THE
NEW AGE
INCORPORATING "CREDIT POWER"
A WEEKLY REVIEW OF POLITICS, LITERATURE AND ART

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CONTENTS.

NOTES OF THE WEEK.

The subject of the Capital Levy was debated in the *Daily Herald* last week. In its issue of November 5, Mr. Philip Snowden argued that it was impracticable at present, though sound in principle. On November 9, Mr. Hugh Dalton, the author of *The Capital Levy Explained*, expressed disagreement with him, though "with great hesitation." Mr. Snowden's view is that the Capital Levy is a form of deflation; that "we could have stood it at the peak point of Inflation," but "to increase the dose now" might have "serious consequences." In explanation he points out that

> "The War Debt Stocks and the Floating Debt represent about £7,000,000,000 of credit security. It is probable that at the moment *the greater part of that is pledged as bankers' security for credit advances.* A Capital Levy would demobilise this huge instrument of credit to the extent of the amount of the Levy. There are very few business men and business firms which have not all, or the greater part of, their collateral securities pledged to the banks for credit advances. A Capital Levy which raised, say, £3,000,000,000, would lessen the available credit by that sum. Few people liable to the Levy would have available resources which they could change into cash immediately. . . . Probably the main part of the Levy would be paid by the surrender of War Loan Stock. But to do that in cases where the War Loan Stock was already pledged as bankers' security would necessitate a new bank loan, and where the would-be borrower had all his collateral already in the bankers' hands, the loan could not be obtained." (Our italics.)

Mr. Dalton's chief reply to this is as follows:—

> "A large part of the War Loan which would be cancelled is not held by men in active business, and is not, therefore, used as collateral for bank loans. It is largely held, as an ordinary source of unearned income, by elderly rich men, who have either retired from business or have never been in business at all. It is also largely held by banks, insurance companies, and other public limited companies, *which would not be liable to the Levy*, but would *take the opportunity of good prices to sell out their holdings*, either direct to the National Debt Commissioners, or to individual contributors to the Levy who wished to pay their contributions in this form. These banks, etc., would re-invest their funds in other trustee securities, of which there is a great abundance, apart from War Loan." (Our italics.)

Mr. Dalton alludes to the fact that at the General Election of 1922 and 1923 both he and Mr. Snowden were enthusiastic advocates of the Capital Levy. We can add to this another fact; namely, that at that time New Economic writers, in *Credit Power* and THE NEW AGE, were vainly trying to call attention to the very considerations which Mr. Snowden is now urging against that proposal. On one of those occasions we distinctly said in our "Notes" that it was of no use Labour's planning to impose the levy, for the reason that the banks were already doing it on their own initiative. Their method was first to call in loans, and thus arrest trade and impair the value of industrial securities; and then to force industries to write down the nominal value of these securities to their now impaired value. The case of the Vickers reorganisation is a typical instance of the bankers' Capital Levy. Mr. Snowden's argument can be summed up in the lament: "Too late." That is the fate, not only of the Labour Party, but of politicians generally. By the time their boats are built the tide has ebbed.

* * *

The Colwyn Committee on National Debt and Taxation was set up by the Labour Government in 1924. Its findings are to be published shortly. It is understood that there will be a Minority report stating that after six years of rapid deflation the yield from a Capital Levy would not justify the disturbance which would be provoked by its application. Instead, the Minority may propose a new, non-recurring five years' tax of which the incidence will resemble the Income Tax, but will be steeply graded, and will be framed so as to reduce the Debt to the "manageable" sum of £6,000 millions. They think that a tax of this kind will be accepted because it would lead to a reduction in present taxation *after five years!* The report of the Majority is stated to contain no idea except that of the already customary conversion operations aimed at reducing the rate of interest on the Debt. The Minority criticise this, saying that the money market is not favourable to such operations, and that there is a factor which may make it less favourable still; to wit—the probability of an *early credit restriction in the United States*, which would mean an increased Bank Rate here. We offer no comment at this juncture, except to point out that the Committee has spent two years in finding out what every Social Credit student knew before it was appointed.

* * *

In the *Post* of November 13, Mr. W. J. Brown, whose remarks on the occasion of the great Civil Service Demonstration at the Albert Hall last year were reviewed in these columns, discusses the National Minimum principle for Civil Servants. He calls for a new tactic, namely the combination of the whole Service on a claim for a minimum income, below which no adult Civil Servant in any Department should be employed. He urges that the whole future of the Service movement for years to come may hang on its decision in this matter. In arguing his case he states that out of a Civil Service of 300,000 people, one half are getting less than £3 a week inclusive, and three-fourths less than £4 a week inclusive. "I submit," he proceeds, "that the over-riding purpose of trade union effort in the Service should be to lift up those three-fourths of the Service to a decent wage level." He shows that the old method of separate Grade claims is futile. Such claims can only be based on *ad miserere* grounds or on the argument that the value of the particular work of a Grade justifies better remuneration. He acutely says that recognition of the *ad miserere* appeal in the Civil Service would be a compelling precedent for lifting up the underpaid throughout the country; and, as for the "value" argument

> "Most Service work has no absolute value. Its value is relative, and it can only be relative to other work inside the Service, or to similar work outside the Service. Comparisons within the Service? Yes, but three-fourths of the Service is, by our standard, underpaid! Comparisons with similar workers outside the Service? Occasionally they will help, but in very many, perhaps the majority, of cases they are as badly off or worse than we."

"The vicious circle is complete" is his conclusion, and the only way to break it is to stop "debating" this issue before Treasury officials or an Industrial Court, and to bring it as a "great moral issue before the House of Commons, and before the country" on the ground that "the State, which ought to be the embodiment of the highest conscience of the community, has no right to take a man's whole life in service and deny him a full and abundant living in return."

* * *

We agree entirely with the two principles: (a) that this wage drama should be presented in the largest possible theatre, and (b) that the costumes and scenery should evoke a moral atmosphere. But we should like to know a little about the speaking parts. The play's the thing after all. What if the villain of the piece should dumbfound his detractors by turning their moral logic against them, and afterwards take all the calls from a convinced and enthusiastic audience? It can be done. The immoral State in the play can quite reasonably point out to the Civil Service hero that just as the "value" of his work is not absolute, but relative, so the "morality" attaching to a full scale of remuneration for him is not absolute, but relative. It all depends where the extra remuneration comes from. The State's function is not simply to embody the conscience of its subjects but also their material interests. It may be moral to give to a few, but what is it to take from the many in order to do so? That will be the villain's challenge to which the Civil Service hero must effectively respond if he is to engage the sympathies of the "many," who will be intently following the drama from the pit and gallery of the public auditorium. There's a disquieting odour about that couplet (of Bret Harte's, if our memory has lasted):

> "It cannot be. It is—*it is;*
> A hat is going round!"

and we are afraid that the slightest hint on the stage of a hat-call on behalf of the hero would whip up a storm of cat-calls. What a gay time the villain would have then. "You tell me that I embody the highest conscience of the community?" he would jeer. "Well, listen to it!"

* * *

The moral of this—and we believe Mr. Brown appreciates it—is that if the Civil Service wage issue is to be brought into Parliament, the sponsors of better remuneration must be ready to show that it can be paid without involving fresh taxation. It is of no use to urge that fresh taxation is not immoral so long as it is levied on the rich; for nothing now will reassure the public that it will not be they who will ultimately pay it. Tax-paying, wherever it starts, is highly infectious. On the other hand, the situation will be transfigured if the potentialities of a corrected national credit and price policy are effectively brought out in public debate, and it is made clear that both the Civil Servant and the taxpayer can be made richer at one and the same time. We hope that Mr. Brown and his colleagues are preparing a Social Credit brief for their Parliamentary counsel.

* * *

WITH A SEASON TICKET.

ALL JOURNEYS IN EXCESS OF TWELVE PER WEEK COST YOU NOTHING. HAVE YOU THOUGHT OF THIS?

No; but we will. The above arresting statement appears on a poster issued by the Underground Combine. Something for nothing, eh? But not entirely nothing: for the public's part of the contract is to put its money down in advance for its railway journeys. Nevertheless, free rides after the twelfth in every week are worth while—if you can put down the money beforehand. Without troubling to compute how far the average traveller, with his restricted leisure, will be able to exploit the Combine's free offer, there remains something worth reflecting upon. When he buys a season ticket he advances credit to the Combine, and by that token virtually binds himself to patronise the Combine's system for the term of the credit. The Combine in order to *make sure* of revenue, does not appear to mind much what it gives for it. One may scoff and say that the number of the extra rides that will be demanded are likely to be small; but even if everybody took out a season ticket and purposely spent all his leisure in riding on the Underground, the Combine *could afford to* fulfil its contract. Once sufficient revenue was assured to cover its standing charges and depreciation costs, the *direct cost of giving people rides* would be relatively negligible, and that direct cost would be all that was necessary for the Combine to recover. And on similar terms every industry could afford to cut its prices for *extra* goods and services. Now, suppose that something could be done to spare these industries the necessity of including standing charges in their prices to consumers; or suppose that, if those charges remained, consumers were to receive extra money to meet them, and to receive it by a method which did not impose new charges on industry, then the general price level could be sensationally reduced, not simply in respect of *extra* goods and services, but in respect of all. The *economic* cost of every end-product of industry is a mere fraction of its *financial* cost as expressed in prices to-day. The economic

cost, expressed in money, of everything produced in this country in a year amounts in the aggregate to nothing more than the cost value of the things which are worn out or destroyed inside industry, plus those which are bought and consumed outside, during that year. The huge preponderance of physical production over physical consumption—which always takes place even at the worst of times, and is taking place this year—is a clear national profit. But it is in a potential form. It should be turned to account and given away. And the best practical way of doing that is to create new financial credit representing the physical profit and give it to consumers in the form of a discount from the prices they will thenceforth pay for what they require. To-day the Underground Combine is unconsciously pleading for this remedy. "Only guarantee us enough revenue to defray all our fixed charges, and we'll show you what we can do in the way of cheap fares." Unfortunately, travellers so addressed, though they might conceivably be able to do this, could only do it by diverting money from other industries. The problem will not be finally solved until all industry's fixed charges and running costs are aggregated and reviewed in relation to the total amount of consumer income, with the deliberate intention of evolving an effective national price-system.

* * *

The Awards Committee of the General Post Office has just issued its list of awards covering the six months ending on September 30. Thirteen suggestions for improving the Service have been accepted. All but three have been adopted either completely or with modifications. Now, the dimensions of the Post Office organisation are of such magnitude that the arms of its angle of efficiency (which means economy) are, one might almost say, indefinitely extensible: so that an almost infinitesimal widening of the angle at its vertex must entail a tremendous sweep of its arms on the plane of financial measurement. In commercial terms, it is difficult to conceive of any device, invention, or improvement worthy of adoption at all whose immediate (let alone ultimate) money value, ought not to be measurable in minimum units, of, let us suggest, £1,000. On this reasonable background let us inscribe the total amount of money awarded for the above thirteen suggestions. £32. "Good God," you say; "it must be a misprint." No, friend; for the highest single award is £5, given in two cases. One case is that of a "Design for Adapter, pressure testing Cable Joints" and the other that of a device for weighing bags of waste paper. Both have been adopted without modification. We suggest to the Union of Post Office Workers and other unions concerned that they ought to start a Patent Bureau on behalf of their members. It should receive all suggestions of the above kind, and, where practicable, get them patented. It could easily afford out of a trade union subsidy to buy outright all likely looking suggestions at the price the Post Office now pays, and chance whether it could sell them again. By pooling their cost it could be certain of being on the safe side in the end. It should put a price on them according to valuations computed by its own Board of Examiners. Probably the most convenient procedure would be to offer the lot together for a specified bulk sum to the Post Office every six months. But what if the Post Office would not treat? Then the Bureau would withdraw the offer. But the Bureau would have lost its money? Yes, but take a wider view. Every improvement in Post Office efficiency works out sooner or later in terms of disemployment, or at the least in terms of a slackening of the pace at which new employment normally proceeds. So while the sale of inventions would directly profit the unions, non-sale would insure the jobs of their members. It must necessarily be a substantial consolation to workers to fail in selling a labour-saving device to their own employers.

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Mr. Coolidge has made a speech on which the *Observer* comments that it "leaves no hope of American participation in the World Court for the present." Quite so. The World Court is to be the judicial head of an organisation for the preservation of peace. But until such an organisation is proved to be effective there is no use in America's joining the board. It is hopeless to attend the Court to sign warrants when no policeman can be found to serve them. The *Observer* thinks that there are "real guarantees of peace" in the world, and that they exist in the circumstance that the British and American Commonwealths are necessary to each other's security and prosperity. This circumstance, however, is not a fact. Under the present financial regime they are impediments to each other's security and prosperity. It is true that they might yet find themselves necessary to each other's security, but as that contingency would arise from a threatened attack on them both by a group of debtor nations, it is the duty of British statesmanship to find other guarantees for peace.

* * *

Mr. Frank L. Simonds, a well-known American publicist, has recently written a communication from Brussels commenting on the growing anger all over Europe at "Dollar Imperialism." Some Europeans are mildly concerned:

> "But the mass say quite simply that we [i.e., America] are now doing what we are doing with the intention to get control of Europe, to master its banks, its industries, to establish an economic and financial hegemony, to realise the 'dollar imperialism' of which Europe talks endlessly."

And the concluding paragraph of his article says—

> "It is no longer one nation or several which hold the United States responsible. . . . Europe collectively feels, or is beginning to feel, that American policy is dooming a whole continent, and there are unmistakable signs that a degree of solidarity against the American peril may come even more promptly than Washington imagines."

In view of this analysis the *Observer's* suggestion of Anglo-American *entente* looks something like a guarantee of a war between Britain and the rest of Europe. We should imagine John Bull to be sufficiently fed up with his experiences as Uncle Sam's European debt-broker without becoming the lonely European outpost of American military strategy in the event of hostilities. At any rate Mr. Simonds says of this country:—

> "The British feeling which, all things considered, is in my judgment the deepest and the most intense, discloses itself only rarely save as one may see that a certain type of British newspaper gets profit by exploiting it. Nevertheless, it is always there beneath the surface; it is a sort of cold, passionless bitterness not without a measure of contempt."

If this correctly describes John Bull's attitude, good. He will fraternise with his next-door neighbours. But he had better be candid and say to himself that dollar imperialism is in no way different in its motivation and imposition from the pound-sterling imperialism which preceded it. Now that he sees it from a new angle let us hope he will seek for its roots. They all lie in a universally accepted credit and price economy: and his next business is to repudiate it on his own behalf and on behalf of Europe and, ultimately, of America itself.

SUBSCRIPTION RATES.

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The Capital Levy and Bank Reserves.

We have referred in our "Notes" to the controversy between Mr. Snowden and Mr. Dalton on the Capital Levy. It will be seen that Mr. Dalton's case is a weak one. Put it at its best and assume that the War Debt is in the hands of his "retired elderly rich men," who surrender the scrip for the whole sum of £7,000 millions to the Government, who, in their turn, tear it up, and thus release themselves from the obligation to pay out £350 million per annum in interest. In that case the elderly gentlemen have to reduce their purchases of goods from industry, or their investments of money in industry, by that sum. On the other hand the personal incomes of the community in general are spared the burden of taxes to the same amount. If those incomes do not decline, then the community replaces the elderly gentlemen as customers of and investors in industry. But does anyone imagine that when the community's obligation to pay those taxes is remitted—i.e., when the community's *cost of living* is reduced by £350 millions a year—that it will be left in permanent enjoyment of that surplus? What with the Cost of Living Index Figure biting at it at one end and an unregulated Price System doing the same at the other, nobody in the country would get a loaf more out of the transaction. There would be a continuance of the old scale of consumption (even if it were not depressed) financed with £350 millions less credit. And this result, let it be marked, on an impossibly favourable hypothesis for Mr. Dalton.

As a matter of fact the total holdings of unpledged War Loan by private individuals must be extremely small. It is near the truth to say that the whole series of War Loans was raised with borrowed money, and it is impossible to suppose that during the deflationary period after the war any substantial amount of War Loan was afterwards paid for by the borrowers in cash; the tendency was in the opposite direction; for as loans were called in the holders had to sell securities, and the banks and financial houses bought. For all practical purposes it will be safe to regard these financial institutions as monopolising the ownership, or holding as security (which means contingent ownership) of the whole War Loan.

In the case where a person has to meet a £100 levy, and has £100 War Loan pledged with the bank for, let us say, £60, he can, of course, retrieve the scrip for £60, and hand it to the National Debt Commissioners to settle his obligation. Meanwhile, his bank will cancel the loan and destroy the credit. In this case the cancellation of the £100 War Loan will have involved monetary deflation by £60. In the case where he has no money available he may pledge other securities with his bank and get a loan, or might conceivably sell securities to it and get the proceeds. In either event the result would be to leave the bank's total of deposits unaltered, for it would receive back and cancel the new credit of £60 it had just issued. If, alternatively, he raised the amount by borrowing from, or by selling something to, anyone else, then the buyer's or lender's deposits would be reduced by £60, while no one else's bank account would be credited. There would be deflation.

Generalising we may say that Mr. Dalton is right in urging that there need be no deflation (we would amend this to *immediate* deflation) if we suppose that the amount of the whole Levy is raised in the form of money which has originated in new bank loans and purchases, and is applied to repaying the banks and releasing the War Loan scrip for taxpaying purposes. To compute what volume of the Levy could be paid in that manner one would have to estimate (a) the total nominal value of miscellaneous securities that are held *unpledged* at present by the class of private individuals subject to this impost; and (b) what averaged proportion of this nominal value the banks would be willing to advance on them. We have no data for working the sum out; but that does not prevent our seeing that it is entirely in the discretion of the banking system to decide how far it shall be made possible for taxpayers to pay the Levy with its assistance (which obviates deflation) or without it (which involves deflation). So it is not for Mr. Dalton to say whether there will be deflation or not—unless he has some private information from Mr. Montagu Norman.

But we must also consider the case of taxpayers who do not hold War Loan. Will they pay cash to the Government, or will they buy War Loan and pay in scrip? That depends upon which is the cheaper method for them. It depends on whether the price of War Loan will be less than its value as a tax-settling instrument. Otherwise there will be no object in buying it. Mr. Dalton contemplates a good deal of buying on the part of individual contributors to the Levy; so one must conclude that the terms would be worth their while in spite of the fact that Mr. Dalton speaks of "the banks, insurance companies, and other public limited companies, which would not be liable to the Levy," taking the "opportunity of *good prices* to sell out their holdings."

What the amount of these bulk holdings may be, and how the ownership is distributed, it is impossible to tell from published balance sheets. For instance, the total "Investments" of all kinds declared by the Big Five Banks for 1924 was £331 millions, and in that figure was probably included the "value" of seven thousand odd bank premises. This affords presumptive evidence of drastic "writing down" of assets, involving a correspondingly large volume of hidden reserves. The possibility of hiding reserves is enormous under modern conditions of investment. A bank "A" can hold stock in an insurance company "B," who holds stock in a corporation "C," who holds stock in some municipality "D"—and so on. Working back from "D," the balance sheet of "C" may under-declare the value of its "D" stock; that of "B" the value of its "C" stock; and so on until the figure in the bank's balance sheet may represent only a fraction of the current value of this chain of assets.

The objection to the Capital Levy by high financiers is based not on its principle, but on the "disturbance" it would cause. The particular disturbance they have in mind is the accountancy problem that would arise if the Government were to buy back War Loan from financial houses on a large scale—at its nominal, or its present quoted market value. This would mean the transmutation of grossly undervalued assets into money, and would disclose the extent to which the recipient houses had been underdeclaring their resources. There is a vital distinction between *money itself* and assets which only *represent money;* namely that whereas the assets can be arbitrarily valued, money can not. So, unless some device were found whereby the volume of the Government's money payments could be falsified, the accounts would reveal embarrassingly large surpluses. To make this graphic, suppose that in some way the Government were able to borrow £7,000 millions as a dollar credit from America and then to buy back all the War Loan. The accounts of our banks and financial houses would look a picture—if honestly written.

It is not surprising that provision was originally made in the Capital Levy scheme for the collection of the tax in the form of War Loan itself. But after six years of deflation the amount of War Loan which taxpayers hold unpledged or which they are in a position to retrieve by repaying bank advances on it, is, as Mr. Snowden says, relatively negligible. Hence the alternative is cash payments. But

no cash is available; and if it were the cash would not be wanted, for the "disturbing" reason we have indicated.

All this, however, is arguing on a narrow issue. The wider issue is the fact that the true total value of all the securities in the country is their *auction* value supposing they were all offered simultaneously for sale—in which case the banks would be the only possible buyers. And the price? Whatever the banks chose to bid for the lot. They have the power to precipitate such an auction by exercising their legal right to call in their advances. Therefore they could at present legitimately account their good-will at a figure equal to the combined capital of the whole nation. That figure is the measure of their hidden economic reserves. Deflation, carried to its full length, would disclose this fact. That is why even the diehard Deflationist shies, in the person of Mr. Snowden, at the Capital Levy.

PRESS EXTRACTS.

"Great Britain has fully recognised her debt, with profuse professions of her willingness to discharge it; since its settlement, however, there has been constant complaint in regard to it both in a part of the British Press and in Parliament. . . . It should be noted that *in the hasty bringing back of the pound sterling to par, its normal parity with the dollar, a step condemned as premature by many sound economists, Britain was largely actuated by national pride. What is now seen is that this was a grave blunder* and that in consequence the American debt weighs more heavily. But what fairness, what honesty is there, in seeking to place the blame for this state of things upon America?"—"*New York Herald,*' July 22.

"It would be a waste of time to attempt a detailed examination of the Treasury calculations (with regard to the debt to America) because the Treasury has juggled with the figures so curiously and has made official statements which it now feels politic to withdraw and offer other explanations. *Little confidence, in fact, can be placed in any Treasury statement concerning war debts.* The truth is possibly unwelcome, but the truth, bluntly stated, which doubtless will be resented by many people on both sides of the Atlantic, is that the Americans for some years have been almost as badly deluded as many Englishmen."—"*Morning Post,*" July 22.

"The commission of experts (in Norway) recommended a temporary stabilisation of the krone at 76 per cent. of the gold value. In other words, the experts advised the issue of more paper notes to stop the deflation. *On this point the directors of the Bank of Norway disagreed with the commission, and now the Government as well as the National Legislature, by a secret ballot of 74 to 62, has decided to take the advice of the bankers, rather than that of the economic experts.*"—"*Christian Science Monitor,*" July 17.

"The opinion is quite prevalent in Alberta that the day of party politics is past. About five years ago, the electorate of the Province voted very largely to dispense with the services of both orthodox parties, Liberal and Conservative. The majority of members elected to the Legislature were nominated by the United Farmers of Alberta. Together with representatives of organised Labour, they formed an Administration. Last month another provincial election was held. The United Farmer candidates were returned almost unanimously. Every one of the 46 candidates who were nominated under the U.F.A. banner was elected, with the possible exception of one candidate. . . . Such emphatic approval of an experiment in government without party politics would indicate that there is more behind the movement than mere dissatisfaction with the party system. . . . The farmers are *mainly interested in economic questions.*"—"*Christian Science Monitor,*" July 19.

The title of *doctor of national currencies* might well be bestowed on Professor Edwin W. Kemmerer, of Princeton, who this summer will again lend his aid to the solution of Poland's financial and economic problems. Since sponsoring currency legislation for the Philippines twenty years ago, he has aided the United States on the Monetary Commission, the Federal Reserve Bank of New York, and as trade commissioner travelling Latin America. The Dawes Committee claimed his services in Paris on reparations. Mexico, Colombia, Chile, and the Union of South Africa have all benefited by his advice, and Ecuador is bidding for a visit this fall."—"*Barron's Weekly,*" June 28.

The Imperial Conference and the Bankers' Manifesto.

By C. H. Douglas.

IV.

On the whole, however, an examination of the conditions obtaining in the United States does tend to prove that, so far as the ordinary member of the public is concerned, political unification is less objectionable than credit centralisation. It is also a matter of experience that the average individual will accept a legal regulation even if it causes him personal discomfort, if he is assured that his neighbours suffer equally. But he will not acquiesce for any length of time in a situation which provides his neighbour with a Bank loan whenever necessary, and withholds it arbitrarily from himself. The great and ultimately final objection to politically centralised administration (which may not apply to the British Empire) is that it breeds intrigue and inefficiency.

Assuming that, at any rate, for a short time longer, the world has to go through a period of group conflict, and that the choice open to the individual for the moment is mainly which form of group he shall support, there is, I think, no question that as between a British Empire policy and the domination of a Bankers' Consortium the interests of the individual lie with the former. It is not without significance that in the latest remarkable production of Mr. H. G. Wells, his hero looks for the replacement of Governments by Conferences of the Bankers and Industrialists, evidently ignorant or oblivious of the fact that these persons have already proved incapable of organising the production of anything but money. The real industrial organisers are engineers. Mr. Wells moves in Collectivist Socialist circles; his books are invariably given the widest publicity, which, while it is sometimes justified by intrinsic merits, would most certainly not be afforded if the political opinions expressed were seriously offensive to Financial circles.

There are, I think, two methods by which the Inter national Banker can be seriously embarrassed, shor of the method frequently discussed in these columns which would defeat him. These two are the Tariff and the regulation of international exchange operations. The merits and the demerits of Tariffs have been explored so often that it is outside the scope of these notes to deal with the question, other than to emphasise that they should be regarded from the point of view of practical politics in the light of world conditions. Undue importance should therefore not be given to the theoretical inefficiency and inconvenience of a Tariff-ridden world. In regard to the question of international exchange, attention may profitably be given to the methods which have been employed by France during the past two years, an outline of which may be grasped from a study of the various regulations in this matter issued by the French Government. They have not been wholly effective, but they have undoubtedly embarrassed the International Exchange Broker, and at least on two occasions have made it possible for the French Government to castigate him for speculative operations with a severity which has been both a novel and salutary experience.

Pending the more fundamental and radical reorganisation of the Financial system which is the prerequisite of a sane and stable society, action along the foregoing lines would, at any rate, enable British culture and ideals to place themselves in a condition of defence against the coming deluge.

(*The End.*)

Views and Reviews.

PSYCHO-ANALYSIS.

II.

The subject of psycho-analysis refuses to be put aside until I have contributed a few notes of criticism on my own account. It is true, as Dr. Bolton wrote, that the neuroses of war occasioned by that ancient devil fear were as much responsible as anything for popularising psycho-analysis. The secrets of the specialists' study were suddenly broadcast for the sake of their maximum of immediate usefulness. But the tradition behind psycho-analysis is not mainly the cultural reflection of the genealogical tree of alienists. Although a considerable approach to it was undoubtedly made by psychologists and mental therapeutists, from Maudsley to George Stanley Hall, nevertheless, for hints at the discoveries peculiarly psycho-analytic the line of descent follows not medicine or science, but religion and poetry. The primary significance of psycho-analysis, in fact, is less a technique for healing the mentally sick than it is a definite extension of human consciousness.

I have no intention to belittle the worth of therapeutical psycho-analysis. Rather may its practitioners continue to question its limitations and to exploit it with discretion, wherever its service is of value. It is not a new thing for a religious advance to be used for healing the sick. At the same time, the aspects of psycho-analysis, in which the extension of consciousness is the central issue, are, I believe, of even greater importance. Sooner or later each enquirer into psycho-analysis, whether he began from a medical standpoint or not, comes, if he persists, to enquire into its philosophical and sociological implications. Freud could not help proceeding ultimately to searching into metapsychology, in an endeavour to perceive universal implications in his observations of individual psychology. From the start he found his types of unconscious character in the religious drama of Greece, in a poet, who, under the influence of religion, had expressed, consciously or unconsciously, what Freud was definitely to bring into awareness in the conscious mind generally.

Psychology before psycho-analysis, which still persists—to some extent usefully, and to a greater extent as a form of professorial hair-splitting—overlooked, in its efforts to produce a science of mind, the most significant aspect of the subject. If one may use the term mechanism inaccurately, to clarify a distinction, the early psychologist concentrated on the superficial results of the machine without finding out anything concerning the power. The psycho-analyst, on the contrary, has tried to observe the transmission of the power, and to deduce from his observations the theoretical construction of the mechanism. Naturally, he has, perhaps himself unconscious, looked around where power was to be found, namely, in artists, poets, and saints.

In the course of psycho-analytic research, because the psyche was treated as an expression of power, not as a collection of parts, the inventory of entirely separate instincts, processes, and faculties, previously called psychology, has been dispensed with in favour of a picture of strains and stresses, emergencies and submergencies, fixations and resistances. Psychology thus became much more organic through psycho-analysis, in the sense that a demonstration is more organic than a catalogue. Born in the consulting room, nurtured as a branch of medicine, the new scientist could not help behaving as the offspring of religion and its servant, art. Freud is probably less indebted to the accumulated works on psychology and alienism than to Jocasta and Hamlet. For inductive confirmation of the fundamental hypotheses of psycho-analysis its investigators have been led mainly to consult, apart from the abnormals of art and literature, folk-lore and mythology. No ordinary person, however truthful in his own imagination, is truth-knowing enough for his utterances to be of value in extending human consciousness. In folk-lore and mythology are the truths which men let slip unaware, and the truths which supernormal thinkers expressed when truth was simpler to feel. Because of the capacity of psycho-analysis to render folk-lore and mythology intelligible in consciousness it is fair to claim that it is in essence an addition to man's stature. And because of this, none of that great mass of people too insensitive to achieve that addition in themselves, through the means furnished by the discoverers, can take up any but a *negative* critical attitude.

Psycho-analysis has not only thrown light on the motives of artists and poets; the inquiry into the motives of artists and poets has thrown light on psycho-analysis. Dr. Ernest Jones, whether he has thrown much light on Shakespeare or not, has illuminated Hamlet. His analysis of Andrea del Sarto was a piece of close and powerful examination. Freud's work on Leonardo, Silberer's investigation of Christian Symbolism, Jung's profound work on a considerable number of religious figures, all conspire to the conclusion that psycho-analysis is an epoch mark in the history not of science, but of religion.

Before psycho-analytic theory began to take shape many prophetic hints of it came from the intuitions of religious thinkers and poets. "What is now proven was once only imagined," wrote Blake in "The Marriage of Heaven and Hell," a work in which he advanced a long way in the preparation of mind for systematic psycho-analysis. The reader who understands "The Marriage of Heaven and Hell," that veritable advance edition of Nietzsche's "Beyond Good and Evil," is already, apart from the practice, a good psycho-analyst. Blake's perception that Milton was of the devil's party without knowing it was almost an advance demonstration of psycho-analysis in all but the jargon. For Blake had access to knowledge, much of which he absorbed, which, prior to psycho-analysis, was the preserve of a few; whose reputation in ordinary society was usually the unenviable one of the disruptive. As the war threw open the possibility of satisfaction for all in the economic field, it threw open for all the possibility of self-knowledge. The war, in fact, was the catastrophe which must precede any extension of consciousness, individual or common. It was the *shame* of the fall which made for development.

Blake's "the head sublime—the heart pathos—the genitals' beauty—and the hands and feet proportion" was, notwithstanding its brevity, advance criticism of present psycho-analysis, constructive, profound, and abiding. It not only affirms without qualification that sex is not all, but gives an order of rank. Wisdom, devotion, creation, and discipline—somewhere in the intuitive application of these can be seen the order of value which psycho-analysis, as art before science, requires.

Not only have mystics perceived the fundamental concepts of psycho-analysis. Thinkers without Blake's opportunities have made inspired guesses at much that science has hailed as discovery. Freud has quoted, I believe, Heine's song of the dreaming pine and the parched palm. Emerson, who used verse as a medium for unusually concentrated thought, almost expounded an aspect of psycho-analysis in his essay on dreams, which he began with the lines:—

> "Night-dreams cast on memory's wall
> Shadows of the thought of day;
> And thy fortunes as they fall, ,,
> The bias of thy will betray."

Had Emerson narrowed will to libido, and narrowed libido to sex-hunger, his view would have had less value.

R. M.

Is there a "Mystery of Three"?

By George Ryley Scott, F.R.A.I., F.Ph.S., F.Z.S., F.P.C.(Lond.).

The highest stage of intellectualism would appear to be one at which truth itself becomes a fictitious concept: the ultimate truth is that there is no truth. Or, to put it another way, the positivism of every so-called truth should be qualified by the condition that it is applicable only in certain circumstances. That is, the initial test of truth rests in its proved agreement with reality as defined by the exact sciences. Actually, it exists only at the moment of its agreement with an ever-changing fundamental concept. Thus the truth of to-day becomes the myth of to-morrow.

Merezhkovsky writes of the metaphysical concept of an omnipotent, omniscient Trinitarian godhead as though it were a point of indisputable knowledge. From this adamantine standpoint he implies the existence of a threatening peril to mankind through the consistent ignoring of the "Mystery of Three." The mystery thus becomes everybody's business, and provokes the question: "Is Merezhkovsky justified in his attitude?", "Is the peril he affirms a real peril?", and "If so, what is its nature?"

On the other hand, if it is provable that all the evidence brought forward in support of the concept of Trinitarianism is explainable on rational or naturalistic grounds, then it would appear that Merezhkovsky's dogma becomes a fiction, or at best an unproved hypothesis.

No abstraction can exist on its own bottom. To be endurable it must be supported by evidence other than the mere enunciation of its terms. In other words the proof of the metaphysical theory of Trinitarianism must come from some field outside metaphysics. For although, in its final analysis, every so-called truth is a fiction, certain concepts must be taken as true (e.g., Euclid's axioms) and no implication of their non-truth is allowable. For instance, if someone says a triangle has four angles he is merely making an apparently ridiculous statement, because in no circumstances will he be allowed even to attempt to prove the correctness of his thesis—he is immediately ruled out by the statement that whatever has four angles is not a triangle. Mathematics, being what is termed an exact science, can prove its fundamental concepts on these lines. But metaphysics is not an exact science. And here, I submit, Merezhkovsky errs in treating it as if it were.

It is indisputable that two thousand years ago the "Mystery of Three" might imaginably be an admitted universal principle: in those days it constituted a hypothesis agreeing absolutely with reality as conceived by primitive logic. Why did the primitive metaphysicians come to evolve the theory they handed down, and what precise relationship does the original Trinitarian concept bear to the embroidered dogma as subscribed to by the modern metaphysician? Need the answers to these questions be wrapped in mystery?

Basically a purely religious abstraction, the polytheism implied by the "Mystery of Three" goes far beyond the first awakening of anthropomorphism. Arising out of the personification of every animate and inanimate object, which, as an inherent feature of animal psychology, preceded animism, as animism preceded anthropomorphic religion, and constituted in effect an almost unlimited polytheism; there arose with the evolution of rudimentary language a consolidated and limited polytheism, fructifying in a Trinity of phallic gods personifying the forces of nature and their generative effect. Thus the Father Sky-god, the Mother Earth-goddess, and their Son or incarnation.

I am inclined to believe that the firm concept of Tri-unity only became possible with the sociological recognition of marriage as an institution; and Merezhkovsky's examples of Trinities of gods in ancient symbolism are in many instances considerably strained—he ignores the existence of other allied or subservient gods in order to retain in undamaged form the Trinitarian godhead. In primitive life man and the process of generation are rarely if ever associated. It is woman and generation that are closely connected, and this association, coupled with the non-recognition of the necessity for sexual intercourse, led to virgin birth being a common fiction. Thus Isis, Hertha, Semele, Danae, Frigga, Neith, and many other virgin goddesses gave birth to Saviour sons analogous to the Christ conceived by Mary.

With the coming of family life, father, mother and child became constituent parts of a Trinity. The association of carnal pleasure and generation fixed the male's part in the phenomenon of procreation; hence the first real conception of the Trinity. It was only with this true conception of generation that the somewhat amorphous existent phallicism crystallised into a clear Trinitarian concept, with the personification of the Sky or Sun as the Father god, the Earth as the Mother goddess, and the Son as the incarnation. Without exception every primitive race personified one or more of the celestial elements; and again with scarcely an exception, through sociological development, extended this deification to embrace a Trinitarian godhead.

It is recognised by most anthropologists that the Trinitarian concept of family life is widespread amongst primitive races. The Trinity is not complete until the birth of the first child: it is not destroyed by the coming of other children, for these are looked upon as multiples of the first. On parallel lines, amongst polygamous and polyandrous races, the mother in the one case and the father in the other, as a part of the Trinity, embraces an unlimited number of wives or of husbands respectively.

Considered on lines of reasoning analogous to this idea of a family Trinity, I think the presentation of Trinitarianism as a universal law is unconvincing. In an attempt to prove itself it is guilty of mental juggling. Thus in biological cell-division—the "inevitable dualism" of Emerson—the divided parent cell and the force which causes the division, by statement or implication, are considered as a Trinity. But in sexual procreation, father, mother and resultant child now form the Trinity—the "force," which in unicellular reproduction was required to complete the Tri-unity, becomes a superfluity, and is conveniently overlooked. In Babylonian mythology, Anu the Sky-god, Ea the Water-god, and Enlil the Earth-god form the Trinity. But what of Ninlil, wife of Enlil, and goddess of procreation?

And what of the purely monotheistic religions—Judaism, lorded by the individualistic Jahveh; Islamism, with Allah as sole deity; and the old Zarathustrian monotheism presided over by Ahura Mazdah? Only by taking the three great godly attributes, "*Potentia, Sapientia, Bonitas*," as representing a quasi-Trinitarian concept, tending perilously near Pantheism, can the "Mystery of Three" be substantiated. Certainly there can be no interpretation on anthropomorphic grounds, as in ancient symbolism.

Nor does Christianity provide so clear an illustration as at first sight appears. Like Buddhism and Islamism Christianity was slowly built up by an esoteric priesthood on the ruins of pagan religions, and the third person of the Trinity was really an interpolation, admitted, I strongly suspect, as something suspiciously like a sop to the then very definite and widespread conception of Trinitarianism. Mary, except in Catholic dogma, was never admitted to the status of a goddess, hence the need for a third section of the godhead; *ergo*, the personification of the Breath of God as the Holy Ghost.

Stripped of its symbolism, the Trinitarian concept would appear to be but another instance of primitive logic, through sheer reverberation, *ecce iterum*, assuming the authority of primordial law. The widespread acceptance by the ancients of the Tri-unity is in itself no proof of its reality: on the contrary it is merely an additional proof, if any additional proof is needed, that primitive races in response to common stimuli think precisely alike. Thus the only evidence in support of Tri-unity as a universal principle, to be of any value, must come from some source outside metaphysics. Merezhkovsky provides no such evidence. I suggest there is no such evidence.

Merezhkovsky, in effect, preaches a gospel of futility. For he implies that the ultimate truth of his thesis can only be grasped by one who is a little bit mad. Obviously then, Merezhkovsky, if he is to do anything to overcome or to turn aside the danger he so clearly sees must be able to turn his hearers mad to the degree necessary for the assimilation of his thesis. Otherwise all his efforts are futile. When Siegfried tasted the blood of the Dragon he was able to understand what the birds told him about the sleeping Brünnhilde. Has Merezhkovsky a philtre or an elixir to offer which will enable intelligent people to see, or at least to begin to apprehend, this postulated universal "Law of Three"?

Darwin According to Belloc.

By Hugh P. Vowles.

There is good reason to believe that the reading public has been indifferent to, if not bored by, the Wells-Belloc controversy over Darwinism. That, however, is partly because few people read Darwin at first hand nowadays. The majority are content to accept garbled versions of his views, which must handicap them in forming opinions of their own.

This is a pity. If such people would refer direct to the "Origin of Species," instead of to Wells or Belloc, they would not only get much amusement out of such a controversy as this, but also considerable enlightenment. For example, they would see at once that Mr. Belloc's method of "exploding" Darwin's Natural Selection is first to set up as Darwin's a row of opinions which that naturalist never held—which indeed he distinctly repudiated—and then, with a slick certitude all his own, to proceed to knock them all down again.

This will be made clearer if I quote a few examples from "Mr. Belloc Still Objects," together with quotations in parallel from the "Origin of Species." (Sixth Edition.) Italics are my own.

(1) MR. BELLOC, p. 19: "Darwinism obviously breaks down from the fact that it demands each step in evolution to be an advance in survival value over the last."

DARWIN, p. 153: "On our theory the continued existence of lowly organisms offers no difficulty, for natural selection or the survival of the fittest, *does not necessarily include progressive development*. And p. 155: "In some cases there has been what we must call *retrogression* of organisation."

(2) MR BELLOC, on p. 17, quotes from Delage, as being damaging to the theory of natural selection: "'On the question of knowing whether Natural Selection can *engender* new specific forms, it seems clear to-day that it cannot.'"

DARWIN, p. 99: "Several writers have misapprehended or objected to the term Natural Selection. Some have even imagined that Natural Selection *induces* variability." "Unless profitable variations occur. . . . *Natural Selection can do nothing*."

(3) MR. BELLOC, p. 12: "The old and exploded theory of Darwinian Natural Selection, upon which theory, remember, all these popular materialists still desperately rely in their denial of a Creative God and of Design in the universe."

DARWIN, p. 699: "There is grandeur in this (evolutionary) view of life, with its several powers, having been *originally breathed by the Creator* into a few forms or into one." P. 164: "I have hitherto sometimes spoken as if these variations . . . were due to chance. This is, of course, *a wholly incorrect expression*."

(4) MR. BELLOC, p. 20: "Between the *powerfully defensive and aggressive* great ape and the *weak*, more intelligent man, there must be stages (if the transition ever took place), where the organism was at a positive disadvantage, and that consideration blows Darwinian Natural Selection to pieces."

DARWIN, p. 461: "So little is this subject understood that I have heard surprise repeatedly expressed at such great monsters having become extinct . . . *as if mere bodily strength gave victory in the battle of life*."

Mr. Belloc, on page 16, quotes Nägeli against Darwin, but Darwin himself admitted that there was much force in Nägeli's objections ("Origin," p. 266). And this brings me to the fact that Mr. Belloc wasted his time searching among the lesser known biological lights, ancient and modern, for attacks on Darwin's theory. For no one has ever been so critical of Natural Selection as Darwin himself, and he devoted a large part of his book to setting out criticisms. For example, p. 631: "That many and serious objections may be adduced against the theory of descent with modification through natural selection I do not deny. I have *endeavoured to give them full force*." And p. 632: "There are, it must be admitted, cases of special difficulty opposed to the theory of Natural Selection." And p. 640: "I have felt these difficulties far too heavily during many years to doubt their weight."

I could draw Mr. Belloc's attention to many such "damaging" admissions, but perhaps this from Huxley will suffice ("Darwiniana," p. 74): "After much consideration, and with assuredly no bias against Mr. Darwin's views, it *is not absolutely proven* that a group of animals, having all the characteristics exhibited by species in Nature, has ever been originated by selection." And one more from "Thomas Henry Huxley," by Leonard Huxley, p. 94: "In my earliest criticisms of the 'Origin,' I ventured to point out that its logical foundation was insecure . . . *that insecurity remains up to the present time*."

So there you are! What more could Mr. Belloc require? Obviously Darwin's theory must be "exploded" when not only Huxley, but Darwin himself criticised it. Perhaps the truth will now dawn on Mr. Belloc that a man of science proceeds by trial and elimination of error, by observation and experiment, by putting up a theory as something quite provisional, as a target to be shot at, and modified as and when considered desirable. A scientific theory is never put forward as a dogma, or as a specimen of final, ultimate truth. As Huxley said on another occasion: "Whether the particular shape which the doctrine of evolution, as applied to the organic world, took in Darwin's hands would prove to be final or not, was to me a matter of indifference."

Once Mr. Belloc arrives at this point of view, he will, I think, realise that his latest work is as likely to affect Darwinism as, let us say, the decree of the Holy Congregation of the Index in 1616 was likely to prevent the spread ("to the damage of Catholic truth") of "the false Pythagorean doctrine of the mobility of the earth and the immobility of the sun, entirely opposed to Holy writ."

Short Story.

"B. P."

By H. R. Barbor.

"Empire building's a queer trade. How little of the human-nature of the business gets into the story-books! Yet we all have to play marked cards occasionally. And there are times when the best of us overstep the limits of professional decorum, I suppose."

The statement came, as it were, out of the void. That is to say, it bore no direct relation to the conversation immediately preceding. The three men who had met casually in the smoking-room of the Big Game Club had been chatting over their early experiences in various parts of Africa north of Victoria Falls and south of Khartoum. Peter Lovelace, the road-builder, Lord Harlington, one-time District Commissioner in Northern Rhodesia, and Michael Stacey, fellow or member of half-a-score learned societies, all three were men to whom the African hinterlands were well enough known to be incalculable mystery and a lure. Probably none of them would have confessed this. Had you met any one of them in some dark spot of the Dark Continent he would probably have joined in cursing the climate and complaining of the impossibility of getting adequate supplies of decent cigarettes, at any rate, in decent condition. "The-Dr.-Livingstone-I-presume" tradition persists with such men. It is not affectation; it is a mask, the veil of modesty. Had you met them in London you would probably have learned no more than that they were glad to be back and curious to know the developments of light theatrical entertainment and women's clothing during their sojourn abroad.

Even among themselves they displayed little inclination to discuss the more intimate spiritual experiences of their hazardous self-selected vocations. They talked, as one might describe it, from the surface of their minds. They almost guarded one another from hinting at self-revelations, keeping the friendly chat hard-edged, semi-official, rather like the reports they might have sent home after some affair of particular difficulty.

But Stacey's uncompanioned phrase piqued the curiosity of the other two. Anyhow, Stacey had himself or rather his Press reputation to blame in some measure. "The mystery scientist of the Dark Continent," one enterprising journalist had dubbed him; and although Mike Stacey did his best to dispel the imputation by complaining that there was nothing whatsoever of mystery in his researches in tropical medicine, negro ethnology, and Bantu dialects and folk-lore (for he was catholic in his academic tastes), Fleet Street was determined to see some deep Colonial Office purpose behind his sojourn abroad. His crisply written books certainly gave no colour to this reputation. Yet there was something about the man himself which in fact suggested that he could tell more than he had ever entrusted between the covers of a book. It was not the six feet of solid masculinity, nor the capable sensitive hands, nor the big head with its almost square face. It may have been something in the eyes, something lingering, slightly woebegone, and yet humorous, which was tallied by a half-tragic droop of the mouth that nevertheless curved at times to quick amusement.

His companions, Harlington and Lovelace, knew all this about him and each knew something more beside, something born of their several associations with the scientist in the course of his wanderings out there. To them he remained a mystery too. And Harlington was the first to catch at the conversational handle.

"Come on," he said.

Stacey held his glass up to the light. "Funny how thought progresses," he said. "It was the soda that started me off." He tapped the siphon with his finger-nail and laughed. "I remember donkeys' years ago when I was house physician—ordinary case of attempted suicide—chap was a chemist's assistant—put some money on the gees and overran the constable. So he dipped into the till. When he thought the game was up, decided to seek the happy hunting grounds via the laudanum bottle. Fortunately, the poor devil had not the courage, so he got a stomachful of beer to bring himself to the sticking-point. When he was brought into hospital the laudanum had got him groggy, but artificial respiration and the rest brought him back to the land of the living. Old Tukeley—he's Sir Gordon Tukeley now—saw the chap right. Then he said to me: 'I am going to teach this blighter not to play these tricks. He won't want to suicide again when I've done with him. Though probably he will before!' Calomel he used—and salts. I'll bet that fellow never looked at the laudanum bottle again without a shudder."

Harlington laughed. "'I must be cruel only to be kind,'" he said. "But that's a new one on me."

Lovelace tapped the soda siphon just as Stacey had done. After a pause:

"That's all?" he inquired softly.

Stacey looked up.

"That all," he said. "But, do you know, I have never remembered till now that I had old Tukeley's precedent in my little affair with Akeea."

"What, do you mean Her Most Adipose Majesty the consort of old Lualo of the M'Tungu?" Harlington asked. Then as Stacey nodded: "I didn't know you had ever pushed out that way."

Lovelace interposed. "I remember though," he said. "You picked up some darned interesting material on witch-doctors' rites and their divination dances in the M'Tungu country."

"That's right," Stacey said, "I got that stuff together while I was visiting Her Adiposity—and that's about all I got out of it, too. Though I might have got more," he added grimly. His companions did not interrupt the pause which followed, knowing that their man was now settled into the stride of his narrative. Lovelace recharged his own glass and Stacey's. Presently the explorer began again.

"Old Lualo—he must be about eighty now, and still going strong—got Christianity in the early days, the Jesuit brand. It lasts better than the other kinds of missioning, in my opinion, though that's by the way. Anyhow, it's lasted good and strong with the old man of the M'Tungu, and he has always had a pretty fair sense of the alleged advantages of civilisation, or, at any rate, of political necessity, as dictated by you fellows, Harlington. They tell me he has always coughed up his taxes without undue irregularity, and certainly his crowd have given very little trouble, even when their neighbours have got a bit uppish. And the M'Tungu could, I should say, be very troublesome if they felt like it. But the old man has a way with him."

Harlington made a throaty noise of agreement. "He certainly had in the early days, by all reports. He murdered his way to the kingship in as lurid a style as one can imagine. His progress to the throne would make Macbeth, or Ivan the Terrible, green, pink, and blue with envy."

"Well, that was before our time. Let's be grateful to Mother Church. Anyhow, I found him a delightful old boy. Always full of charity, and generally of excellent M'Tungu beer. It was good beer, too. But it never seemed to go to old Lualo's head. His blubber must have had some remarkably absorbent quality.

"Well, I had pushed out to his village with only eight boys, and His Majesty did me right royally. He had a pretty good idea of what was due to a guest. One of his sons had been down to the Cape on one of those tutorial trips for nigger princelings that Blakeston engineered."

"Consider the white man, how he feasts. He murders not, nor does he—well, well," chanted Lovelace ironically.

"Shut up, Lovelace. There's a lot to be said for those educational trips," interjected Harlington.

"I certainly thought so when I found how old Lualo looked after me. That son, by the by, is dead. I spent six weeks at Lualo's village, making a few journeys into the surrounding country, and collecting statistics and other odd bits of things, and I was about to pull up my stakes and get across to Tanganyika territory before the rains started when word came through that Lualo's queen, Akeea, was sick."

Harlington shifted into a more comfortable position in the big leather armchair. "Akeea?" he said. "Rather a baggage, wasn't she? I seem to remember the Colonial Office johnnies taking Her Majesty rather seriously at one time."

"She had character, Akeea. In a way, I can't help respecting these natives who cling to their own traditions," Stacey replied. "After all, they have their own point of view, and in her own way Akeea is only true-blue-Tory—or rather blue-black. She stuck by church and state as she knew them."

Lovelace laughed. "Some church, according to your book."

"Well, honestly, between ourselves, I'd rather deal with her witch doctors than with most Anglican prelates that I've run across. At least you know where you are with their stunts, but damned if I can make head or tail of the Thirty-nine Articles."

"Well, you happen to know their stunts. That puts you at an advantage, but you remain in the minority, Mike. Why should I bother my head with their theology—with any theology for that matter?"

"It's damned intriguing all the same," Harlington muttered. "But fire away, Stacey."

"Well, I pushed off to Akeea's village. Old Lualo had got rid of Akeea some years before. Found her too troublesome. It was not only that she complicated things for him with the commissioners nor that her religious obduracy cut across the grain of his Christianity, which was not more than skin deep. But the queen had a way with her and a way with the tribe, too. She was always making trouble. You see, she had a favourite son. I learned why he was her favourite when I got to her village; she could handle him. The other boy was a chip of the old block, and he took up with Lualo's ideas. They got a bad dose of cattle plague one time, and as the Jesuit priests could not deal with it Lualo turned his blind eye when Akeea and her medicine-men fixed a big smell-out. They diagnosed that Lualo's eldest son was the cause, doubtless on account of his trip south, and the fact that he had taken to wearing trousers. The tribe wanted him killed off to save the rest of their herds, but old Lualo pulled every wire he could lay his fingers to. That did not increase his popularity, and so he didn't dare do much when a few days later Luabala, the crown prince, was most expeditiously murdered while out hunting. The old dame saw to it that Lualo's Christian prime minister and a few others of his supporters also went west mysteriously, and the old man found himself playing practically a lone hand against Akeea and her priests.

" So he shipped Akeea off to a village about sixty miles away, where she was among her own people and fairly clear of interference from the whites. That suited her, and she began to consolidate herself with a view presumably to putting the squeeze on Lualo later, and meantime hoisting her favourite son as a more or less unofficial pretender. That was the state of affairs when I arrived at her village.

" I think that Lualo had a profound respect and perhaps a real liking for his consort. At any rate, he had been anxious that I should do what I could for her. But by the time I got down to the village Her Majesty had recovered—in fact she was full of beans. She welcomed me most hospitably, and gave me all the opportunities I wanted for research. I found the district practically untouched by European contact, a real treasure-trove for a fellow with a hankering after folk-lore and native costumes. Akeea kept state in the pure tribal fashion, and the ceremonials and so on were extraordinarily interesting. The only evidence of British dominion I saw the whole time I was there was a sort of Pear's Annual picture of Queen Victoria which Akeea had had stuck up among the jujus in her private chapel. As a matter of fact, I found the whole shoot so entertaining that I took a chance of making a bad return journey and overstayed my intended visit.

" The day before I proposed to clear out I informed Akeea. She did not take it at all well. She suggested sundry entertainments. But as I'd made up my mind I resisted the temptation. So she told me that she would arrange a sort of farewell feast in my honour that night, and fixed up a ceremonial dance by moonlight in her compound.

" That beano was about the most interesting function I have ever attended. When we met about sundown Akeea had got herself up to kill. She was a mountain of a woman —she would be about fifty, I suspect, and turned the scale at well over three hundred pounds. Her huge arms were encased in gold and copper bangles. She wore a sort of skirt—we'll call it so for courtesy—of grass wrapped round her middle, and her fore-quarters were festooned with ornaments of human vertebræ, lions' teeth, and God knows what else. Her chefs had evidently been instructed to excel themselves for the occasion, and they served up an amazing collation which tasted good whatever the ingredients—I didn't care to ask. There were lashings of native beer and a sweet and remarkably potent drink that I never struck before nor since. The queen plied me with both, and it scarce behoved me to decline. In fact, it was a right royal do. Then there were dances. She even staged the elephant dance for my benefit, for which I was duly grateful, for I had never seen it. She had about a couple of hundred boys with torches, and the whole village fairly let themselves go. Later on the dancing got more indecorous—confoundedly interesting, but not to be encouraged from a political point of view, I must say. Oh, Akeea certainly had a way with her.

" When the binge was through I had to accompany her back to her private chapel, which I have mentioned. It was a darned mysterious place in the light of a couple of flaring timber torches. The queen settled herself on a big plaited grass couch surrounded by the grotesque negro sculptures that I would give a good deal to possess, damned immodest things, with more insistence on the genitals than you would find in a jazz band or a musical comedy. Then —well, I suppose you have guessed? " Stacey broke off.

" Her Adiposity had taken a fancy to you, eh? " Lovelace inquired.

" White men not too common in the outlying M'Tungu villages," Harlington suggested.

" Perhaps that's it. Anyhow, she gave me a pretty difficult hour and a half before she apparently resigned herself to the inevitable. God, she was fat!

" I tried to carry the affair off with as much courtesy as I could muster, and eventually I steered clear and went back to my own hut. But Akeea was resolute. Later she came along and that interview was even more difficult. I told her all the tales I could think of, and in the end she cleared out in a huff."

" Damned disobliging of you," Lovelace interjected. " Poor old thing."

" Next morning we parted—it seemed on the best of terms. I set out on the trail to Lualo's village, but about three miles from our starting-point we were met by a bunch of Akeea's people. There was a row, and my boys got windy, as well they might, and took to the bush. One of Akeea's courtiers, a hefty chief, whom I had noticed at the village, and who had been one of my most solicitous fellow guests the night before, took matters in hand. He didn't waste words with me, but communicated briefly to his followers what they had to do. They stripped me to the buff and carried me to an open strip of ground just off the trail. They tied my hands and feet with grass ropes to stakes which they had driven into the ground. Then my captor really showed his hand. It was an ingenious trick, devised, I suppose, by the resentful Akeea. Anyhow, the fellow produced a gourd full of honey with which he proceeded to anoint me from head to foot. At first I could not catch on to what the idea was. But when he led a thin trail of honey from his calabash across the earth I realised the bright idea."

" Christ! " Harlington breathed. " Ants! "

Lovelace sat forward in his chair. Stacey lit another cigarette.

" I had started before sun-up, but by the time those fellows had baited the meal for the ants that swarm thereabouts—and you know they are a varied as well as voracious assortment in the M'Tungu country—it was getting pretty warm. I reckoned I'd not have long to wait before they started to make their way up that honey track and began on me. The natives had all cleared off, but I reckoned that they would be on the watch in case my boys hunted round to rescue me, although I wasn't over-confident of any attempts of that kind—they were a scruffy lot. I was crucified good and firm. I could hardly shake myself free of the flies that were already getting pestilential."

Stacey paused. His finger nail clicked ágain on the soda-siphon. Then he smiled. Harlington was silent, but Lovelace was agog.

" How the devil did you get clear? " he asked.

" Feminine vanity," Stacey replied. " I had been there the best part of an hour when my honey-sweet friend came back again. Of course, by this time I didn't much care whether he came or not. The flies had seen to that—they and a few thousand scouting ants. The chief and his escort picked me up, shoved some clothes on me, honey and all, and carried me back to the village.

" You see the flies of the M'Tungu country had proved a not unmixed curse, for one or two of them had had the discrimination to bite Her Majesty on the nose, and by the time I got there she was a sight.

" Although she had found me disappointing in some ways, she had formed a pretty fair opinion of my abilities as a medico. I had doctored that scut of a son of hers, and apparently she thought that my medicine was stronger than the boiled snake and other concoctions that her court physicians were likely to prescribe, and, as I have said, she had no little respect for her physical charms—among them her nose, which was in a fair way towards aggravated sepsis, thanks to the hungry cattle fly.

" I pulled myself together as well as I could when we got to the village. Fortunately, as it happened, I had left some of my stores behind as I wanted to make the pace back to Lualo's village. There was a case of Scotch and plenty of quinine among my relicts, and I got a good load of both on board. Then I went to see Her Majesty.

" She seemed ready to eat out of my hand. You'd have understood why if you'd seen her nose! Well, I touched her up with iodine, and, in view of the festivities of the night before, I thought a dose of Epsom might help matters. I reckoned her bulk could stand a tidy dosage, but when I was ladling it out the thought struck me that I might have to stay a day or two myself before I was fit to travel, and it was not advisable to take any chances. There's a good deal of virtue in sodium sulphate; its virtuous properties had never appealed to me till then. Poor old Akeea! And she took it with gusto. I left two days afterwards. I wasn't good for much. Nor was Akeea. I wonder if she went on taking it after I cleared. Her nose was nearly well then.

" Funny thing I never remembered old Tukeley's putting it across the chemist's assistant till now. Much virtue in the British pharmacopœia."

" Enforced virtue," Lovelace suggested.

" But it was dashed unprofessional," Stacey concluded.

Solitaria.

By V. Rósanov.

(Translated from the Russian by S. S. Koteliansky.)

IX.

Satan seduced the Pope by power; and literature he seduced by fame. . . .

But Herostrates had already pointed out the surest way of " preserving a name to posterity." . . . And literature which only lives by the desire of " preserving a name to posterity " has naturally in our times been penetrated throughout by Herostrates.

* * *

And the hungry are so hungry, and yet the revolution is right. But it is right not ideologically, but as an *impact*, as *will*, as *despair*. " I am not a saint and perhaps I am even worse than you; but I am hungry, I'm a wolf, hungry and agile, and also my hunger has given me courage; and you have been an ox for a thousand years; if once upon a time you had horns and hooves to kill me, now you are old and feeble, and I'm going to *devour you*."

Revolution and the " old order " are simply " old age " and as yet " undiminished strength." But it is not an ideal, not by any means an ideal!

All social-democratic theories are reduced to the thesis— " I want to eat." Well, the thesis is correct. Against it even the Lord Almighty has nothing to say. " He who gave me a stomach must also provide me with food." Cosmology.

* * *

Yes. But the dreamer walks away; for he loves his dream more than food. And in revolution there is no room for the dream.

And perhaps just because revolution has no room for the dream, it will not succeed. There will be a lot of broken crockery, but there will be no new building erected. For only he alone builds who is capable of an overpowering dream. Michael Angelo, Leonardo da Vinci—they did build, but the revolution will " play them a most prosaic trick " and will strangle them in their youth, at the age of eleven or thirteen, when they will suddenly discover something " of their own in their soul."

" Oh, you are proud; you don't want to mix with us, to *share*, to be chums. . . . Oh, you have a soul of your own, not a communal soul. . . . The community that gave life to your parents and to you—for both you and they, without the community, would have died from starvation—is now taking back what you owe it. Die! "

And " the new building," with the features of the ass, will crumble to pieces in the third or in the fourth generation.

* * *

Create spirit, create spirit, create spirit! Look, it has all crumbled to pieces. . . .

(*In the Zagorodny Square at night; prostitutes all round.*)

* * *

From the foundation of the world, there have been two philosophies: the philosophy of the man who for some reason longs to give someone a flogging; and the philosophy of the flogged man. All our Russian philosophy is that of the flogged man. But, from Byron's *Manfred* and up to Nietzsche, the Western philosophy has been suffering from the " Sollogubian " hitch—" whom shall I give a little flogging? "

Nietzsche was respected on account of his being a German, and also because he suffered (illness). But if a Russian, and in his own name started in the spirit: " he's falling, push him down! " he would simply be called a scoundrel, and nobody would think of reading him.

(*After reading Perzov's " Between the Old and the New* ").

* * *

In the course of a few days humiliation always passes into such a radiance of soul as cannot be compared with anything. It is right to say that certain, and the highest, spiritual illuminations are unattainable without previous humiliation; that certain spiritual absolutes thus remain for ever hidden from those who have always triumphed, conquered, been on top.

How crude, and hence also how unhappy was Napoleon. . . . After Jena he was more pitiable than a righteous beggar to whom the servants of a rich house say: God bless you.

Is it not on this mystery of *universal psychologicalness* (if universal psychologicalness does exist) that the state of soul is based, in which it may be said that finally " he wishes to suffer." . . .

How very much better we are after suffering! . . . Is it not on this that democracy's " gain without loss " is based? Democracy is not at all born in golden swathing bands of morality; it is frail like all. But democracy is in the " lowly estate," and its moral aureole has attracted everyone to it. . . .

Drama.

The Cradle Song: Fortune.

Hardly have the community of a Dominican convent spent their pleasure over the gift of a canary from the Mayor's wife, who cannot come herself for reasons to be guessed, than the Mother Prioress has thrust upon her a more startling gift; and one whose acceptance exacts more searching of soul. A woman of the streets, according to her letter, leaves her baby to the mercy of the convent to spare it the dishonour of its birth.

In the second, incidentally the last, act, this baby has grown up, a child of laughter, whose singing in the garden disturbs the melancholy meditations of the nuns. On the last day that she will pass among them, before leaving the convent to be married, her irrepressible manifestations of care-freedom are hardly seemly. Then the parting, in which the audience experiences the whole convent life of those intervening eighteen years. What simplicity of episode about which to round such characters! There is no plot; scarcely a complication, except the moment at which the old bachelor doctor becomes the child's father to render its adoption by the Prioress legal.

When the child arrives the Sister Joanna, for whom the doctor has just prescribed cold water or matrimony, is pining for that little brother, youngest of seven, who had said that he loved her more than he loved their mother, and whom she left at home two and a half years before. Left to attend to the child while the community is at service, the mother overcomes the nun. Gradually she fails to accompany the responses, and she croons delightedly over the basket, once more filled with the zest for life. If sentimentality is feeling without understanding, sentimentality is not in this play; since the understanding is dominant at every step. The virgin bride of Christ mothering the daughter of sinning humanity is a triumphant climax to a beautiful act.

That last conversation between Sister Joanna and Teresa before the child's departure to her lover is a piece of exalting beauty; not a mere outburst of sorrow, but shone through by achievement and, on the daughter's side, by an avowal of ideals. In this passage Gillian Scaife and Natalie Moya appeared to lose their identities, and to exist for the audience only as Teresa and her mother. I clung to my consciousness just sufficiently to mark my appreciation of their work, and to note how Miss Moya's delicate Irish accent added to her power. It is perhaps as well that no member of the cast was a popular idol; this is team work, like the Gothic masonry. For this reason I forbear from naming the other players, though I must praise the diction of Christopher Oldham when, as Antonio, he came to ask the Prioress and the assembled community for the restoration of his beloved to the world.

As the Irish are born players, the Spaniards seem born psychologists. In Sierra, the author of the Cradle Song, as in Jacinto Benavente, motive is revealed as effectively as in the mental specialist's consulting room, yet without betraying a shadow of the technique. One is not descended from Cervantes for nothing. Sister Marcella, in the first act wayward, given to a practical joke, indulging a slightly cruel wit, and confessing her fellow feeling with the canary, was the same Sister Marcella who was punished in the second act, and who did not use the mirror found in her bedroom by the vicaress for vanity, but, as she convinced us, for making the sunlight dance in gay caprice on the wall. The Vicaress of the first act, severe and conscientious, is the same Vicaress who renders an account to the child of the spending of her money, and who considers the milliners of Paris mainly inspired by the devil. For there is a Spanish humour throughout the play, a Spanish-loving irony, at which the quickest-witted do not laugh, but only smile. For it is not the pointed, but the encircling, humour. " And hang the key around your neck with the rosaries, for we have fastened it on a ribbon for you. . . . The lock is an English one, and not every key will open it," says the Prioress, when the child's trunk is packed. I will describe no more. One final word: the adoption of Spanish pronunciations for most of the proper names accords excellently with the delicacy of the production. May the " Cradle Song " play for a long time.

" The Lover," a one-act play which preceded the " Cradle Song," was distinguished by the sympathetic and magnificent understanding expressed in the acting of Michael Sherbrooke. Phyllis Relph, who played the queen, failed to appreciate him, and her manner did not change, after his departure, as Sierra says it should have done.

PAUL BANKS.

Reviews.

The Bankers' Republic. By J. L. Chastenet. Translated from the French by C. H. Douglas. (Cecil Palmer. 6s.)

M. Chastenet's criticisms of finance in France will not be new to readers of this journal. One important point of interest about his book is the fact that its circulation in France has reached six figures. On its constructive side it has no particular appeal, but a good many of its indictments are likely to have a profound effect on French public opinion, especially considering the prominence of financial questions in French politics. A striking quotation from Jaurès appears in Chapter III. Speaking in 1907, he said:—

"The public credit establishments must recognise that they cannot make many more mistakes. . . . Up to now they have had the power of a State, but they have not been subject to the safeguard of modern States—that is to say, to full and truthful publicity. Their accounts are incomplete and obscure, their operations remain hidden and enigmatical. Now the Republic is warned. The Republic knows that there is a formidable power which has a veritable monopoly of banking business, which has destroyed and absorbed all the old autonomous banking of the country banks. A kind of monster, which has been able to build itself up according to the laws of capitalistic and financial concentration, but which has arrived at such a degree of power that the State will no longer tolerate the irresponsible wielding by it of milliards of savings."

It would seem that the assassination of Jaurès at the outbreak of the Great War happened very conveniently for the manipulators of war credits. M. Chastenet gives a good illustration of the incompleteness and obscurity of accounts presented by French banking institutions. In 1913 the Crédit Lyonnais had 409 branches. In 1923, 569 branches. Yet its balance sheet in the latter year gives the value of "bank premises" in the same figure as appeared in the former—namely, 35 million francs. During the same ten-year period the Société Générale's valuation *goes down* from 56 million to 50 million francs; and that of the Comptoir National d'Escompte remains at 15 million francs. (No figures showing the actual numbers of branches at the two dates are quoted for these two banks; but presumably they had increased in much the same proportion as the first.) M. Chastenet's concluding chapters present France as "The Victim of the Bankers' International," discussing the "unheard-of alliance" between New York and London, and the tendency of Europe to have greater and greater recourse to the United States' credit resources. Major Douglas has done the translation well: and in two places has inserted footnotes commenting on the text. This book will be especially interesting to those who realise the importance of developments in French policy.

Reason and Romanticism. By Herbert Read. (Faber and Gwyer. 7s. 6d.)

The younger generation of critics is no longer content with vague appreciation or detraction of works of art. It demands some standard of judgment more responsible and coherent than can be found in mere personal taste. So we find Mr. Read bringing a wide scholarship to give force to his argument that a critic must examine his subject quite apart from his own personal reaction to it. This, of course, has been the object of all the great philosophic critics. They all agree that the only *real* and *sane standard* of art values is a moral one. The whole teaching of Aristotle, Plato, Lessing, Goethe, and Coleridge—the concerted thought of over two thousand years—is that a profound work of art can proceed only from a man whose conscience is equally as profound. Mr. Read is a practising poet who had taken pains to equip himself with the modern weapons of mental analysis. His attack is thorough and detailed, and with admirable skill he emerges finally—by the side of his great predecessors. It has been said that a scholarly mind is always inclined to be aristocratic in its sympathies. But here is a scholar who disproves that, for again and again his conclusions emphasise the truth that mental health and wealth are to be found only amongst the people.

Report on the Competition of Industrial Designs, 1926. (Royal Society of Arts.)

This is the third year these competitions, organised by the Society of Arts, with the co-operation of a number of industrial firms, have been held, and the report is worth the attention of everyone interested in an improvement of the general standard of design. It is a pleasure to record that the judges were able on this occasion to give travelling scholarships, each of £150, in both the Textile and Architectural Decoration Sections. Considerations of practical use and convenience are rightly insisted upon by the judges, and their notes on fashion, comfortable chairs, single beds, vegetable dishes, lay-outs for Press advertisements, and exhibition stands, are to the point.

LETTERS TO THE EDITOR.

"THE MYSTERY OF THREE."

Dear Sir,—Assuming that four mutually rectangular axes can be constructed, rotation about a plane becomes possible. Therefore a right hand glove can be rotated (without disruption of its particles) in such a manner as to fit the left hand.

D. V. F. ERSKINE, R.N.

THE TELEPATHIC MYTH.

Sir,—Mr. G. R. Scott waves me lightly aside with his "dozen conceivable explanations all sufficiently obvious." As I cannot myself conceive that any one of them is applicable, I fear we are on entirely different mental planes.

PHILIP T. KENWAY.

"THE TYRANNY OF TOOLS."

Sir,—In my article in last week's issue I should like to correct two misprints:—

Line 5, "determination" should be "determinism."
Last paragraph, line 3, "invests" should be "invents."

V. A. DEMANT.

NOTICE TO CONTRIBUTORS.

Contributors are asked to take note that a column of large type in THE NEW AGE contains about 700 words, and a column of small type 975 words. Their contributions should therefore be of 700 or 1,400 words in the first case, or 975 or 1,950 words in the second. Articles slightly exceeding the one column, or the two columns, are liable to be cut. Except in special circumstances articles should not run on to three columns. Normally a writer should be able to explain his thesis adequately in one or in two columns. If not he should divide it with the above measurements in view.

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