

THE NEW AGE

INCORPORATING "CREDIT POWER"

A WEEKLY REVIEW OF POLITICS, LITERATURE AND ART

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NOTES OF THE WEEK.

The Times of February 1, in a leading article reviewing the trade outlook, makes disparaging references to Mr. McKenna's recent speech, which it calls "argumentative" and "controversial." It endorses his suggestion that an investigation should be made into the whole question of the theoretical basis and the practical technique of the credit and currency system, but does so chiefly on the ground that "such an inquiry should finally dispose of a highly controversial issue." It urges that Mr. Goodenough's views, in favour of the restoration of the Bank Act, are supported by a large majority of bankers and economists, while agreeing that there are "a number of industrialists and perhaps a few economists who are inclined to share Mr. McKenna's opinion." In this concession one can fairly claim to see symptoms of the effect of the Finance Enquiry Petition Committee's activities of last year. The presentation of the Petition was held up on a technical point last session, and is to be re-presented early this session. We hope that Members of Parliament who have been sympathetic with its object will now be encouraged to realise that it is substantially endorsed by a powerful financial institution like the Midland Bank.

Whether by accident or design, it will be noticed that *The Times*, in analysing the parties behind the controversy between the two bank chairmen referred to, credits Mr. McKenna with the support of the industrial element—in addition to the "bankers and economists" who are common to both sides. That is significant. The Midland Bank is essentially the *English bank*, in contradistinction to the Bank of England, and the remaining four joint-stock banks, which are *cosmopolitan banks*. The Midland Bank has no branches outside this country; the others have. The fortunes of the Midland Bank are therefore primarily bound up with those of British industrialists, that is, producers who have to make their

living by working British plants on British soil. The fortunes of the other banks are connected in their several degrees with foreign capitalist and financial enterprises, which in most cases compete with home industries. Naturally, the Midland Bank, being part of an international banking mechanism, cannot separate its actual routine procedure from that of other components, but when all this is allowed for there undoubtedly remains the above broad differentiation of outlook. All the roots of the Midland's organisation are in home soil, so that the flower of its policy exhales a marked national scent.

These considerations ought to be emphasised in all future political discussions of the finance-economic problem. If the Financial Inquiry is burked or if it is held under terms of reference which vitiate its proper object, the industrialists of Britain had better take it as a warning that international financiers intend to pursue their policy of world-trustification, under which the present closing down of individual plants for the sake of "economy," will assuredly tend fast to widen out into the elimination of whole industries. In those circumstances the logical answer would be for everybody to transfer his account to the Midland Bank if he was not already doing so. Deposits are votes: and the only effective voting power is credit power. The expenditure of a hundred thousand pounds by the Federation of British Industries on a national advertising campaign to this end would be a sound business proposition, and a patriotic gesture at one and the same time. Needless to add that the Publicity Experts of the country would welcome this job with joy. Whether the Federation of British Industries could get an overdraft from the Midland for this purpose raises a delicate question of etiquette which we cannot usefully discuss; but at least the security of the loan would be unimpeachable.

Having said this it is necessary to point out that except as a symptom of divided counsels in financial

circles, Mr. McKenna's arguments have no significance. They amount in effect to no more than a proposal that the vessel of High Finance shall move to another anchorage. Whether for its own safety or ours is not yet clear. We deal with this subject in an article elsewhere. In the meantime we can congratulate ourselves that the credit monopolists do not feel safe where they are. We must now wait and see where they drop anchor next.

"The Whispering Gallery."

Many of our readers must have wondered why Mr. Hesketh Pearson was singled out for Press attacks of a magnitude out of all proportion to his alleged offence. His book contained many evidences that it was a hoax in the sense of not being the work of an experienced diplomat, but it seemed to be the kind of hoax which, whatever might be thought of the "morality" of it, would drop into the market without causing more than a slight splash in Fleet Street. Instead of which, a tidal wave of bitter invective surged up from Carmelite House, overwhelming both the author and his publishers. Messrs. John Lane got to shore on a raft which they had lightened by pushing Mr. Pearson over among the sharks of the criminal law, from which he escaped by the skin of his teeth. In the commotion the book vanished. What was in it? The answer is best given by saying first what was not in it: it contained not a single sentence impugning the private character of any of the eminent men of whom it treated. No adultery: no peculation—nothing to tickle the palate of the mob.

There is little room for doubt about the real cause of the storm. The middle chapter of "The Whispering Gallery" entitled "The Crisis," gives an account, substantially, though probably not specifically, correct of what is alleged to have transpired on the night of August 1 and 2, 1914, when the banking system was saved from insolvency by the Government. There were present Mr. Lloyd George (Chancellor of the Exchequer), Lord Reading, Mr. Walter Cunliffe (Governor of the Bank of England), and Sir Edward Holden (Chairman of the London City and Midland Bank). The account occupies seven pages in dialogue form, in which the above gentlemen express their views and come to their decisions. A reproduction of the "scene" verbatim, while a source of entertainment, would not reveal to readers of THE NEW AGE any essential facts with which they are not familiar, or could not deduce for themselves from *a priori* considerations. Exactly who said what at the conference is a triviality; the proof of what they all said lies in their agreement on what to do; and the proof of their agreement lies in what they did do. The concerted avoidance by the Press of detailed commentary on this chapter in the book is presumptive evidence that it would stand their fire.

The suppression of this book is an event of outstanding significance. *The Times* and the *Morning Post* ignored it on the date of its publication, November 19. The *Daily Telegraph* noticed it in its review column. It was the *Daily Mail* and the *Daily News* which made it the subject of editorial comment. The *Daily Mail* filled many columns with invective, and capped them with leading articles. The *Star* followed suit; so did the *Morning Post* and the *Observer*. To give all this publicity was, of course,

to ensure a large demand for the book; so the attitude adopted was inexplicable except on the supposition that the Press was privately advised that the suppression of the book would be brought about by the intervention of high financial authorities—who, of course, have their own means of suppressing anything obnoxious to them. In that case the publicity is intelligible; it was directed to working up in advance public endorsement of a secretly-devised act. Even so there remained the difficulty of seeing what would be gained, for the book was simultaneously published in the United States. This difficulty is now removed by a *Times* notice that the book has been withdrawn by the American publishers. It was selling like hot cakes before Mr. Montagu Norman went over there.

If "The Whispering Gallery" had cost 6d. the urge to get it withdrawn might have been plausibly connected with a desire not to cause disaffection among ordinary electors. But the price was 10s. 6d. A Press boycott would have kept the mass of people uninterested in, or ignorant of, its existence. The only conclusion to be drawn is that that result was not considered sufficient, but that even the small, and discriminating, section of the reading public was not to be trusted with such a work in its hands. To allow information of this kind to appear in a journal like THE NEW AGE, where it would be seen by people already interested in such matters, is one thing; but to let it be broadcast in circles which have not yet become interested in currency questions, but possess the knowledge and intelligence to appraise its probable truth, is quite another.

From observation of numerous cases similar to this during the last year or two, we are convinced that it fixed policy to maintain, irrespective of facts, the myth of the "supermen," who hold prominent public positions, and behind the cover of whom persons whose names the public have for the most part never heard of decide the destinies of the nation. These persons are sometimes mysteriously referred to as *the right people*. Let any aspirant for political fame get himself approved by "the right people," and nothing can injure him, no matter what else he does with his life. Assailants of his reputation will be suppressed and vilified on his behalf at any cost of effort and money, and yet no visible sign will appear that their retribution has not been self-invoked. Mr. Hesketh Pearson's book was a double offence. It gave away some of the secrets of the financiers, as we have seen; but it also disparaged the intelligence and sincerity of the Statesman class as a class in their relation to public affairs. So some thousands of pounds' worth of space in the *Daily Mail* was thought not too much to devote to the objective of getting him branded in the minds of the public as an all-round liar. That was his penalty for seeking by an untruth to get an audience for the truth.

THE "NEW AGE" DINNER.

At the "New Age" Dinner next Saturday Major Douglas will, as usual, be the guest of the evening, and Mr. P. T. Kenway will preside. In view of the critical nature of affairs at the moment Major Douglas's customary survey of the general situation is bound to be especially interesting. We repeat our recent advice to our readers to let nothing but urgent engagements elsewhere keep them away from this Dinner. All applications for tickets should be sent as soon as possible in order to ease the task of the organisers in allotting seats. If any reader wishes to attend, but will not know until the last moment whether he can, will he send a postcard to this effect. (See address in advertisement elsewhere.)

Credit Expansion and Inflation.

The onus of explaining why, as Mr. McKenna has pointed out, an increase has taken place in American bank deposits side by side with a decrease in the retail price-level lies primarily with the sponsors of the existing financial system. They have always insisted that an expansion of credit must always cause price inflation. We have frequently said that this *need not* happen; but we have maintained at the same time that it *would* happen under the *normal* working of financial policy. That is to say that if there is an expansion of loan-credit to producers, and they are left to recover all their costs out of the money they distribute in wages, salaries and dividends, they have no option but to *restrict output* as much as they prudently can and to charge for it "all that the goods will fetch." Hence a rise in prices.

But the situation in America is not normal in the above sense. The financial interests there decided to stimulate increased production and consumption of consumers' goods. They did it by adding consumer loan-credit* to the pool of consumers' incomes. The manner in which they did it was not to lend large sums directly to consumers, leaving them to flood the retail market with new money, seeking goods. That would have meant price-inflation. They lent the money to the sellers *conditionally upon their having previously delivered the goods*. Industry, as it were, earned a money bonus on every extra order it secured from a consumer. Industry still demanded prices equal to "all the goods would fetch," but the quantity of goods increased under the above stimulus; so the price per unit went down.

There is considerable significance, too (and an element of humour) in the reflection that the instalment system has made it an interest of the financier to see that his debtor-consumers get as much real wealth for their money as possible. For what they take home is their only tangible security if he fails to keep them all in jobs. The financier, in his rôle of lender to the consumer, has to be opposed to the selling principle "small deliveries and large profits," for it is he who is lending the price. Yet in his other rôle of lender to the producer, he has to support the principle. No wonder then, in view of these conflicting interests, the *Quantity Theory* of Money is working out in an abnormal way.

American finance has been able to change the incidence of the *Quantity Theory* principle by modifying the psychology of sellers. But this is only a passing phase. American bankers are admittedly frightened at the situation that is developing as a result of their experiment. We pointed out not long ago that as soon as they began issuing credit on behalf of consumers, they had to make a new departure in policy, and protect wages and salaries; for out of these the repayments would have to come. They dare not let the present pace of production slacken, because the resulting unemployment would cause widespread consumer-debt default. Yet they cannot maintain that production without being able to market it; and since outside markets are not able or willing to take it (that, of course, being the reason why they had originally to widen their home market by instalment finance), they must go on plugging their home consumers with goods and piling still higher the already menacing heap of consumer debt.

The moral of all this is plain. By applying the * Writing years before this development Major Douglas said in "Economic Democracy" (ch. 5), "Now loan-credit is never available to the consumer as such . . . That was a correct comment in respect of the normal financial procedure of that time. The whole chapter, especially paragraphs 7 and onwards, bears on the phenomenon here discussed, showing under what conditions purchasing power may rise under the present system.

Social Credit principle of consumer-credit in an unsound way, American finance has produced a benefit to consumers. But, precisely because this way is unsound, the benefit cannot last. America must go forward and perfect her system on Social Credit lines, or else relapse into chaos.

We come now to Mr. McKenna. At present he has not disclosed his plan for eliminating inflation from credit-expansion. Until he does, our criticism of last week stands. If his idea is for Britain to follow the example of America, our criticism of this week stands. If he has an alternative idea, our criticism (if any) must wait until he announces it. We reported a few weeks ago an assertion made in private by a financier in New York that the great pre-occupation of American banking interests was how to prevent Britain adopting the American policy. If this is so (and there are reasons for believing it) it appears that the principle of non-inflationary loan-credit expansion will not work in one place if it is applied in another—in which case it must be ruled out as a general economic principle. There remains the alternative principle of gratuitous consumer-credit advocated in THE NEW AGE.

The Man in the Street.

An Imaginary Conversation between the Rev. Walsingham Defries and Bernard Gilbert.

II.

DEFRIES: As H. G. Wells pointed out, it is the backward, uneducated, uncultured peasantry—like these in Gulland Fens—who are the real obstacle to progress. When they go, the coast is clear.

GILBERT: When they go, England goes. Some philosopher said that with the vanishing of the last savage, civilisation would collapse. There was a germ of truth in that. Our civilisation lives upon exploitation, and when the exploitable material is all ravaged, the show must collapse.

DEFRIES: But what about Saklatvala? What did he say?

GILBERT: I shan't forget him. He stood there uttering the most scurrilous abuse of our soldiers and police that it's ever been my misfortune to hear; or read.

DEFRIES: That's a pity!

GILBERT: A pale word!

DEFRIES: No! I mean it's a pity that there should be the necessity for such statements. But when oppression gets to a certain pitch, it must be aired. Remember, he is supported by many of our fellow-countrymen. Thousands voted to put him into Parliament.

GILBERT: A day of degradation!

DEFRIES: A generation of degradation to produce that day, Gilbert! Besides—where's your democracy?

GILBERT: Here in Bly, where it was born, and where alone it can exist.

DEFRIES: Another of your curious whims! It is a sad necessity that such conditions can exist—in London if you like—though there is oppression everywhere. You wouldn't try to muzzle Mr. Saklatvala, would you?

GILBERT: I always thought I wouldn't muzzle anyone, but when I heard that dark-skinned hound calling our policemen cowards—

DEFRIES: You can't muzzle him. It would be useless if you could.

GILBERT: Some things are beyond endurance. Several around me in the crowd looked at each other and pressed towards the plinth.

DEFRIES: Yes?

GILBERT: But the police, standing with their backs to the base, locked arms and prevented our

getting the skunk down. So he carried on, pouring abuse on those police who were keeping us from him.

DEFRIES: Why didn't you attack them?

GILBERT: They were doing their duty.

DEFRIES: So you would have joined a howling mob to make a martyr of a man of intense conviction?

GILBERT: Yes.

DEFRIES: Why don't you and your precious gang keep out of India, then?

GILBERT: Why do you make a slave of a horse, or act the cannibal to your brother the rabbit?

DEFRIES: I don't; I'm a vegetarian. You are too fond of *tu quoque*.

GILBERT: It's the only sort of argument that appeals, as a rule. When the Hindoos are able to manage India for themselves they will, don't doubt it.

DEFRIES: Next thing you will add that we are there, meantime, for their good; after which I shall be sick; and go.

GILBERT: No; I shan't. I accept facts. A nation, like an individual, does what it can; and must.

DEFRIES: A hellish doctrine!

GILBERT: If facts can come from hell; then so be it. Let us face them, wherever their origin.

DEFRIES: Let us conquer them.

GILBERT: You can't deny or pervert them.

DEFRIES: I'm an internationalist; and when we have the—what's the matter?

GILBERT: I feared you were starting about the League of Nations.

DEFRIES: Are you an advocate of war? Is it possible that even you support the horrible—eh?

GILBERT: Are you an advocate of smallpox? No? Then why do you oppose vaccination?

DEFRIES: I will never consent to the forcing of the filthy—Why stop your ears, when you have asked me a question?

GILBERT: You asked if I supported war because I object to the sham remedy of a League of Nations—

DEFRIES: I'd be glad to know—

GILBERT: —which won't prevent any wars, but will certainly bring many about; which will cause more international misunderstanding and hatred than it alleviates, and leave more bitterness and poison than many wars.

DEFRIES: But why? Good gracious; why?

GILBERT: Because it's unreal! It's a mass-avoidance of actuality. It's a worthy child of that arch-idealist, Wilson—

DEFRIES: That great good man!

GILBERT: He was a symbol of what those idealistic United States may do to Europe in the twentieth century. Eustace Kyme, who was at the Peace Conference, told me he wasn't sure whether Wilson or Lloyd-George would prove to be most harmful to the world; but the figure for him was that tough old peasant, Clemenceau, backed in a corner, as peasants are everywhere, accepting what he was forced to swallow, but sticking like grim death to reality.

DEFRIES: Of course, nobody trusts Lloyd George; but Wilson—

GILBERT: And his precious League—

DEFRIES: You oppose everything good. Let me tell you we have branches in every village of Barkston County, nearly; and soon we shall be in such force that—

GILBERT: That you will drown my voice?

DEFRIES: You are against internationalism, feminism, pacifism, prohibition, education, progress, and all that stands for civilisation.

GILBERT: Being consistent in an inconsistent age?

DEFRIES: You're consistently evil; if that's anything to be proud of.

GILBERT: He that is wicked, let him be wicked still!

Dare to be Imperfect.*

By Sophie Lazarsfeld (Vienna).

(From the Internationale Zeitschrift für Individual-psychologie.)

Is it possible to base the association of human beings on complete truthfulness? This is one of the most perplexing problems of our social life. Is it possible to carry out Peer Gynt's bidding, "To thine own self be true," despite the trolls who, in every human breast, utter their seductive and easy-going "to thine own self suffice"? In a word, is it possible for the individual, without injuring his neighbour, to exhaust the possibilities that lie within his own province?

Let us consider some relations of human beings with each other, and especially those relations which for woman are of decisive importance. Firstly, the relation between mother and child. Among parents of every class, and of every degree of intelligence, there is, unfortunately, a widespread opinion that they must appear as ideal figures in their own eyes and in those of their children. What mischief has not been wrought by the reports of their own youth dressed up *ad usum delphini*; for these, intended as a shining example, serve as just the opposite and drive the child into an attitude of active or passive protest. Both father and mother anxiously guard against being caught by their children in any weakness, any not exemplary excitement which might derogate from their respectability. They wish to be regarded as an ideal, and consider that to attain this end they must present themselves as parents and nothing but parents. Here, of course, we are not speaking of those mothers and fathers who really have set their own private lives completely in the background, although there is much to which one might take exception in this suspension which is injurious to the children. But that does not concern us here. What we now wish to speak of are parents who do lead their own lives, but hide from their children all that is human, and wish to be regarded by them as saints, as super men and women without human weaknesses. Many such cases, of which I have had intimate experience, cause me to ask why this happens, since the parents must know, and are continually realising, that this pose of saintliness cannot be maintained to the end.

There is not the least doubt that the origin of this very frequent fault in the training of children is a feeling of incompetence in face of the tasks of training. This is the failing that besets those parents (unfortunately the majority) who are not in a position to meet the demands made by a proper guidance of their children. The word *education* is here purposely avoided, for in its present-day meaning it signifies an activity undertaken on the one part with the educator on the one part with the educated, permeated with the conviction that only mutual influence in the common life can act educationally, that there is here, and ought to be, no definitely separate subject-object in education, but only a mutual action due to association. This associated life demands quite other qualities, and he who does not feel sufficiently well adapted to it to find therein his full expression, remains on the old track, putting force the will to power through the will to appearance, as we may say, with Nietzsche. Such are those parents who, discouraged by failures in other departments of their life, feel too small before their children to arouse in them, by what they really are, and by what they can really do, the respect which seems to them indispensable for securing their position of power.

* From a lecture at the second International Congress for Individual Psychology at Berlin.

These are the parents who make out of themselves apparently ideal forms, and in their exalted nature the poor children have to believe. But how long do they believe in them? Life goes on, and with it come possibilities of comparison; criticism begins, and woe then to those parents who have built upon a sham, and threefold woe to those poor children who see fall in ruins the first basis of their life which they had thought immovable. For this moment comes inexorably, and with it the horror of the children who have to recognise that those whom they had held to be the first are among the last. Really among the last, for they are no better and no worse than others, but, apart from that, they are hypocrites. And of all fictions the fictive demand for truthfulness avenges itself the most bitterly, for it has been set up by the parents as the triple brass foundation of life which they themselves have never violated, and yet the adolescent child sees that without its violation it is impossible for the parents themselves to get through the narrow ways of life. (Usually the child sees this when it first asks how it came into the world. But the sins of this domain belong to another category.) This discrepancy makes a rift in the relations between parents and child, a rift which never closes; for the violated faith of the child avenges itself without mercy. Then by a natural reaction the child regards the parents as even more guilty than they really are. (Wilde says, quite truly, that we sometimes forgive our parents.) But above all, and this is the most serious thing, the child's trust in people has suffered grievous hurt, and has suffered through those whose function it is, as Dr. Alfred Adler has so clearly shown, to teach the child trust in its neighbour. What evil consequences develop out of this we surely need not set forth in detail.

Here, too, belongs the pretence, which so many parents practise with all faith in its usefulness, of trying to make children believe that they are only fathers and mothers, but by no means men and women. This hypocrisy, too, avenges itself bitterly, for the child soon finds out and thinks then that since the parents have made a secret of it it must be something very wicked. One could see this very plainly in a case which happened between two friendly families. Of one couple the man, and of the other the woman, became fond of each other. In the one family, where the children had grown up believing in parental infallibility, this was kept a strict secret. When, later, the children learned of it through an outsider it gave them a severe shock, which took the form of quite incredibly gross manifestations of antipathy against the "guilty" father, but also and in the fact *far more* against the quite "guiltless" mother, who was, however, really the chief culprit, as we have seen in the foregoing. In the other family, where the wife had always and in all points treated her children with perfect openness, the mother and children understood each other in these questions also, so that here the incident passed without injury to the children. Here we see the way which individual psychology also commends to us if we wish to fulfil and to see fulfilled the Truth-commandment which is indispensable for all real human happiness.

We turn now to the living together of the sexes. Here the mutual relation rests, far more than in all other cases, on fictions. In every religious marriage-service the pledge of everlasting faithfulness is still uttered, while we know with absolute certainty that, except in cases negligibly few, which do not affect the main result, this pledge is not kept—one of the saddest and most ominous phenomena of our cultural life, which we do not improve by shutting our eyes. In this state of things where can we find help? The usual way out of the difficulty, simply to break faith and to hide it as well as may be, puts an end

at once to the idea of any real living together, and therefore we have not to concern ourselves with it. There remains only mutual honesty, which in these cases is far more difficult than in all others, because the party that confesses, as well as the party that suffers, is injured in innermost essence, in self-respect. The actual cultural situation injures most of all the woman, who in our man-directed civilisation has hitherto borne by far the heaviest burden in this sphere. For thousands of years she has been told: for this and that she is not adapted, this and that are not becoming in her, to this she is not equal, or she lacks talent for it, and anyhow the men are there, and it is much better for them to do it. With this gag all the powers that tried to stir themselves were stifled; and man, with his economic dominance as a basis, has perfectly well understood how to compel woman to the form in which she was erotically most agreeable to him. He has understood how to direct her life, her activities, not according to her capacities, but according to his wishes; he has suppressed everything that was opposed to this aim; woman has been so burdened with the feeling of her inferiority that it must astonish us that the pendulum has not swung far more to the other side than has actually been the case. A few examples may serve as illustrations. As the first case we may take a marriage in which it is clear that the husband's typical Pasha-tendency was the foundation stone of the evil; he was of opinion, as he told his wife right at the beginning of their wedded life, that the woman's only task was to enliven the existence of her husband, to make it more pleasant. How she should do this, whether by spiritual concord, by dancing, or by holding her tongue at the right time, *that* it was her business to find out. The woman, who deeply loved her husband, took this for her absolute guide. Since music, which he valued most, was to her a closed realm, she sought to make up this deficiency by perfecting herself in everything else. She allowed herself no spiritual or mental relaxation of any kind, was always slaving with the husband in view, in short, she tried to make herself a model of perfection as she understood it. (That she by no means always hit on what would have been for him just the right thing goes without saying.) Their married life simply went as most married lives go, till the woman, through her extended mental development, acquired conceptions of the world which caused her to doubt whether the position allotted to her was, after all, a matter of course. She began to waver in her unconditional bondage to her husband.

At this time it happened that the husband was guilty of unfaithfulness, and this threw his wife quite off her balance. It was not the first lapse known to her, but no other had so upset her physically and mentally. She became seriously ill, with signs of mental disturbance, and all remedies were unavailing. Then began the individual-psychological treatment, which brought to light the history just given, and with it the solution. It transpired that her conflicting feelings had caused her great suffering, that any relaxing of the absolute marriage vassalage was incompatible with her idealised conception of herself; that she therefore could not find the courage simply to confess it, but had used a moral justification for herself; and this she had found in the excessive suffering. When this had become clear to the woman, her health became considerably better. It is interesting to add that, some years before, it had been found graphologically that this woman was trying to realise an ideal conception of herself. At the time she thought that very laudable; to-day she knows that it meant depriving her of the courage to live as she really was.

The Quest of Values.

By Janko Lavrin.

IV.—THE DISINTEGRATING INDIVIDUAL.

I.

Medieval man had one great advantage over his modern descendant: an organic wholeness of life. His intellect and intuition, his will and instinct, his thought and feeling, his inner needs, and the external forms of his life, all were blended and more or less kept together by that focus which he obtained from the Church. But as this focus had been provided largely at the price of his intellectual and spiritual independence, he was bound to assert his own inner freedom even against the most comforting guidance. The honeymoon of this reaction looked promising enough, but its brilliant glow was followed by an aftermath which aroused in man's consciousness all the torments of doubt, of self-division, and cosmic isolation. Having lost his inner centre of gravity, he found himself hanging in the air, watching the gradual process of his own disintegration.

It was in the name of his independence that man cut himself from the whole. No sooner, however, had he proclaimed his rebellious ego the measure of all things than he seemed to have lost the proper hold of both himself and the world. Falling back upon his isolated ego he soon became a conceited and introspective "sick animal." The deeper he burrowed in his own personality the more contradictions he found in it, until at last all measures, truths, planes, and values, got mixed up in a hopeless whirl. Everything became a problem because no norm was taken any longer for granted. Man's will turned against his instincts, his instincts against his reason, his intellect against his intuition, his knowledge of life against life itself, his conscious ego against his unconscious impulses and desires.

Thus the Hamlet type—the uprooted modern individual—was born. As his own existence had lost its inevitability, that is, its inner sense and justification, he was bound to see the whole of reality as something casual, disjointed and "relative." Submitting to this relativity, to his continuous doubts and inner conflicts, he was easily crushed by the surrounding void, as well as by his own spiritual tiredness. And now, in an epoch when the greatest scientific, technical and economic achievements are at his disposal, he has no longer enough faith or vitality to subject them to life and make them creative. So life remains enslaved by them instead, which means that they grow at its expense. When all the riches of civilisation are at his disposal, modern man has become the victim of a double disintegration—social and individual. The latter, in particular, has gone so far that he often seems to be only a bundle of disjointed thoughts, impulses, and emotions, without kernel. Utter egotism has led the human ego to the verge of destruction.

II.

The process of individual disintegration often reaches in our times those limits beyond which there is either madness or a complete annihilation of human personality as such. Nearly all higher representatives of modern mankind spend a great deal of their energies upon a continuous fight with themselves, trying to ward off their own self-division. If the Renaissance man asserted his personality against the compact whole, the uprooted modern man is anxiously seeking—from sheer instinct of inner self-preservation—for a return to the whole *à tout prix*. Unable to cope with his disintegrating self, he is often willing to get rid of it, if only he could thus regain his inner peace, or find at least an illusion of unity.

Unfortunately, most of his attempts prove vain. From current religions he expects little: their petrified dogmas offer him stones instead of bread. He turns to philosophies, but their contradictions, as well as their one-sided intellectual plane, increase

his inner confusion. Superficial and compromising minds can, of course, be easily satisfied—by naive theories about "Progress," or by optimistic gospels of various provincial *Kulturphilisters*, and sentimental old maids (of both sexes) in modern garden suburbs. Equally they do not count who achieve a certain unity of life by *lowering* their consciousness, that is, by becoming indifferent towards all problems which go beyond their daily activities and what they call their pleasures. Anyhow, an individual who is honest with himself cannot do this with a clear conscience. But, facing life as he sees it—in all its casualness, "relativity," its pain and squalor—he either arrives at that utter negation which is expressed in Schopenhauer's philosophy, or he must find a more acceptable shelter in which he can "save" himself—if only for a while—from a complete wreckage. A catalogue of such shelters would be interesting: but it is enough to mention only the most important.

III.

The first and foremost modern shelter is a deliberate flight to mysticism and religion (including theosophy and psychical research). In short, man *forces* himself back to religion, yet—for this reason—he never becomes truly religious. Instead, he either surrenders unconditionally to some official creed (Roman Catholicism, with its spiritual dictatorship, is particularly attractive in such cases), or he remains tormented by his *will to religion*, which grows all the more futile the more it is genuine. The very genuineness of this will often drive people to almost incredible falsifications of their spiritual selves: for even an illusory and faked inner focus may be thought preferable to no focus at all.

An analogous tendency is that of "back to nature"—back to primitive uniformity of life on the plane of pre-individual consciousness. Mistaking this uniformity of "idealised savages," or of crude peasant masses, for harmony itself, such apostles are, as a rule, inclined to open fanatical crusades against civilisation, as Rousseau and Tolstoy did. Their hatred of civilisation is, however, in direct proportion to that amount of suffering which they have to endure from it. It is their personal pain they wish to get rid of, in which effort they do not shrink from dissolving in a "mystical" fusion with nature, or with the equally alluring group-soul. A psychological investigation of European romanticism would reveal at bottom the same, or at least similar, motives—the essence of which is but one: the desire of the weary individual to forget both his own tormented self and the tormenting reality. And when he cannot drown the tormenting reality, in religion, art, "nature," or this self in mysticism, in religion, art, "nature," or the past, he is willing to have recourse even to alcohol, drugs, and sexual excesses, in which he indulges, not because he enjoys them, but because he feels he must forget the pain of his disintegrating ego.

IV.

Individual self-assertion of man is necessary. He must carry it even to the very end in order to explore the limits of his own strength and possibilities. He must throw off all imposed truths and norms, not for the sake of his individual rebellion, of course, but for the sake of a free acceptance of those values which could give meaning to his own existence. The tragedy of modern man is that, having been sufficiently strong to rebel, he was not wise enough to make out of this rebellion a means instead of an end. In short, he was not able to find an aim which would justify this new freedom and make him grow beyond himself. So his greatest freedom has proved in the end the greatest slavery. Far from giving him any wholeness, it has only landed him in inner anarchy. Having arrived at the point of complete self-assertion on earth, man has suddenly found out that *self-assertion is not yet self-realisation*, and that the former without the latter is utterly destructive.

Short Story.

THE TRYST.

By Richard Church.

She was first at the trysting-place, and she felt no shadow of misgiving as she left the half-thawed ruts of the lane and crossed the grass to the gate. She was warm with the walk, for the slippery ground had made walking a conscious exercise, requiring care and stressful balance, so that when she arrived she was a little tired, though glowing with health and energy.

The low-hung winter sun breathed across the frosty world, wiping the hoar-lace from one half of everything, so that earth, viewed from the west, was a soft, mossy, velvet-clad queen; but from the east was a spectral death-bride, draped with the innumerable ritual signs of the rime. One half of a tree trunk would be living flesh—woodland flesh—with a dozen shades of inter-running green, splashed with umbers and silvers, and sappy stains from the many insect wounds of the past season. The other side would have all this variation, but shrouded under gnomish veiling, that at a few paces distance became opaque. Sometimes a little wisp of vapour rose from the purple hedges. It was sublimating frost, wafted away like a dry ghost by the persuasive breath of the sun.

Through this curious complicated positive and negative world the girl had picked her way, constantly leaving her thoughts while she gave her attention to the frozen puddles, or to the little pulses of joy that ran through her as she noticed the missal thrush, now come to his November voice. Though there wanted some weeks to Christmas, spring seemed to be in the air, and everything was hopeful. There were catkins on the hazels, and sycamore and chestnut buds shone like beads.

This afternoon she could not worry, though for weeks, nay, months past, her nights and days had been haunted with the ache of anxiety. But now she was filled with that bravery which is possessed by people who are upheld by faith; a quiet, fore-planning bravery; perhaps a little shrinking; certainly not heroic. Like the trees, she too was affected by the sun; the back of her mind still veiled with the icy lace of dread; but the forefront showing the revived colours of hope, and the subdued richness of planning for a friendly future.

There had been many sleepless nights when she had lain through the fear-dragged hours, listening to the mutter and rustle of the fowls, the occasional startling crow of a cock, or the sighing of the horse in the paddock outside her bedroom window. That had been a cruel racking, but perhaps not so sharp as the inquisition of the day; those prosaic mornings when every person and thing seemed to possess cold detective eyes, directed upon her, probing her secret. How hateful all the home life became as a result of that sense of suspicion. Mother, father, and her two brothers; they had grown rough and angular, always stumbling over that hidden thing which they could not see, and must not be allowed to see.

But why should she not allow them? That was her sun-engendered mood this afternoon. The whole world was so quietly and goldenly maternal, almost complacent because of its hidden promise. Indeed, at this moment the promise was half revealed; in thrush-song and bud-point and little whiffs of earth-smell coming from the warmed mosses and barks. She, too, might share that complacency, for she felt the same deep-seated strength and resourcefulness. She felt within her the power to foster and protect. It was stronger than her recent fears. They were things of the past, of childhood and dependence; but this was a coming-of-age, and a steady preparation for the future with its living, real responsibility.

When she came within sight of the gate, she could see that he was not there, leaning against it in his

careless way. So she stepped over the tufted grass and stood looking across the field. It was spacious, rising ground, now a sodden welter of wasted clover. There was nothing to break the skyline except a dead and rotting crow hanging by a string on a stick away in the middle of those lonely acres. This slight human signature sent a little spasm of doubt through her heart, and she turned away, leaned her back against the gate, and looked down at the frost-bleached grass at her feet. It was pale and tangled, and mired and trodden; stamped into the mud and fixed there in unlovely contortions by the iron-handed frost. The sun could not reach it, for it was flanked by bramble bushes and blackened nettlebeds. Here and there a clump stuck up above the hoof cirques like a dishclout, stiff and matted.

Everything was still as she stood waiting by the gate. She could hear her heart beating; and her breathing syncopated against this inward drumming, so that she seemed to be enfolded in the din of her own vitality. It was very awe-inspiring, and her thoughts became busy again with the mystery of her body. They urged her self-intent senses to a more exquisite acuteness, and she found herself listening to herself. She realised with a start of surprise that this had become a habit with her during the last few weeks. She learned that there must have been a subconscious purpose in this self-examination, as though she had expected something more to be revealed.

At this quiet moment of approaching night, after her tiring walk, it *was* revealed. There was a faint feather-touch; and its hidden temerity nearly stopped her heart. Her hand went to her bosom, but some other power guided it, so that it rested and pressed in below her breast; and she leaned against the gate, giving a little moan of ecstasy and self-pity.

Imperceptibly the frost began to encroach again. The liquid light of the sun was cooling and solidifying, as he sank into the thick bottom layers of the quilted sky. Dusky, and purple tinged, he quietly disappeared; and then the frost began almost to crackle in its activity. The little earth-perfumes were driven out by the metallic scent of the frost, as it came dustily down the air, bringing with it all the sun-awakened moistures, so that they clattered to the ground with a brittle haste.

Still she leaned there as the dusk gathered about her, and as the frost settled upon her. Thought was silenced now; she could only rest upon the gate with her face upturned and her eyes shut, waiting for that touch from another world to come again. What were brave plans; what were scrupulous fears, in the presence of this *real* happening, this entrance of a live being? Before this she had lived in the nursery of childhood, sheltered within its familiar walls. But now had come this irresistible summons.

The iron belt of Orion was glittering above the smokes and billows on the low eastern sky; and the frost was locking over the woods, the roads, and the meadows; over all things. It pressed into her bones, startling her from her rapture. She drew her coat closer round her, stroked her face, and then pulled on her gloves.

After that she paused for a moment, as though trying to recollect her errand here. Then, in a numb way, she realised that she was still alone; that her lover had not come. But the fact seemed to have little significance for her at the moment, though before departing she did look up the lane again and take a few mechanical paces in that direction, peering forward. This was perfunctory, however, and very quickly she turned on her heel and walked toward the farm, where no doubt tea was waiting. She bent forward as she hurried along, feeling suddenly lonely. "Oh, mother," she cried to herself as she neared the house. "Mother! Mother!"

But she was not appealing to her own mother. She was calling to herself.

Real, and Financial, Credit.

The foundation of the Social Credit theorem is the postulate that the source of all economic wealth is the community. Unless the community wanted goods no goods would be made: nor would goods be made unless the people were able to make them. The ability and wish of the community to produce and share out goods within itself are summed up in the term, its *Real Credit*. The measure of its Real Credit is the pace at which it is able to make these goods, qualified by the pace at which it wants them and is able to share them out. Four factors are comprised in Real Credit. Two are technical: namely, (1) the efficiency of the *production* mechanism, and (2) the efficiency of the *distribution* mechanism. The third and fourth are psychological; namely, (3) the *desire* for goods, and (4) the *willingness* to make and distribute them. The ownership, therefore, of Real Credit inheres in the community.

But under modern conditions this Real Credit cannot be transformed into actual production and consumption without the employment of something called Financial Credit. The world no longer lives under a barter economy but under a money economy. Real Credit is useless without Financial Credit: but equally, Financial Credit is useless without Real Credit. What, then, is Financial Credit? In its visible form it comprises pieces of paper inscribed with figures—namely, cheques and Treasury notes. (Coins as well; but these are negligible in amount.) Its manner of use is familiar to everyone and need not be described. The main point is: Whose is the ultimate ownership of all visible Financial Credit? The answer is—the Community's. It is clear that the manufacture, printing and use of pieces of paper differ in no wise from the production and use of anything else. The greater includes the less, and a community that can make socially useful things can certainly make *paper tokens* to represent those things. The ability to produce visible Financial Credit is part of the general ability of the community; that is, it is comprehended in its Real Credit.

But there is another quality in Financial Credit than its visible embodiment. For instance, a piece of paper inscribed "£1,000" exerts a power ten times as much as one inscribed "£100," although the two pieces of paper may otherwise be identical. Why? That is to say the same piece of paper, differently inscribed, will ultimately make all the difference to the quantity of goods which will be produced. There is in the inscription a "magic," so to speak, that is not in the paper. That magic is *Faith*. The recipient of the piece of paper has faith in—believes in—*credits* the inscription having a purchasing power relative to its nominal amount. In whom, then, is this faith reposed? Immediately, of course, in the Government which inscribes the Treasury Note, the Bank of England which inscribes the Bank Note, or the firm which inscribes the cheque. But this immediate faith must rest in its turn on a wider faith. Money will not buy things from the Government, nor from a bank; and even in the case of a firm's cheque, the things the recipient requires will hardly ever be those made by the firm issuing the cheque. The wider—the ultimate—faith of the recipient is reposed (however unconsciously) in the general ability of the community to produce what he wants. Therefore, faith in Financial Credit rests on faith in Real Credit. Financial Credit is a guarantee that Real Credit exists and can be made active.

In theory every member of the community has the right to create and issue Financial Credit; and not simply in his role as a producer, but also in his role as a consumer—for reasons apparent in the above analysis of Real Credit. But in practice this right has to be exercised by some institution which is in a position to do what individuals are not, that is,

to measure the Real Credit of them all and to regulate the issue of Financial Credit accordingly. This institution is the banking system (The Government's issue of Treasury notes is performed under the advice of the banks; so that the Treasury is, for all practical purposes, a part of the banking system. As a matter of fact the present Government proposes to hand over its power of issuing Treasury notes to the Bank of England shortly).

The banking system, then, is the administrator of the community's Financial Credit, and is responsible to the community for the effects of its communication. When it creates and lends money to any group of producers in the community it is simply doing in a direct and convenient way something which every individual in the community has the right to do himself, and might do but for the cumbersomeness of the alternative method. To illustrate. Suppose it were necessary to finance the reorganisation of the coal industry to the amount of £50,000,000, and assume the community to consist of 10,000,000 families. This community has the right to say to the banking system:—

"We are advised that the expenditure of £50,000,000 is desirable for this purpose. We authorise you to create this sum and to distribute gratuitously £5 to every family in the country. These families will themselves loan this new money to the proprietors of the coal industry."

As a *method*, this is too cumbersome to be practical; but the *principle* underlying it is unchallengeable. That principle is that whenever a bank loan is made, the community is the ultimate lender, and is therefore the ultimate creditor for the amount borrowed. So that the coal industry, reorganised on bank-loans, would owe the £50,000,000 to the community; and the bank's function would be merely to collect it *on behalf of the community*. This involves another principle, namely that when banks receive repayment of loans it is the right of the community to decide whether the money should be cancelled or not. Under the present system of bank accounting such repaid money is automatically and totally cancelled. It can be shown that such a system is economically unsound, and is the cause of most of the problems facing industry and Society to-day.

ARTHUR BRENTON.

LABOUR RESEARCH.

The Monthly Circular of the Labour Research Department for January has an article on "Capitalist Restriction of Output" with specific reference to cotton, wheat, sugar, and nitrate. The commentary is sound. The process of organising industry is noted as being on the basis of "permanent production below capacity." For instance, Imperial Chemicals, Ltd., intends to "eliminate surplus plant." Pertinent things are said about Vickers' and Armstrong's constructions. The Circular is priced at 3d., and is obtainable from the Labour Research Department, 162, Buckingham Palace Road, London, S.W.1. The bound volume, with index, of the twelve issues of 1926 costs 7s. 6d., post free. This publication is invaluable to students of the credit question. Every number contains statistics, facts and comments which, but for pressure on our space, we should freely use in THE NEW AGE to illustrate and support our own theses.

PRESS EXTRACTS.

"France is beginning to suffer from the effects of the appreciation of the franc. Only slightly as yet, because the factories are busy on orders booked some time ago and the English miners' strike has stimulated trades like the steel, coal, and shipping. But there are signs of trouble in the sluggishness of sales in the stores and the cessation of new orders in the big industries, as well as in the acute depression on the Bourse, where French high-grade industrial shares suffer alike with the big international speculative stocks. Moreover, there is great scarcity of working capital almost everywhere."

Wall Street Journal, Dec. 2, 1926.

Music.

Mademoiselle Youra Guller (Aeolian. January 15th) is one of the most interesting women pianists to be heard, but curiously uneven. After some spineless playing of the Bach Toccata and Fugue in E minor, a performance utterly without firmness or coherence, Mlle. Guller improved immensely in the Liszt Sonata, but even here the same faults were present in a less degree; but there were many very interesting and individual touches in the reading. The Schubert A major Sonata and the Valses Nobles were wholly admirable, as were also three Mazurkas of Chopin. The Spanish group of de Falla and Albeniz were also well played, and the pianist's entire recital makes one look forward with interest to the developments that will surely take place in her playing.

B.B.C. (Royal Albert Hall. January 20th). This concert was remarkable for the first performance in London during thirty years of the Berlioz Requiem Mass. This mighty and overwhelming work, a granite rock-hewn temple, is one of the most amazingly powerful and original conceptions in all music. One does not know what to admire and marvel at most, the triumphantly successful use of the four brass orchestras added to the main one, the astonishing daring of the treatment as a whole, the volcanic power and burning intensity of the inspiration, or the originality of every note of it. I would give the whole of the Symphonies of Beethoven for one page of the Requiem. The exquisite tenor solo of the Sanctus is one of the most moving and beautiful things in all music, worthy to be set beside the "Agnus Dei" of the B minor Mass. The work was passably well done. The chorus was uneven, unbalanced, and often shaky. They were the Hallé Choir—one would have preferred the Philharmonic. Sir Hamilton Harty directed with obvious love and enthusiasm, and it was hardly his fault that a satisfactory blend of heterogeneous elements was not obtained. Mr. Tudor Davies sang the lovely "Sanctus" quite well—but a thought too operatic and intense.

I should like to draw attention without delay to a very remarkable book, "Colour Music," by Major A. B. Klein, whose completeness and thoroughness will make it the standard work on this subject for a long time to come. No work approaching it for scope and grasp exists, so far as I know, and I shall return to it later when I have time to read it with the care which it demands.

Solito de Solis. (Aeolian. January 26th). This superb young pianist reappears after an absence of a couple of years or so. Always a marvellous technician with an exquisite style, polish and elegance of nuance and phrasing he has developed amazingly in musicianship, he has acquired a breadth and power that were lacking formerly, and he is now without any doubt the finest of the younger pianists. He has a delightfully fresh and individual outlook on music, and although his programme consisted of well-worn, even too well worn, things, his faculty of shedding light upon unfamiliar aspects of the works he plays is such that under his hands they assume a new and unexpected appearance, and it is his power of doing this that makes some people cry out upon the "liberties" they accuse him of taking with the music he plays. Actually he takes no liberties, but his wonderful gift of linking into a wide sweep the *disjecta membra* of such incoherent, spineless, chaotic productions as the F minor Fantaisie of Chopin, the Prelude Choral and Fugue of César Franck, is such that the unfami-

liar sound of their works at his hands, unfamiliar, that is in the logic and coherence he gives to them as compared with most pianists who set themselves to emphasise still more their scrappiness, deceives people into thinking that he must be taking liberties. The crispness and razor-edged precision of his finger work is a never-ending joy. His rhythm, with its Latin finely tempered resilience and spring, which enable him to stretch a rubato phrase with the utmost daring without ever destroying its shape, is magnificent. I shall have further opportunities of reviewing this young artist's work in greater detail at the end of the series of five recitals which he is giving at the Aeolian Hall during the next few weeks.

KAIKHOSRU SORABJI.

Drama.

Interference: St. James's.

It is difficult to see why Milton quoted approvingly the dictum of Aristotle that "tragedy is of power by raising pity and fear, or terror, to purge the mind of these and such like passions." If this were all he had said—or done—on the subject, it would be a just conclusion that Milton no more knew what he was talking about than Aristotle. Both were to some extent excusable, since the genuine mystery-play had not in those days been invented. Murderers there were, but dropped clues, eagle-eyed detectives, and comic police-surgeons were still to wait for. There is only one branch of drama which slips easily through Milton's approved tests for tragedy, and that is melodrama. That melodrama when well executed proves so great an attraction shows how much we continue to depend on emotional purgatives.

"Interference" is a modern melodrama, as much evidence of progress beyond the effects of fifty years ago. The interlacing of the characters to get them into the play together, is done as plausibly as can be expected. It is certainly more likely that a woman's first husband, long ago reported dead, would consult her second husband, the famous specialist, when he was really dying, than that he would turn up at a country house party, or at a Swiss pension. In this play, once the characters are together, everything follows naturally, and in accordance with sense. Why this party suspects that, or shelters the other, can be understood, and everything is suggested without being explained. The blunders which over-careful people make are those which in the circumstances would be made. The apparent irrelevances left hanging in the mind are all picked up and woven into the pattern sooner or later. Even the police inspector is credited—whether to do so belong to realism or romanticism—with a reasonable amount of gumption.

A love-provoked crime traced from motive to detection, and as far as the point at which curiosity in the lives of the people affected is satisfied, the whole presented on the stage with the efficiency of this, must turn the newspaper proprietor to disgust with his medium. With so fine a cast the play will run for a considerable time. Gerald du Maurier's "Sir John Marlay, M.D., F.R.C.P." could have walked through any hospital in London without the risk of a question. If only he could have been given a bedside scene his manner would have made a visit to St. James's Theatre more important to budding doctors than college. In the scene in the room of the person he suspects, without a word to say, he conveys the meaning of every action without for a second ceasing to be the famous professional man.

As Philip Voaze, for whom the modern mental attitude to criminals expressed in melodrama as elsewhere renders the word villain false description,

Herbert Marshall gave an equally good performance. The fellow with the blackguard's privilege of taking all for love, and giving nothing for law, was a character full of possible pitfalls of unreality and inconsistency, all of which Herbert Marshall overcame; he created so much interest and sympathy for the criminal that the victim, magnificently played by Hilda Moore, received an under-share. Moyna Macgill as Faith Marlay, wife of Sir John Marlay, and the focus of all the love, envy, and jealousy that led to the trouble, did not convince me. She concentrated so much on communicating her sense of being hunted, and her distraction, that she failed to justify her appeal to the men. Among the minor parts Frank Lawton's lift-attendant was a piece of very good acting, a trifle caricatured, but full of understanding and meaning.

The Loves of Lulu: Gate.

It is the aim of the Gate Theatre Salon to be a nursery for good Europeans, but like institutions in general with grand projects, its resources are limited. Even here, however, they confess themselves staggered by the problems of introducing Frank Wedekind to an English audience, and after making an attempt at the first part of the "Loves of Lulu," namely, "The Earth Spirit," they have abandoned the idea of giving the second part, "Pandora's Box"; in my judgment for erroneous reasons. We do not object to the sudden change of mood from passion to burlesque. We English really believe in evolution; Wedekind worked by spasm. In consequence the problem of making his plays realisable is as tough for English actors as realisation for the English audience.

Wedekind is a primary colour futurist. If he can see that the logical end of an impulse is a suicide, the suicide happens forthwith; if a certain association would arouse a murderous impulse in one of the parties the murder is done before an English audience is aware what is going on. To the phlegmatic Englishman who blinks his way out of his love-affairs and demands of an allegory that it shall be no profounder than a proverb, violent passion is incomprehensible and ridiculous. No woman, though one be found fit to wear the genuine forbidden jewel, would set the hand of father against son in England—not for them to know it. If she did, then, equally without knowing it, they would compromise in a limited liability partnership.

A goddess moving among men, setting them lusting after possession so that self-consciousness regained entails self-destruction, alluring all ranks and qualities, has not her palace in England. The English person's could be worth staking heaven for. The power which takes her place in England is masculine. Wedekind has crowded so much into his play in order to embody his allegory that the English understanding is provoked to fortify itself against attack rather than to open sympathetically.

The players were greatly hampered by their small stage. Under conditions such as those inseparable from the small theatre, however, and bearing in mind the aims of the organisers, one is under obligation to exercise imagination and to think wholly of the play, not of the production. Yet the organisers are equally under obligation to consider their responsibility in regard to drama and for the foreign works they produce.

PAUL BANKS.

Finance versus Capitalism.

"Do not allow yourselves to be cajoled into a belief that attacks upon financial conditions in this country to-day are attacks upon capital. It is those financial conditions which are the true enemies of capital. They are causing capital to be undermined with new prior charges where they are not wiping capital out altogether."—Sir Oswald Stoll reported in the *Financial Times*, December 31, 1926.

Verse.

FACTORY-GIRL OUTSIDE THE CARLTON.

Beside this great hotel she stands
To mark how well-groomed ladies go;
An Iseult of less happy hands
Since toil has thieved them of their snow.
Large-eyed she loves the way they walk
Like peacocks in a vast pretence,
And all their shrill and hollow talk
Mellows in her magnificence.
How could I ever make her see
That she alone makes all this right
By her infinite charity;
By her sweet faith and her delight!
Would she believe they are no more
Than women pacing up and down
In waiting on a royal floor,
And she it is who wears the crown?
To-morrow at her clattering loom
She'll weave all day and think of these,
And crowd the red heart's friendly room
Afresh with their proud companies.

A. NEWBERRY CHOYCE

TO POETS.

If poetry is only to awake
The faery cradled feelings of delight,
Vivacious as the playful streams of night
Amid the moon-clad hills, and to forsake
The sterner passions that move hearts to break
With weight of pain; the anger of the slave
Against the tyrant, wild as winds that rave
O'er rocky seas, the hate that monarchs quake
To hear; the love of right that faces wrong
With empty hands, that moves unmartial men
To take the field of battle with a song
And die for selfless creeds: then may it reign
No more; let every poet take his way
And leave the task to men of common clay.

JOE CORRIE

Reviews.

Palmerston. By Philip Guedalla. (Benn. 25s.)
The more this peculiar art of impressionist biography, which was patented by Mr. Guedalla (with Mr. Lytton Strachey hot on his heels, and Mr. Shane Leslie a bad third), is plagiarised by the queer crowd who must be writing, the more we see how ill it becomes them. One after another they arise, suddenly aware that somebody is doing something they have not thought of, though as soon as they take up their imitative pens, you dare not so much as suggest that it was not they who were the inventors of the new thing. In a year or so we shall have accumulated a terrible rampart of these pseudo-impressionists, and there is not a single law under which they could be indicted for driving a quill to the common danger. Their provenance is especially Anglo-Saxon. Even in Germany such cattle do not take themselves seriously. And poor Mr. Guedalla, slaving away in his Holland Park studio, or in the laundry house at Easton, or in the library at the Reform, must have felt the shadow of these attentive wings beating round his devoted head, looking over his shoulder from the central purpose of giving us a view of Peter Pan and telling us exactly why he never grew up. The boyish exuberant understanding of European political intrigue, which prevented the Whig reactionary from letting the Radicals steal his thunder, kept Palmerston in favour and in office as securely as the Vicar of Bray without the ill-fame of the trimmer, is not delineated sharply enough. We are promised it at the beginning of the volume; but Mr. Guedalla, in his desire to preserve his reputation for originality of attack, loses sight of his great Englishman in the maze of ornamental figures with which he surrounds him. Only Em, as always, middle-aged Wendy in comparison with whom the Princess Lieven, and even Good Victoria, are lay figures, moving mechanically through the Italian garden of their letters and recorded sayings. But it is so easy to be captious and so difficult to appraise fine work worthily when the fruit of years of study and research is presented to us so airily. If we might have wished to see Palmerston stalking more boldly and continuously through these pages, and are disappointed at losing

sight of him so frequently, if we feel that enough has not been said of whither he led and what he founded, if Victorian conditions at his death (an incident finely touched in with a few streaks of bright paint) are left obscure to us, nevertheless the book remains an achievement of great value. Here and there a trick of expression is repeated until it irritates; Mr. Guedalla should forget that word "fumbling." But the book as a whole is neither faulty nor monotonous. It is a rare good effort. Its inimitable power of characterisation, its keen insight and understanding, its vivid re-creation of figures dead and almost forgotten, make it a piece of true history as Thucydides and Tacitus understood the term, enlivening and quickening the past, and bringing it into sympathy and proportion with the present. We can afford to congratulate the writer and his readers alike.

Scientific Humanism. By Lothrop Stoddard. (Scribners. 7s. 6d. net.)

A work by the author of "The Rising Tide of Color" is sure to be arresting and frank. He faces facts—indeed, sometimes so squarely that he cannot see behind them. There is no cynicism about Mr. Stoddard, a note which marks much recent literature of the prophetic sort. He tells us ably, candidly, and vigorously what, in his view, is wrong with the world. It is that in a scientific age we ourselves are so unscientific. Civilisation is in perilous danger because men, even scientific men, are ever moved by emotional stresses and irrational prejudices. The camp of progress is always splitting into two or more warring factions. There is but one hope: more science, cultivation of the scientific spirit, not only by professional people, but throughout the community, and applied to all spiritual, cultural, and social problems. We are called upon to picture a legislative committee before discussing a practical proposal, determining beforehand their "degree of probable error," the amount of intellectual mistake or emotional bias which might unwittingly exist in their minds and thus influence their conclusions! We certainly need scientific diagnosis, but the first condition of this is a sufficient effort of will, which becomes the more needful as grow more complex the mass of scientific prescriptions for dealing with practical social issues. This effort is shirked by what Mr. Stoddard calls "Thinking in phrases," the "solving words" of William James. But we feel inclined to paraphrase one of the author's quotations in criticism of this habit and apply them to himself: "If a 'democratic' remedy fails to cure anything it is proof, not that it is a wrong remedy, but that it is not democratic enough. Pour in a little more 'democracy!' Substitute 'scientific' and 'science' for 'democratic' and 'democracy' and you have summarised this book. The chapter on Religion and Science is inadequate, for it evades the main problem of the failure of will, which is a religious and not a scientific problem. Moreover, we find the main conflict between these two stated in terms of Fundamentalism and Darwinism, an issue with no more significance for the crucial problems of industrial civilisation than the sphericity or flatness of the earth. This book will appeal to those for whom a humanistic idealism provides a sufficient philosophy of life and who would like it subscribed to by scientific pundits. It has many quotations from modern writers, mostly American.

The Road to the Temple. By Susan Glaspell. (Benn. 15s.)

This is the life of a latter-day Byron, as far as the passion of Hellenism is concerned. George Cram Cook was a Mississippi backwoodsman in spirit, even though he was born too late to be himself a pioneer of the West. But his fathers were of that rugged company, and he took an ungodly pride in thinking and speaking of them. And you never could guess from a single word that his devoted wife lets slip in this brilliant chronicle of unconventional conjugal felicity, whether, when, why, or how much he bored her. Indeed, those who maintain that when a man marries, he becomes one of his wife's relations, must face that fact that here the tables are turned. Susan Glaspell, who is certainly not the woman to lead anybody else's life, is content to repeat and re-echo her husband's loud hymns in praise of his mother and father and all their forbears, and we cannot sufficiently admire her unselfishness and devotion in the matter. Nevertheless, she must have been glad enough when the fever for the old and classic lands took hold of her bearded poet of the extensive and unexploited Parnassus. Here he dressed as a shepherd, and no doubt came to imagine in time that he looked like one. At all events, he learned to speak and write Modern Greek, to understand the mountain folk, and to celebrate their virtues in verses and plays. In return, they gave him a grand funeral at Delphi, took for his headstone a fallen pillar from the Temple of Apollo, and revived in his memory the Pythian Games from their long sleep of two thousand years. All

this and more Susan Glaspell relates. And since she was a devoted wife, and is still a strong and careful stylist, with a seeing eye and an impressionable imagination, her pious biography has a flavour of something more than mere devotion.

Theory and Elements of Architecture. By Robert Atkinson, F.R.I.B.A., and Hope Bagenal, A.R.I.B.A. Vol. I., Part I. (Ernest Benn, Ltd. 30s. net.)

The general apathy in regard to the subject of architecture is all the more surprising when it is borne in mind that it is the man in the street who, consciously or sub-consciously, suffers most from the depressing influence of the hideous or pretentious buildings amongst which he is forced to live. He would, however, be an unintelligent man indeed who could not be led to take an interest in the subject after a careful reading of this book, which is the first of a series. While sufficiently technical, it is clearly written, and not above the comprehension of the lay reader. Full emphasis has been given to the influence upon the course of architectural history of religion, climate, and the nature of building materials available. It is illustrated in the manner in which a book of this description should be illustrated, i.e., a picture for every important point made. Unfortunately the price renders it unlikely that this book will reach the average man, for whom it is intended; but every public library ought to buy it on his behalf.

LETTERS TO THE EDITOR.

CREDIT AND INFLATION.

Sir,—In the last of your Notes of the Week in the issue for February 3 you deal with the question of "inflationary and non-inflationary growth of the volume of credit."

You point out that, owing to the "time-lag," additional credits must tend to produce a rise in prices. If, however, we may take Mr. McKenna's figures, there has been a considerable increase in credit issue in the U.S.A. during the past two years, as shown by the growth of Bank-deposits, unaccompanied by any rise in prices.

What factors, then, have been operating to counter the tendency to price-inflation?

There is, of course, the continuous effect of improved industrial technique, which tends to a continuous fall in production-costs per unit of production, but it seems very questionable whether even such 100 per cent. go-getters as American manufacturers can by such means offset the increase in money which Mr. McKenna's figures show.

Is it possible that the new volume of credit is so largely ear-marked for instalment-payments at the moment of its appearance as wages, etc., that it never enters the market against ordinary consumer's goods? Your remarks on the tax-collector and the grocer would appear to lend colour to such an assumption.

I feel sure that you could throw light on this situation which would greatly interest many of your readers.

A. W. COLEMAN.

[We deal with this subject in an article elsewhere.—Ed.]

THE BANKS AND THE WAR LOANS.

Sir,—In one's endeavour to hint at the potency of the credit monopoly it has seemed that one of the most forceful illustrations lay in the case of the credits created in the negotiating of the War Loans. Here is a case very much within the ken of every taxpayer. A million pounds every working day of the year to be provided for interest. How comes it about that money to the tune of £8,000,000,000 was ever forthcoming? And then one seeks to make the was ever forthcoming? And then one seeks to make the obvious answer with the help of Mr. McKenna and, say, the Frederick Temple pamphlet, setting forth the actual spectacle of the bank offering to lend money which it hadn't got for the purchase by its approved clients of War Loan. Have any of your readers found difficulty in persuading their friends that the like of this actually took place? It may be quite commonplace among City men. But there may be many others who simply find themselves set aside as gullible simpletons to believe such a tale.

The circular Mr. Temple referred to (*see Credit Power*, October, 1922) must have been seen by not a few of your readers. Would it be of any help to have a confirmation of Mr. Temple's statement, "if it could be definitely said of 'Oh, well, here's a copy of the bankers' overture!'" or that in such and such a place it could be seen?

Of course, to break the implied truce would be dreadfully bad form for any borrower whose stability had so commended itself to his banker as to warrant his receiving so mended itself to his banker as to warrant his receiving so informing a document. On the other hand, there may be those who are willing to be damned by the banker if so be "the whole nation perish not."

Is the fostering of this spirit of "good form" as against frank justice behind the revival of the interest of Big Business in Classical Education, as lately remarked by Major Douglas?

A COUNTRY PARSON.

The Social Credit Movement.

Supporters of the Social Credit Movement contend that under present conditions the purchasing power in the hands of the community is chronically insufficient to buy the whole product of industry. This is because the money required to finance capital production, and created by the banks for that purpose, is regarded as borrowed from them, and, therefore, in order that it may be repaid, is charged into the price of consumers' goods. It is a vital fallacy to treat new money thus created by the banks as a repayable loan, without crediting the community, on the strength of whose resources the money was created, with the value of the resulting new capital resources. This has given rise to a defective system of national loan accountancy, resulting in the reduction of the community to a condition of perpetual scarcity, and bringing them face to face with the alternatives of widespread unemployment of men and machines, as at present, or of international complications arising from the struggle for foreign markets.

The Douglas Social Credit Proposals would remedy this defect by increasing the purchasing power in the hands of the community to an amount sufficient to provide effective demand for the whole product of industry. This, of course, cannot be done by the orthodox method of creating new money, prevalent during the war, which necessarily gives rise to the "vicious spiral" of increased currency, higher prices, higher wages, higher costs, still higher prices, and so on. The essentials of the scheme are the simultaneous creation of new money and the regulation of the price of consumers' goods at their real cost of production (as distinct from their apparent financial cost under the present system). The technique for effecting this is fully described in Major Douglas's books.

The adoption of this scheme would result in an unprecedented improvement in the standard of living of the population by the absorption at home of the present unsaleable output, and would, therefore, eliminate the dangerous struggle for foreign markets. Unlike other suggested remedies, these proposals do not call for financial sacrifice on the part of any section of the community, while, on the other hand, they widen the scope for individual enterprise.

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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.

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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