubt the precise extent to which democracy can be pushed will vary enormously according to the conditions of different industries.

Most industries will no doubt be wholly or predominantly in the hands of distinct firms or individual employers. But each such concern will have, in the end, to be constitutionalised internally, so as to become, in fact, a kind of small Guild in itself. No doubt, even in the same industry, there might be great differences between different firms in the extent to which democratic methods were insisted on.

Under a regime of dividends for all, the employer would have to command the confidence of his workers and carry them with him freely in any demands he might make for discipline and loyalty; he could never *impose* his own methods on them. Further, as previously noted, there might be room in many industries—given a universal cheap supply of power—for independent artisans and small self-governing workshops. And in this connection we ought to hope, too, for a great revival, in many lines, of handicraft; apart from this there seems small hopes of our ever recovering the medieval *flair* for beautiful products.

In industries divided among various separate concerns, regulative Guilds would be necessary. The exact forms of these again would be flexible, and vary much from industry to industry. In agriculture, for instance, the Guild might well take the shape of a co-operative society (or societies) of the type promoted by the Irish Agricultural Organisation movement. What is wanted is the embodiment in manifold and variegated forms of the general Guild principle, not the covering of the whole field of industry by a close phalanx of solid block "National Guilds," as imaged by the Guild *Socialists* proper. But Guild organisation, in some shape or form, is required both to assert the claim of industrial self-determination, and as a guarantee that a Distributionist society—whether the distribution is of dividends or concrete capital—shall be truly a co-operative commonwealth.

For these great ethical demands must be met by any society that is to be compatible with Catholic principles. As I have expressed it elsewhere:

"Believing that every soul of man is of inexpressible, and equal, value in the sight of God, it follows that we believe that there are certain fundamental claims to consideration and human dignity in respect of which all men are absolutely equal, however unequal their specific endowments. That they shall all equally be treated as human beings, with an equal claim to enter into the fulness of life, so far as they are respectively capable of appropriating it, is an undeniable Christian principle. No *arbitrary or artificial* inequalities can be tolerated. This constitutes the essence of Christian justice. The justice of God—which He both practises and requires of men—is the most characteristically Catholic of ethical ideas. Yet justice easily takes on a harsh and forbidding aspect. But in the Christian Faith it is suffused and mellowed by love—the love of the Father. God, for all His human children, calling for a responsive love from them for one another. It is justice exercised within a brotherhood, and essentially coloured always by brotherly love. Further, the very way in which we have found ourselves led to formulate the claim of justice involves freedom for each individual, freedom to make the best of himself—that freedom, in fact, of which St. Paul was the great prophet. But yet again it is freedom within a brotherhood, an essentially *social* freedom. Hence, in the use which he makes of his freedom the individual is morally bound to regard it as conditioned, at every turn, by the claims of brotherhood. In the sphere of social ethics, freedom, justice, and brotherhood are for the Christian three in one and one in three; and in this trinity none is afore or after other, none is greater or less than another."*

N. E. EGERTON SWANN.

* "Is there a Catholic Sociology?" S.P.C.K., pp. 14, 15.

A Vagabond in Denmark.

By Leopold Spero.

THE BOWLER HAT OF CHIVALRY.

XVI.

The country south of Odense has something in it of the warmth of England. The little farms are closer knit, their green and yellow crops packed more richly and neighbourly together than in Jutland, while the fruit-trees jostle and push their way right into the woods themselves. The villages look as if they had been built by a child, a good child, a good little girl who does not spoil her toys, or experiment too rashly with the bricks provided for her building. Yet it must be confessed that you might purchase the whole of Fyn by a pattern. The spoilt English traveller, used to his fill of variety and contrast, goes to sleep in this train, until on a sudden it pulls him into Svendborg, the little piece of Cornwall which is one of the show places of Denmark, with Silkeborg and Hamlet's Castle of Elsinore, and that melancholy Urban District of Roskilde, where so many Danish kings and queens lie so suburbanly buried.

In Svendborg you see Falmouth, Mevagissey, a touch of Lostwithiel, pieces of authentic Fowey. During the war its tiny shipyard, which now re-echoes so pathetically the clang of a single hammer, was full of sounding, profitable business from Germany, no mere crumbs from a rich man's table, but solid orders which made a rich man of every 'prentice shipbuilder in the place. Some of them who had not the wisdom to retire on the top of the wave, letting it fling them high from its crest on to the comfortable shores of retirement, rode on and down into the trough, were engulfed by the final crash, and now sit forlornly wondering why things cannot be as they were, and where the next war is to come from. But Svendborg itself breathes a soft sigh of relief at being once more the little town that King Christian loved, with the winding path out along the shore by the woods, from which we wave our hands to tiny Taasinge and tinier Thuroe, the pert little islands where so many prosperous commercial gentlemen find repose at the end of the day and a quiet game of bridge.

The people of Svendborg are a kindly race, but there flourishes in their breasts one sin of pardonable pride. Theirs is the only town in Denmark in which a traveller cannot arrive and walk into the nearest hotel and be sure of his bed. Though the Skaw and Fano and the promenaded and pretentious watering-places of the Sound have their grand season, there is always room enough for everybody. In Svendborg alone does hospitable desire outpace capacity. For while a good case may be made out for the attractions of the grand, the romantic, among the sand-dunes of West Jutland and the castles of Zeeland, there is an incurable longing for the idyllic in the Danish soul, and Svendborg is the only source from which this gentle passion may be slaked. Silkeborg will not do for the purpose. Silkeborg is too well ordered, too tame and manufactured, too much like what Michael Drewson designed it to be. Only Svendborg, with its queer and twisted and climbing streets, its two great churches of Our Lady and St. Nicholas, its blue strait that looks like a delightful, painted river, its depth and warmth of lazy quietude, only Svendborg fills the bill, only Svendborg is idyllic, the true scene for honeymoon or the early stages of decree nisi. And that is why you may go from one little hotel to another and meet the same mournful negative. Even the railway hotel has no room for you; and a town has to be very full indeed before that can happen. And what of this great barrack, the high-school-home? Surely there is room enough for the whole of Fyn in these echoing corridors? Ah, but that will not do at all. You are outside the charmed circle, and may not enter in. For this is

a great mystery, this high-school-hotel business. The whole of the Danish archipelago is peppered with high-school-hotels, cheap, clean, well-found and well-intentioned—but not for the profane, the uninitiate. By some means or other, but how is a mystery not easy to unravel, the traveller must enrol himself in the band of these elect, teachers, students, almost anyone who can pretend that at some time of his life he taught or learnt something somewhere. In short, they have a system in Denmark whereby people who want to see their own country are enabled to do so without being fleeced by ravenous innkeepers. And anyone who wishes to visit the country would be well advised to discover how he may obtain the credentials which shall pass him through the portals of the high-school-hotel.

But this will not do. We cannot wait philosophising on this austere doorstep. For the sun goes down for an hour or two even on a Danish summer's evening. True, it is half-past nine, and still light. But the shadows will be falling anon, so we must be off again, down this slanting street that leads to the waterside. Here is a trim maid who shakes her head and smiles when you ask for a room. You ask again whether there is any room anywhere, and again she shakes her head. Bless her heart, she has not understood your words, but she knows what you want, and thinks it a great joke. After all, are these airs not balmy, is the sky not soft and inviting? Sleep on the shore, my good fellow, or hump yourself away round the bend past the dusty mill to that inviting wooded headland, and make your bed under a pinetree.

"This Queen."

The second volume of the Fugger News-Letters* deals entirely with England and English affairs. Some will regret that it was not called "This Queen," as originally intended by the editor, Mr. von Klarwill. The words, "this Queen," occur again and again; generally in a spirit of hostility, but occasionally marking an unwilling admiration, extorted from a baffled and bewildered Europe by this lonely courageous woman who gave a name to a great epoch.

An alternative title might have been "That Drake," as he is dubbed, whose unkind attentions to the King of Spain's beard made his "sacred Majesty" positively ill—even to the redoubling of the pains he suffered from gout when he heard that the great Armada had been "somewhat hindered in its operations."

Much of the interest of these letters lies in the fact that they are the work of everyday folk, who are, moreover, not influenced in their reports to their employers by any feelings of excessive friendship for England. They are a wholesome corrective for those who have been brought up on Kingsley and water, with a dash of Froude, and help us to realise that there is another aspect to the heroic exploits of Drake, Hawkins, and Raleigh than the one presented in popular histories with a Puritan bias.

It is a relief to turn from musty State papers to these homely accounts of great events and trivial happenings told by unknown correspondents who were carrying on "business as usual" whilst the great folk were unprofitably occupied in making what is commonly mistaken for history. It rejoices one's heart, for example, to learn that in 1596 there were 7,000 barrels of Spanish wines in stock in London, and over 22,000 baskets of raisins—"not counting the blue ones," whatever they might be. Then there is a familiar ring in the report from "Middelburg," dated June 29, 1589, to the effect that

> "the English have taken Lisbon. The English merchants are betting three sovereigns to one that this news is true."

Which is just what one would expect them to do, and they doubtless did it to much emptying of flagons of good Rhenish. The same gentlemen were probably interested in pepper, which played a pungent and profitable role in the buccaneering commerce of the age. Among the captured ships one yielded 544 bags, another 400, and the great Indian galleon Santa Maria 8,000 cwt. of pepper. Whatever did they do with it all? It is not surprising that there was a glut at times, which, we are told,

> "will not suit the traders, as they have already 6,000 cwt. stored in Amsterdam."

How little traders change! Perhaps "this Queen," who was an excellent business woman and just a bit of a profiteer, saw to it that the price did not fall too low. How cleverly she played the old, old game of "heads I win, tails you lose" in those joint-stock expeditions to the Spanish Main! As for her matrimonial vagaries, this second series deals principally with the "affaire Alençon," which does not seem to have been very popular with her turbulent subjects, but, as an Antwerp correspondent saliently remarks,

> "nobody knows what to believe. The Queen is said to behave to Alençon just as if he were her husband, and this does not please the English at all."

It would not. How could a robust, virile race accustomed to the stately presence of the Dudleys and Stanleys regard with satisfaction a possible alliance of their great Queen with

> "a small, brown creature, deeply pock-marked, with a large head, a knobbed nose, and a hoarse croaking voice,"

as Froude describes him. And yet this unfathomable woman vowed "she had never seen a man who pleased her so well!" One would like Burleigh's candid opinion on that statement.

Further references to the Great Armada are to be expected, and we are not disappointed. One, Hans Buttber, arriving at Hamburg from San Lucar, "in a big ship," reports a great English victory; news which Fuggers' local correspondent faithfully transmits, and concludes his letter with a dig at both sides:

> "If this is true it will somewhat abate Spanish insolence and give the English fresh courage, though they have no lack of insolence either."

True, oh, Hans! The English of those days were no mild-mannered diffident men, any more than their descendants, who were to swear so prodigiously in Flanders in the centuries to come. However, the news of the defeat of the Armada being confirmed "our Hamburg representative" mournfully declares,

> "the upshot is that the activities of the Holy League are greatly limited and the English will do great damage at sea by rapine and theft. God dispose all for the best!"

Well, the Armada was certainly disposed of, but whether for the best or no depends on the point of view. Anyway, it left the gentlemen adventurers and their royal partner free to carry on the pepper, spice, and bullion business with zest and success—although their methods were so misunderstood by their unwilling purveyors of marketable commodities.

Amongst the many curious items of news in this wonderful miscellany is the astounding assertion from Rome—a reliable source—that

> "the Ottoman Empire . . . will soon come to an end, and that Constantinople will fall into the hands of Christians. This is to happen in 1597, or a little later, in accordance with the forecasts of all Prophets and Holy Writ."

Considering the Turks were hammering at the gates of Vienna and finding congenial occupations for John Sobieski a century after, this vain prophecy is unfortunate. One turns with an appreciative feeling of reality to the description of familiar things, such as the weather. The winter of the aforesaid year 1597 was very wet: "the rain lasts day and night, and the country is waterlogged." If the English of Elizabeth's day were much as we know them, neither has our capricious climate changed with the passing years."

After 1601 there are no more references to "this Queen." She was "suffering from a fatal disease called St. Martha," but it is strange that there should be no comment by the Fugger correspondents on the passing of this brave woman, who was more than a match for all "the sacred Majesties" of Europe. Perhaps further research in the archives at Vienna may yield material to fill the gap in the letters between 1601 and 1604—in which latter year an uneasy peace was concluded between England and Spain—a peace by the way which a letter from Antwerp asserts, "has so far done little good to trade or anything else." Words of pregnant meaning that might have been written in 1926.

J. S. K.

* *The Fugger News-Letters.* Second Series. Edited by Victor von Klarwill. Translated by L. S. R. Byrne. (The Bodley Head. 18s. net.)

THE ONE-POUND LOOK.

Finance is sound, the British Pound,
Whose value once did sink,
Now looks the Dollar in the face,
And gives back wink for wink.

But can it look, with any grace,
The British People in the face?

I. G. H. H.

Recollections of Rasputin.

By Mme. V. Z.

Translated from the Russian.

CHAPTER I.

MY FIRST MEETING WITH RASPUTIN.

It was in 1914. My interests at that time centred more and more in various aspects of God-seeking. I already knew several brothers of the Community of God's People, but my choice was not yet definitely made. At that time there appeared in the newspapers vague, obscure rumours about a pilgrim-monk, who managed to keep his influence and power intact, in spite of monstrous acts ascribed to him, and which sounded shocking from the point of view of social morality. I am generally not inclined to trust rumours, and I like to see for myself what seems to me of interest. Having made up my mind that there must be a connection between that mysterious Petersburg monk and the Community of God's People, I wanted to clear up the point.

I arrived in Petersburg in February, and went straight to my severest critic and dear friend, N. A. K., and told him of my intention. Looking gravely at me, he shook his head in doubt and, without saying anything, gave me a letter to A. S. P., observing that at his house I might find a few people who would interest me.

During my first visit to A. S. P. I told him of my intention to meet Rasputin. Having noticed not only hesitation, but obvious fear, on P.'s expressive face, I said with insistence that if he refused me his assistance, I should be certain all the same to see Rasputin in a couple of days.

"I do not know his exact address," P. said hesitatingly, "but I think he lives in the Anglisky Prospect."

I may mention here one of those amusing incidents which sometimes happen to me. When P. mentioned the Anglisky Prospect I suddenly had the idea that Rasputin resided in the house No. 3, and I said so to him. P. gave me a surprised look, and said: "I think you are mistaken."

But I was not mistaken. Rasputin indeed lived at No. 3, Anglisky Prospect, and his telephone number was 6-46-46.

I was told all this over the telephone in the evening by P., and his voice sounded grave and anxious when he said to me: "Please, think over again what you are going to do, you are so young, and the step you propose to take may be harmful to you . . ."

This anxiety and fear expressed on my account by N. A. K. and P. as well as by the relations, with whom I was staying in Petersburg, increased my desire to see Rasputin. And next morning, having just got up, and not yet dressed, I went to the telephone.

In some agitation I took up the receiver: "Group B., 6-46-46, please. Thanks." I listened attentively, and I confess my heart was beating. Then came a low, dull voice: "Well, I am here." "Is Father Gregory at home?" I asked. "I am he; who's speaking, do I know you?", Rasputin inquired. "A young lady speaking who has just arrived here, having heard a great deal about you, wishes to see you. May I come to you?" I said.

"Where are you telephoning from?" Rasputin asked eagerly. That eagerness and that almost insinuating tone of voice, with which he always spoke on the telephone, I had many occasions later on to remember, when I got to know him more closely.

"I live in the Kameno-ostrovsky," I said. "Come at once," his voice sounded impatient. "What are you like, pretty?" he added unexpectedly. "I don't know," I replied. "Well, be quick, dear, I shall be expecting you; you may come in half an hour; well, in an hour's time, but be quick, darling!" "Righto," I said, and put the receiver down.

In three-quarters of an hour I was at the entrance of a huge grey house in the Anglisky Prospect. I confess, I felt somewhat awed and frightened when I entered the wide bright hall.

In the hall stood, side by side, a stuffed bear and a wolf. Their moth-eaten skins looked so wretched on the background of an elongated window, in the decadent style, on which was withering a bunch of pink heather with its half-bare stalks fastened with ugly green ribbons.

The lift took me up to the top of the building. Letting me out the liftman pointed gloomily to a large, yellow door, "That is Rasputin's," he said, and the lift immediately began descending.

To my ring the door was opened by a stout smallish woman in a dark uniform and kerchief round her head. She gave me an unwelcome look with her wide grey eyes. "Have you an appointment?" she asked. "Yes." "Come in . . . ," she said. "No, don't leave your things here," and pointing to a door, she added: "take them off there if you please." I learnt afterwards that the privilege of leaving one's things depended on whether the visitor was to be admitted to the waiting room only, or to the inner rooms as well. Those who have once stepped over the threshold of the dining-room or of bed-room became, as it were, "of the house," and during subsequent visits were privileged to leave their things in the hall.

"Gregory Efimovich (Rasputin) has not yet returned from mass," the woman said; and letting me into the waiting room, she shut the door.

The large room was almost empty. There were a few chairs standing at a distance from each other, covered with coarse cretonne with motley, queer-shaped flowers in the new style. Near the wall stood a clumsy old sideboard, and opposite it a large, absurdly painted fireplace with a green-tailed pattern running up to the cornice.

In the waiting-room there were three visitors: a State Councillor in uniform, a bald-headed man with a gold pince-nez. Not far from him sat a man in a shabby lounge suit, with a dishevelled beard and eyes that did not match. Near the door, on the edge of a chair, sat a pale girl, looking like a student, in an old fur-trimmed jacket with a round fur hat.

The hall door opened, and a woman's cross voice called out: "Marah!"

From the inner rooms came out, stooping and rolling her hips, a tall young girl* in school uniform. Coming close to the door, she turned round and fixed me with her gaze. I glanced at that square face with its animally brutal chin and low, bulging forehead over her grey, rigid face. Her hair, dull and colourless, hung in large curls, and she shook her head impatiently, throwing them from her face. With an animal-like movement she licked the broad, bright-red lips of a half-opened, turned-down mouth; she gave a convulsive yawn and disappeared in the hall. All was quiet again.

The door opened, and with a hurried shuffling of slippered feet Rasputin rushed in. I had never seen him or his portrait before, but I instantly recognised that it was him.

Thick-set, with unusually broad shoulders, he was dressed in a lilac-coloured silk blouse fastened with a crimson belt, striped trousers, and striped cloth slippers. His face appeared to me familiar and ordinary: its dark, wrinkled, wind-blown, sun-burnt skin went into the deep-scored lines one sees in peasants' faces. His hair, parted carelessly in the middle, was rather long, and his well-groomed beard was of almost dark brown colour. I could not see his eyes, although when he entered the room he gave me an instantaneous look and smile. But he first came up to the man in the shabby suit.

"Well, what is it you want; well, speak out . . ." he asked with a low voice, and with his head bent on one side, like the head of a priest at communion. In a dull voice the visitor began explaining a complicated story. From what he was saying I understood him to be a country or town schoolmaster, for he mentioned several times that Rasputin's letter to the Assistant Minister of Education would do away with all difficulties.

With a frown Rasputin said reluctantly:

"Oh, I dislike all those educations. . . Well, wait here; well, I shall write to him, wait now. . . ." Then Rasputin came up to the State Councillor, but the latter asked for a private talk.

Rasputin glanced at the girl student who was standing (when Rasputin entered all got up). She stood timidly by the door. Resolutely he came up to me.

Coming quite close he took my hand and bowed. Just above myself I saw his face, his broad, pock-marked nose, and his pale narrow lips hidden under a soft moustache; and straight into my face gazed his eyes—small, bright, deeply hidden in wrinkles. In one of his eyes, in the right one, was a tiny yellow spot.

At first his eyes seemed to me quite ordinary, but a moment later I was disturbed and felt that, behind those bright eyes there was looking a someone else, a cunning, sly, slippery creature; and that sensation I always experienced afterwards; at times it became particularly oppressive.

"Was it you, darling, who rang me up this morning?" Rasputin asked with his quick, softly-breathing Siberian accent.

"Yes, I," I answered, looking straight into his eyes. He squeezed my hand.

"What did you wish to speak of?"

"Of various things, of life," I answered vaguely, not knowing what I was going to speak to him about. Continuing to squeeze my hand, with his other hand he stroked mine. I felt very awkward, but to withdraw my hand would have been quite silly. Turning to the door, Rasputin called out "Dounia!" There entered the stern-looking woman who had opened the door to me. Pointing to me, Rasputin said in an undertone:

"Show her to my private room."

* It was Rasputin's daughter.

Art.

The Sculpture of Jacob Epstein.

The recent exhibition, at the Leicester Galleries, of bronzes by Jacob Epstein was impressive by reason of good selection and arrangement, and it included a conspicuous standing figure of a woman—"Study." The proposed purchase of this, for presentation to the National Gallery of British Art, prompts consideration of the sculptor's work as a whole. When, in 1908, the stone figures on the British Medical Association's premises at the corner of Agar-street and the Strand appeared, they excited violent controversy, originating in a newspaper *stunt,* but gradually gained acceptance as able enrichments to a well-designed building and hopeful signs of better statuary in the streets. The commission for a tomb-stone to be placed on the grave of Oscar Wilde, in Paris, followed in 1909, and proved the capacity of the sculptor's gifts. Carved in Derbyshire marble, the great winged daemon (an illustration of which appeared as a supplement to THE NEW AGE of June 6, 1912) is too heroic for the personality it commemorates, but it is authentic sculpture. So also is "The Sun God," a male figure aflame, apt symbol of the fire of its inspiration. The objective statement of this work is shared by that of the single figure "Maternity," exhibited at the Allied Artists' Association Salon at the Albert Hall in 1912. These two last named stone carvings, in a technique rigidly controlled by the material used, seem to me to reveal most fully the artist's vision. Others, such as "Rom" and "Doves" support them.

Mr. Epstein gradually turned to modelling for bronze, and, at first, in the super Robot-like figure of "The Rock Drill," for instance, worked in the spirit of molten metal cooled into shape. However, allowing himself to be helped by his material in some of his portrait busts (an early "Head of a Girl" at Millbank is a good example) he has in many, particularly of late years, scorned any limitation, and in exuberant delight of modelling, appropriate enough for clay itself, revealed with extraordinary psychological understanding most diverse personalities in men and women. A forceful character such as that of Joseph Conrad, or of Mr. C. P. Scott of the *Manchester Guardian,* seems to mitigate the artist's impetuosity of attack, and the result is homage as well as virtuosity. It is virtuosity which mars the full lengths, "Christ" (shown at the Leicester Galleries in 1920), and "Study" already referred to. These two standing figures have no sculptural life in metal; were they clay, on the scale of Tanagra statuettes, or T'ang grave figures, they might be acceptable.

The sculptor's latest work in stone is the "Rima" panel on the Hudson Memorial in Hyde Park. The often ill-natured criticism which this received has only just died down, and it may now be looked at calmly as, in conception, an appropriate memorial to a passionately sensitive writer. It is carved with less certainty than "The Sun God," because the artist has not wholly freed his mind from thought of clay. The accent and the accidents of clay retard that lifting of the individual toward heroic universality which is attempted in "Sunita, No. 3," the bronze which, with the exception of the portrait of Mr. Scott, was the most effective of those shown with "Study."

Although the aims of the Contemporary Art Society, who sponsor the proposed purchase, deserve enthusiastic support, it may be thought that in this instance the nation already possesses adequate examples of Mr. Epstein's achievement in bronze at Millbank and at the Imperial War Museum.

ERNEST COLLINGS.

Music.

Moriz Rosenthal's recital, Queen's Hall.—I know no great pianist of Rosenthal's rank and importance who is more unsatisfactory, uneven and so curiously deficient. In the last Beethoven Sonata and the Chopin B minor, one was irritated almost beyond endurance at the flabby shapelessness of his phrases, the floppy, sagging rhythm, the general looseness of texture of the playing, and the lack of grip and clear-cut conception of the work as a whole, to say nothing of the false emphasis, magnification and exaggeration of subsidiary and secondary matter, almost complete loss of sight of ground-plan, noisy muddy climaxes, degenerating into mere welter, a dead, hard, dry tone—due in a certain measure to a very indifferent piano and an almost entire lack of living, vital quality in the playing generally. This is, as far as I am concerned, no new experience with Rosenthal's playing, and every time I hear him I am more confirmed in my original opinion of him, formed some fourteen or fifteen years ago, as the salon-player in excelsis, but in no sense a great interpretative artist. In light elegancies he is matchless; and the polish, grace and charm of his playing in things like his own delicious and monstrously intricate "Carneval Viennois," for instance, in debonnaire désinvolture are indescribable. His sense and feeling for the lilt of the Strauss waltz-rhythm are incomparable, and scarcely is it possible to sit still under the buoyant intoxication of the thing at his hands. In these things and his own "Papillons" he is enchanting beyond words—his qualities of miraculously clear, rapid and crystalline finger work and his urbane aristocratic style are seen at their very best. Singularly enough, his playing of "Triana" of Albeniz was stiff and stilted; for one had imagined that this music would have suited his his style to perfection.

KAIKHOSRU SORABJI.

LETTERS TO THE EDITOR.

WORKING-CLASS BANKS.

Sir,—(1) Are not your views on working-class banks giving credit set forth in forgetfulness that a bank must have large *deposits* if it is to grant large *advances?* Any balance-sheet of a bank will show this.

A bank can only lend a portion of its deposits. The recent statements of the Big Five banks show that on a certain date they had £1,500,000,000 on deposits and £800,000,000 roughly on advances, loans, outstanding. The weekly wage is spent weekly, and no bank could get sufficient deposits thus so as to grant loans.

(2) Further, it is one of the principles of successful banking that securities on which loans (credit) are made must be easily realisable securities; not on a will, or an annuity to begin years ahead, or unsaleable property; but on a house or land or Government Trustee securities. The banker can easily turn such into money if the borrower does not repay him the loan or interest on it.

How can working-men on a weekly wage set up a bank? They can invest in the P.O. Savings Bank, and do, to millions of pounds, but in small sums; and get a small interest for not using such monies. But to get a loan of, say, £5,000 necessary to set up a factory—they cannot do that clearly, having no securities (alone or together) worth such an amount.

No; the real cure for the horrible jumble of modern life, in the riches unearned by the few, is for *a peaceful revolution by refusal!* We should refuse to enlist or pay taxes for paying interest on war loans we did not agree to. The wars and war loans and peace treaties were made by the Cabinet as a committee of the King in Council; and by the unwritten Constitution of England, that Council *alone* makes war and peace. *We were not consulted.* It was an iniquity to pledge interest for fifty years on war loans, i.e. pledge the work of the unborn! Let us refuse to uphold the State!

G. T. SADLER, LL.B.

[We agree that a single trade union could not successfully run a bank on Social Credit lines under existing circumstances. —ED.]

"CURRENCY—AN INDICTMENT."

Sir,—In your sympathetic review of my book, "Currency: An Indictment," you refer to the fact that I have not dealt with the "problems which would arise in the event of a reversal of the Bank's deflationary policy."

Your statement is justified, though I have, by my references in this book to what I consider a "sane" currency policy, left it to be inferred that I consider the Egyptian system a model to be copied—a description of what I deem to be the ideal system was not included in "Currency." I would mention that in a chapter entitled "The Remedy" in my book, "Britain's Coming Crash," I described this system, which would certainly bring immense prosperity to Britain within a few months of its coming into operation.

Though inclined to believe that THE NEW AGE system would operate successfully, I am convinced that currency reformers are wasting their time in endeavouring to get this old and generally conservative country to adopt an entirely untried monetary or credit system. There are many promising experiments we could make in other directions at little risk or cost, but don't do so owing to our innate distrust of the novel. I conceive that the very last thing the country would be willing to experiment with is its monetary policy, since failure would be too costly.

There is nothing in the nature of an experiment in the case of the Egyptian system. It has been tested for many years under the most difficult currency conditions in the world—i.e., in a country where the maximum currency in circulation is generally double that of the minimum sum required in the same year—and has proved ideally successful.

A. S. BAXENDALE.

SUBSCRIPTION RATES.

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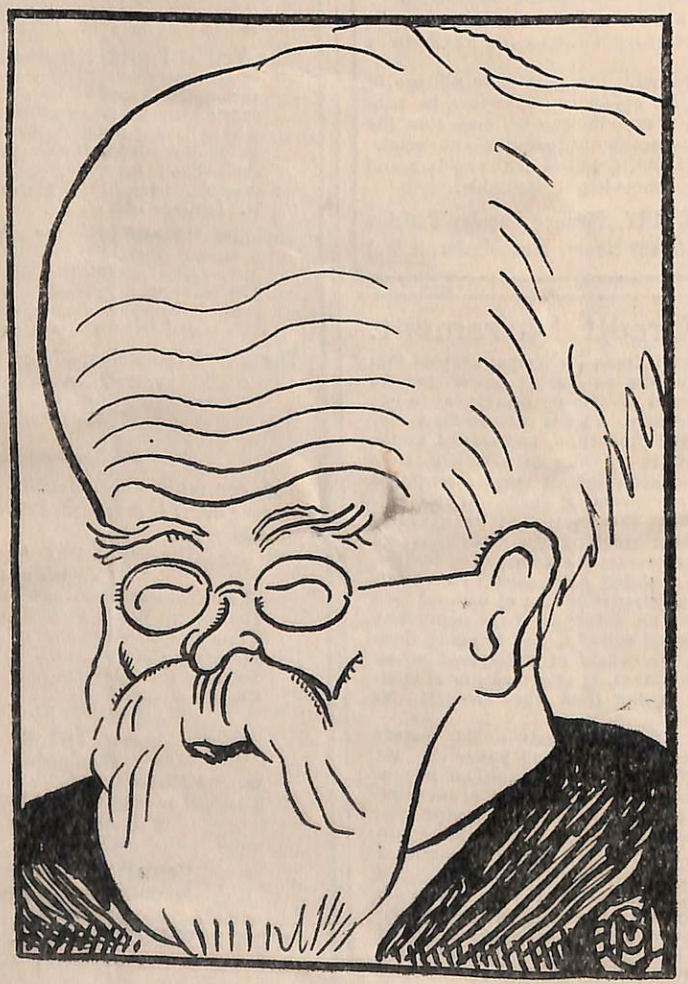

VII.—DR. WALTER LEAF.

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