	790

# THE

INCORPORATING "CREDIT POWER"

WEEKLY REVIEW OF POLITICS, LITERATURE AND ART

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CONTENTS.				
NOTES OF THE WEEK  Lord Rothermere on pressure to revise treaties. The naval conversa-	MUSIC. By Kaikhosru Sorabji	Page 105		
Standard to armaments. The Observer and the Lords Reform Proposals—the heredity principle and its successor, the population of the Gold	THE THEATRE AND DRAMA.—I. By A. Newsome	105		
QUIRY.—I. By C. H. Douglas	REVIEWS	100		
THE MEANING OF SPIRIT. By Philippe Mairet 102 VIEWS AND REVIEWS. The I. Q. By R. M. 103 Determinism in Education.	A DEBATERS' ENCYCLOPAEDIA. By A. B	107		
Determinism in Education.  THE TREE OF LIFE.—VI. Catholicism. By J. R. Donald	LETTERS TO THE EDITOR.  From Ernest H. R. Collings, Isabel Kingsley, Arthur J. Penty, S. P. Abrams, and M. Alderton Pink.	107		

# NOTES OF THE WEEK.

Viscount Rothermere contributes a long article to the Daily Mail of June 21 on "Hungary's Place in ment, and a plea for the revision of the Treaty of Trianon so as to allow her to reabsorb from Czecho-Trianon so as to allow her to re-absorb from Czecho-Slovakia Slovakia, Jugo-Slavia and Roumania some two million national some two million national some two million national some statements and some some statements of the statement of th lion nationals who live immediately outside her present border. He commends to the Foreign Office the example of Italy in "Laboration and Roumania some two minimum sent border. He commends to the Foreign Office the example of Italy in "Laboration and "to Hunexample of Italy in "holding out a hand" to Hun-attempt of Roumania to burke international arbitra-garian farmers without comparation. His general garian farmers without compensation. His general thesis is that the political condition of Central Europe is highly dance political condition of Central Europe is highly dangerous, and that something must be done without delays, and that something. He rules done without delay to lessen the tension. He rules force in this area, saying that the Allied Powers—in the interests of self-preservation—would be bound to the interests of self-preservation—would be bound to oppose any patients. oppose any nation who, justly or unjustly, resorted to arms. There is better and surer to arms. There is, he points out, a better and surer

that of the great financial houses of London and New York.

They have this matter in their own hands. If they refuse money advances to the States which are they have this matter in their own hands. If they refuse to make money advances to the States which are sesponsible for maintaining the present precarious situation understandings which will greatly reduce the potential influence, will strengthen rather than endanger the peace of influence, carried out advisedly and calmly under un-the world."

It will be seen that Lord Rothermere is talking real-diplomats may do, it is the banker who writes and Treaties.

This has a direct bearing on the conversations America, Britain, and Japan with regard

to the balance of naval power. If, as Lord Rothermere sees, the banking houses of America and Britain together can enforce political policy on a small State by the use of their combined credit power, they can obviously use their credit powers separately to modify the political policy of each separately to modify the political policy of each other. The difference is not in principle, but in quantity: it lies in a measurement of the disparity between the respective credit powers of any given nations or groups of nations. It is undoubtedly true that Anglo-American finance can force, let us say, Rumania to deliver up territory and population to Hungary, because the disparity is overwhelming. But it is equally true that American finance, in its relations with each other Great Power separately, could force them to make sacrifices essentially similar—though nothing like to the same degree, because the disparity is so much less. To apply this truth to the current situation, while America and Britain can effectively forbid Rumania to resort to arms in defence of her policy (right or wrong)
America cannot go to that length with the Great Powers. But America can do something towards it. She can propose a limitation of armaments. And she is doing so.

We will return to this matter in a moment; but first let us further analyse the case of Rumania, to see how the bankers can bring her to heel. Lord Rothermere has himself indicated them. Firstly, they can refuse to lend Rumania money: secondly, they can lend money to Rumania's unfriendly neighbours—e.g., Hungary. They need not necessarily do both: either course would cause a disparity between the economic powers of the two States in favour of Hungary. Economic power includes military power. So, unless Rumania gave way promptly, she would find herself confronted by armies and equipment superior to her own. So far this is all pretty obvious. But we have to ask now why it is that nations need to borrow money. The answer in the case we are considering is

simple. Probably neither Hungary nor Rumania possesses all the physical resources necessary for a quick expansion of military power. They both need to import equipment. But supposing Rumania to have possessed unlimited resources of this kind, would such a fact have enabled her to resist a financial boycott? The answer is No. She would be just as unable to finance the assembling and manufacture of her own resources as she would be to import the manufactures of other countries. The reason is that she cannot create the large financial credits necessary to carry out armament-production of the dimensions required. Here we must define the word "she." She," is political Rumania—speaking ideally, the Rumanian people, or practically, the Rumanian Cabinet. But this "she' is subservient to a "he'; and the Rumanian "he' is the Central Bank and banking system operating in Rumania. The Rumanian banking system owes allegiance to the international banking system. The international system, in the case under discussion, would have its applications in Angle American france. embodiment in Anglo-American finance. So that in the last analysis it would be the Rumanian banking system which actually and immediately restricted the armaments of Rumania, and thus enabled the Anglo-American bankers to enforce their policy on the Rumanian Government by the process of arming Hungary, or even only making preparation to do so. It is a curious reflection that whereas a Communist discovered trying to put a single Rumanian gun out of action would be severely punished, nobody troubles about a Rumanian institution which can and will prevent whole batteries of Rumanian guns coming into existence. Of course, nobody knows that such a thing happens. But if he found out he would still not care to interfere, because the Rumanian bankers would tell him they could not help it. They would plead the "universal laws" of finance; and since workman, master, politician, Minister, and King accept these as being equal in validity to natural law, no objection would be possible. There is no answer except the answer we propound and expound with wearisome reiteration week after week in these

The control of a whole involves the control of all its parts. The control of credit means the control of all economic activities, of which the military means of self-defence is a part. Therefore no nation which does not control its credit can control its military policy. That is to say that a close corporation of controllers of the world's credit could allot armaments to each several nation on a plan of its own. Or to put the case more practically, the predominant nation in an international system of credit-control can, to the degree of its predominance, ration the armaments of its trade competitors.

Now we come back to the naval conversations. America, the predominant financial nation, says, America, the predominant mancial mation, says, "Come, let us reason together about the ratio 5:5:3.

Nobody need trouble to remember these figures, nor the binds of american to which they apply. The the kinds of armaments to which they apply. The essential points are that there is a move (1) to get a certain ratio agreed; (2) to ensure that the agreement applies over the widest possible field of militoeconomics, so that no party to it can do anything practical to disturb the ratio without manifestly breaking the terms of the agreement.

These "conversations" are quoted in the Press as though they were spontaneous. That is eye-In the very same newspapers already we are wash. In the very same newspapers aneady we are told that if a proper understanding is not reached, America is going to put in hand a huge programme of naval construction. The discussions therefore begin under the shadow of coercion. But the mere threat of America to build warships would be no

threat at all if Britain and Japan were able to follow suit. We must therefore suppose that they are not. At least we know this, that if they did it would be at much more inconvenience than America would suffer. It is not difficult to see why. One of the universal "laws" of credit is that there must be a roughly even ratio of gold to credit. Therefore America, holding about half the gold in the world is "legally" entitled to create half the credit in the world. world. Now, without being obliged to estimate the natural resources in America, we can say that they do not come to more than a fraction of those in the rest of the world. Assume some arbitrary tokenfigures to illustrate the consequences of this

Gold holdings valued in a common (sterling)	America.	All other Countries.
Legal right to create	£100	£100
Internal physical re	£1,000	£1,000
sources in a common quantity unit. Say  Average cost of working up each unit of physical resources.	1,000 units	3,000 units.
cal resources. Say	£1	£I

These figures yield a factor which will represent what may be called a National Index of Accessibility to internal resources. This factor in the case of America would be 1, or let us say 100 per cent., because she would be legally entitled to create £1,000 credit, which is considered. credit, which is equal to the cost of working up her I,000 units of resources. In the case of the rest of the world, the feet of the world. the world, the factor would be one-third, or say 33 per cent. This is to say that whereas the other countries of the tries of the world would together possess the potential tial power to produce goods at three times the pace of America, the law of the gold ratio would keep their actual production back at the American pace. students of the Social Credit Theorem would say: America would be allowed financial access to the whole of her Real Credit, but the rest of the world only to one third credit, but the rest of the world only to one-third of its Real Credit.

What is true of general production is also true of particular production, to wit—armaments. So the above figures mean that the gold-ratio "law" per mits America to build ship for ship, gun for gun, against the rest of the against the rest of the world; whereas, if it were not for that "law" the rest of the world could build three to America's one. As it is, the rest of the world might still "legally" outbuild America in terms of armaments. in terms of armaments, but only on a certain condition. If American dition. If America, legally empowered to create 1,000 units of general production, chose to create say, 100 units in the form of armaments and feed her population on the company of the c her population on the goo units, this would permit the rest of the world to the world to the rest of the world to the world to the rest of the world to th the rest of the world to create, say, 300 units armaments and live on 700 units of other production. tion. But at once the snag in this "freedom towers up like the Statue of Liberty: for the situation would be the Statue of Liberty: tion would be that the rest of the world, with population tent in the rest of the world, have population ten times that of America, would have live on an actually less quantity of production.

This absurd result door This absurd result does not reflect facts as we experience them to do. ence them to-day, but it does truly show the logical end of the gold-ratio law if it were allowed operate without opposition on the part of the world's industrialists. The law is working the law is working to the working the law is working to the law is wo The law is working on a low gear at present; but the whole point is that it works, and in the direction described. As an example in current Armstrong's in an applicable of Vickers and described. strong's in an awful plight through lack of order, to their words, their "Index of Accessibility"

the raw materials and labour power required for new armaments has been depressed to only a fraction of their potential productive powers. Excluding moral considerations, which are outside the immediate Question, there is no reason at all why Britain should suffer an armament policy to be imposed on her because America threatens to go in for naval expansion sion. Britain's dilemma (and that of other European countries) is not a lack of economic resources, but a bankers' prohibition against her using them. Either the Gold Standard or the Union Jack will have to be the Gold Standard or the Union Jack will have to be hauled down.

June 30, 1927

It is significant that the renewal of naval conversations has taken place coincidently with the sudden emergence of the place coincidently with the sudden emergence of forces in this country threatening to break the grip of the gold-standard law. The question too of horses tion, too, of how the navies of the Great Powers shall be proportion to a shall be proportionated by the shall be proportion to a shall be proport shall be proportioned out according to a ratio is only camouflage for the wider question of how their general scope. general economic activities shall be allowed scope.
The decision in the next great war will rest not so
much on the respective property of the much on the respective accumulated armaments of the protagonists as on their respective national powers of quick in the respective national powers of quick in the respective national powers are to Great of quick improvisation. Of what use to Great battleships at Britain would be a preponderance of battleships at the beginning of another war if in the meantime her naval constructional co naval constructional equipment (e.g., Vickers' and Armstrong's plant) leading the latest letter and the latest Armstrong's plant) had become obsolete? It is true that a predepth of the come obsolete? It is true that a predonderance of the largest capital ships would be an imperance of the largest capital ships would be an important factor, because these take too long to construct to be replaceable during a conflict unless it be very protracted. And on this technical point it is interesting to observe that America repoint it is interesting to observe that America re-fuses Britain's proposal to include the question of the size of capital ships. The proposed ratio in the present conversations. The proposed ratio is to apply to the smaller, and more quickly constructed, elements of naval power.

The nation that will exercise most force in the war will be that whose whole economic war will be that whose whole economic machinery is in the best going order. And if machinery and storage E. whose whole economic going order. And if machinery and storage E. whose whole economic going order. And if the taw is worth machinery and starves Europe's, that law is worth a whole extra navy to America, quite apart from what size of part of the size of part of the size of t what size of navy either can show at any time. It therefore not weither can show at any time. It is therefore not surprising that Mr. McKenna is supported by British engineers and industrialists in calling for an investigation of the law, and that his calling for an investigation of the law, and that his colleague, Mr. J. F. Darling, has been preaching the last word. These arguments have a militaristic last word. These arguments have a militaristic can only result in a spansion of armacan only result in an unlimited expansion of armaments. Rut such an unlimited expansion of inevitable. The substitution of another basis than gold for another basis than gold for another basis than gold for the substitution of another basis than gold for another basis than gold for the substitution of the substituti financial credit, with its consequent enlargement of economic activity, even while it is immediately making possible a multiplication of the engines of war, ing possible a multiplication of the engines of war, is opening up the multiplication of the fundamental is opening up the way to removing the fundamental stitutes a danger. An expansion of credit per se constitutes a danger. But an expansion of credit, accompanied by a credit policy designed to distribute that credit. As readers of The New Age know, ness in the policy has been discovered, and its soundthat credit policy has been discovered, and its soundtrouble to investigate it. is demonstrable to anyone who will take the

One seldom encounters any phenomenon on which planation in The Observer. This week he is up

against a conundrum.

"For some reason a spirit of inexplicable fatuity is apt descend upon Governments in their Third Session.

"Bysteriously possessed by this sort of suicidal psychology, be seen bringing "For some reason a spirit of inexplicable fature, descend upon Governments in their Third Session. Tabinet including able men will then be seen bringing the wish some Asmodeus would lift off the top of and enable us to see and hear this Cabinet at

work. Who chiefly has induced this Cabinet to turn itself into a Suicide Club? If some Iago were amongst them persuading Mr. Baldwin's Government and the majority of the Ministerial journals to work for bringing Mr. Lloyd George back to power—though by no means risking the creation of a clear Socialist majority instead—the thing could not have been better contrived."

The answer to this, in all its aspects, has been discussed threadbare in THE NEW AGE; and, as it happens, was summarised by Major Douglas in his article last week on "The Liberal Revival." What has happened to the Conservative Government is exactly what would happen to the manager of any business concern who was forced to attempt two mutually destructive tasks. Every Government is in this position. It has to carry out the policy of High Finance, and at the same time to please the electors. The object of financial policy is to reduce individual incomes to the lowest limit, whereas the object of the elector is exactly the opposite. To the casual observer it might appear that there is an attainable compromise—some standard of income which can keep people generally satisfied while not disturbing the arrangements of the banks. But to the initiated this is known to be impossible. For reasons made clear by an analysis of the existing principles of accrediting and pricing production, there is no limit to the diminution of personal income which the banker would pronounce sufficient if there were the slightest margin for further reduction without precipitating widespread civil disorder. Now a Government has to choose a line of action. In making its choice it has to "face facts." The facts are these: that whereas (assuming it has just taken office after a General Election) it need not consult the electors for three years, it has to consult the bankers next week, and every week. Like any ordinary business concern it has to borrow credit while waiting for revenue. So, in order to function at all it has to satisfy the requirements of the credit monopoly. This situation is universal, whatever the political system, and is the reason why, as Mr. Bernard Shaw answered a critic of the Bolshevik Government who asserted that the people hated it: "The people hate every Government." The fundamental cause of political animosity is the unconscious revolt of the individual against the policy of the banker. All the major political grievances arise out of the relation between incomes and prices (including taxation—the price of what people buy in the mass by proxy). A Government is the visible agent of the bankers' policy; hence it is the Government and not the bankers that the electors demand shall be changed when things go wrong. Naturally, the bankers are quite willing to oblige them. They have in check are accompany of Prime Ministers. have in stock an assortment of Prime Ministersbankers' Ministers. If you do not like what Mr. Baldwin has done, you can have Mr. Lloyd George or Mr. Ramsay MacDonald. But while it is electors who make the change, it is the bankers who improving the extension. vise the ostensible occasion. In the present case they have not overtly forced the Government to give mortal offence to Labour (The Trade Unions Bill) or to Liberalism (The Lords Reform Proposals); it is probable that the immediate cause of the Government's actions is that it has given up hope of maintaining its general popularity by acts and is reduced to the salvage process of stimulating Conservative support by gestures. Or one may reflect that possibly a majority of the Government are implicated in an arrangement to "let Lloyd George have a turn "-for while the electors and most Parlia-mentary candidates are divided into three hostile Parties, at the top of the political machine there are no Parties, but one clique. But whichever theory is right, the result is that at the next election at least two dominant issues are already assured which have no relation at all to the economic grievances of the electorate. The Liberals may come back with a

mandate to un-reform the Lords Reforms or Labour to repeal the Trade Unions Act. But nothing even remotely connected with what your income is and what you have to pay for the means of life will happen as a result of either victory. In the face of this intrigue there is little enough that intelligent people can do. But duty compels them to do what they can, and that duty is at least to shut their own pockets against all appeals for contributions for political campaigns, and to dissuade as many of their friends as possible to do the same. Every Party is a Bankers' Party.

100

The puzzlement of Mr. Garvin, as will be guessed, has been occasioned by the terms of the Government's proposed reform of the House of Lords. On this he lays down the proposition that if the Lords are to stabilise their hereditary rights as legislators they must be content with less powers: or conversely, if they want more powers they must relinquish the hereditary principle of selection. There could not be a better example of that gastronomic exercise of swallowing the camel which so persistently characterises Democratic modes of thought. First of all the House of Lords has been superseded by the Directors of the Bank of England ever since the date when Money Bills were withdrawn from its jurisdiction. So the practical effects of the hereditary principle are nil, whatever its intrinsic demerits. But supposing the practical effects happened to be important in the sense that effects happened to be important in the sense that the House of Lords were able to shape legislation. What is the alternative? Presumably to replace the that of election. "Let hereditary principle by that of election. "Let legislators be selected by merit and not by the accident of birth." Such is the froth from the demo-cratic soap box. It entirely misconceives the main implication of the principle it attacks. If Lord Noodle begets a son we can all agree that there is no biological necessity why the baby should grow up to be a legislator like his father. But if, by reason of the hereditary principle, Lord Noodle knows that twenty-one years hence his son will become a legislator; and if the son likewise becomes aware of the fact at the age of fifteen, there are good prospects that the boy can be trained to become an efficient legislator. We suppose no one will deny that training is necessary for a legislator. So the only question is: What sort of training? (That the duration of the training should be as long as possible may be assumed to be granted.) Now it is easy to say that John Smith ought to have an equal opportunity with Lord Noodle's son of becomequal opportunity with Lord Noodle's son of becoming a legislator: that his young Lordship should be exposed to the competing merits of John Smith—" a fair field and no favour" and all that. This would be true if the power of legislation were a sort of prize only and not also a responsibility. of prize only, and not also a responsibility. Now a John Smith might be born with the same potentialities of a first-class Statesman as young Lord Noodle. But the question is which of the two would develop into such a statesman. First of all, John Smith's father, not having any idea of this high responsibility for his infant son, would not train him for it. Secondly, when young John began to feel and dependent on it. Thenceforward he would divide his time between earning a living and improve divide his time between earning a living and improving his political knowledge. So far, so good. But thenceforward nearly everything he would have to do to rise in the political world would involve the exercise of arts and artifices which would distort and eventually spoil his natural potentialities for responsible statesmanship. In the meantime young Lord Noodle would not only be learning the theory of government, but probably practising it in a minor way, perhaps on a landed estate. We are not concerned with the fact that the hereditary principle

fails at present to guarantee the provision of a disinterested and judicial body of legislators (although neither does the principle of election). We are saying that, other things equal, the man who is freed from the task of fighting for his opportunity to govern has many more chances of qualifying for that responsibility than one less fortunately placed. To achieve the democrat's ideal of a "fair field," it is clear that every boy's father ought to receive the same income. This is unlikely to take place in our time: but something towards the equalisation of leisure is imminently feasible. Under a Social Credit régime not only will time be generally available for political training, but—much more important—political ambitions will be largely purified of economic motivation.

However that may be, we have to challenge the Democrats on another ground. They would eliminate heredity. nate heredity. From the point of view of political principle there is no essential difference between the exercise of governing power by heredity or by private nomination. It would be just as scandalous to the Democrat that Lord Noodle should be able to appoint John Smith to sit in the Upper Chamber as that his own son should sit there. But that 15 how the highest seats of all Government are filled to-day. This true of Cabinets: they are virtually Houses of Lords, with the single difference that they choose beforehand what the Commons shall discuss instead of revising it afterwards. But we are not speaking of Cabinets. We are speaking of the Bank of England. It is to the Court of the Bank that Mr. Garvin should present his doctrine. Ships open to popular election in return for your powers, or else relinquish your for powers, or else relinquish your powers in return for your system of nomination." With all its faults, the hereditary system never gave us alien rulers.

This leads directly to another passage from Mr. Garvin's article. Describing the powers proposed on behalf of the reformed House of Lords he says:

"As regards money-bills, the Speaker's present discretion is abolished. Instead the House of Lords is to be equally represented on a Joint Committee to decide what are money bills and whot are the inare money bills and what are not. In this way the influence of the hereditary principle on national finance, well as general legislation, is markedly strengthened.

This is not so. The Joint Committee will contain a large majority of bankers' nominees. How should it not it not, seeing that it has to give technical advice on finance? As a matter of fact, the institution of this Committee can be much Committee can be much more plausibly criticised on quite a different ground, that it deprives of discretion the one of the control of the contro cretion the one official of the House who best embodies important bodies impartiality of view and courage of responsibility in malifications bility in making his decisions. He will be superseded by a body composed for the most part of agents of the credit monopoly, and, for the rest, of people who "always accept the view of experts."

\* \* Mr. Garvin goes on to threaten Mr. Baldwin and his colleagues that

"If they insist that their scheme to bias the Constitution for ever in the interests of one party out of three shall be carried into law without consulting the mass of the people, we shall tell them what will happen afterwards. There will be a General Election like that of 1910. and whole land question, with all its bearings on towns transport, will be combined with the question of the House of Lords."

Mr. Garvin thus seems to attribute the new If he posals to the influence of noble landowners. If is right, their act is a natural reply to the manifest intention of last is a natural reply to the find intention of last is a natural reply to the find in the find it. intention of both Labour and Liberalism to this scapegoat for the economic stress in which country is placed. Both these Parties' land reforms

involve a squeeze on the landlords in the last resort. Behind these political policies stands financial policy, which seeks to subdivide large land ownership, a potential base of credit, into small ownerships and the seeks to subdivide large land ownerships are seeks to su Though tactically wrong the landowners are instinctively right. If the influences that have set the Daily Mail on their track with a land-agitation of its own, and have allowed to Mr. Lloyd George exclusive discretion in the use of his £2,000,000 of funds, get their way, landowners will have to make sacrifices, but the electors will not gain by them. There will be no sharing out of the plunder: it will go to extinguish National Debt and will thereby extinguish itself.

# The Midland Bank and a Financial Inquiry.

By C. H. Douglas.

I suppose that to anyone interested in the question, the evidence offered during the past few years of a divergence offered during the past few years of a divergence in policy between the Midland Bank and the other banks, including the Bank of England, is a matter of profound interest. Actually, the divergence in policy between the Midiana Bank of England, is a matter of profound interest. Actually, the divergence is not so great as to constitute in itself a matter of the itself a matter for congratulation on the part of the iconoclast iconoclast, or for undue alarm in the Board Rooms of the orthodox. There are, however, indications that the largest single banking institution in the world has passed over what would be called in railway parpoint of contact with the main line, but inevitably sent from the route which it has left. gent from the route which it has left.

The recognition of this, and an appreciation of the immense significance of action on the part of so large an institutional action on the part of so large an institution, even though that action may seem for the moment to be be produced the moment to have small amplitude, has produced a tendence to have small amplitude, has produced a tendency to a certain amount of unjustifiable assumption as to what may be expected from the Bank's action as to what may be expected from the Bank's action, and in particular, in regard to the stand taken by Mr. McKenna as its spokesman, in pressing for an income into our financial and credit pressing for an inquiry into our financial and credit

Premising that, of course, I speak in complete ignorance of what can be passing in the mind of Mr. of the difficulties in the of the difficulties involved in the situation might be helpful both helpful, both as assisting in the formation of public opinion on the assisting in the formation of public opinion on the matter, and to prevent the relaxation of effort in other directions.

It has to be recognised that this problem of the nancial system has has It has to be recognised that this problem of the financial system has at least two aspects. As has might say, almost to the point of wearisomeness), sidered as an instrument for accomplishing those sidered as an instrument for accomplishing those things which things which our present civilisation and our industrial organisation and our industrial organis trial organisation set out to accomplish. That, be sets, and it is practically what Mr. McKenna sugduced to voice his opinion on the matter, he would time.

But:

But, important as this aspect of the matter unance in relation to the wider question that our existing civilisation, and in particular our industrial ing civilisation to the wider question that our existing civilisation, and in particular, our industrial misdirected, not organisation, and in particular, our industrial merely in its mechanism but in its objectives. For with acce, Mr. McKenna and one has every sympathy instance, Mr. McKenna, and one has every sympathy on the existence with his policy, bases his criticisms on the existence country, and adduces the possibility of removing, or a meliorating this condition as the incentive to making changes in our banking system. But

there are many people—and the number is growing who would contend that the proper objective of a modified financial system would be to increase unemployment and diminish trade, although, being wise, they would perhaps phrase the matter somewhat differently. But however that may be-and the matter is not one that can be disposed of in halfa-dozen paragraphs-there are certain hard facts which have to be faced in this connection, whether the ethical and psychological implications of them are tackled or not, and it might be well to recapitu-

The first of these is that production is a rate of flow and consumption is also a rate of flow, and that even now the rate of flow of production is greater than the rate of flow of consumption. But the matter does not end there. The possible rate of acceleration of production is immensely greater than the possible rate of acceleration of consumption, excluding for the moment the limitless consumption of war: This is quite apart from any financial consideration, such as the provision of additional purchasing power.

The situation is complicated by the fact that the best brains in the world are cumulatively employed in accelerating the rate of production per unit of human labour employed. This can be translated into easy English by saying that the best brains are endeavouring to put people out of employment. Therefore the best brains are endeavouring to defeat Mr. McKenna's good intentions as stated above, which are directed to putting people into employ-

But let us suppose that both Mr. McKenna and the best brains can be made for a time equally successful. Such a dual success can only be upon the basis of (a) an enormously increased output per unit of human labour, (b) an enormously increased amount of human labour employed. Adding together (a) and (b), we might say by accommodation that the amount of output is going to be in proportion to the square of the increment of success of Mr. McKenna and the best brains. A vision of a world covered fathoms deep with motor-cars, radios, gramophones, and other products of repetition manufacturing is bound to arise as we consider this prospect.

(To be continued.)

"The unthinking imagine that Reparations are manifestly a benefit to the recipient nation. Sometimes that is so, but often there is no greater fallacy than to assume that the recipient nation is a beneficiary in any real sense of the term. The only possible way that Germany can meet the increased Reparations now about to be demanded is at the expense of producing at a correspondingly lower level than the recipient countries."—The Statist, February 5, 1927. "The unthinking imagine that Reparations are February 5, 1927.

"During the past year there has been considerable critic-"During the past year there has been considerable criticism of the practice of instalment buying. Consumer banking credits are not credit inflation in the sense often charged, but new credits granted to the third party of the economic triangle; namely, the consumer, who never before enjoyed extensive banking credit. The automobile industry contends that consumers of good character, with established tearning power, are legitimate credit risks, subject to safeguards and restrictions such as are exercised in granting credit to anybody. . . . Manufacturers, merchants and guards and restrictions such as are exercised in granting credit to anybody. . . Manufacturers, merchants and retailers realise to-day as never before that the wheels of business cannot be kept turning on a large scale without mass consumption. Mass consumption is necessary to mass consumption. Mass consumption is necessary to support mass production and high wages, and mass credit is the Atlas which holds up all of them. Consumer banking redit and the time payment plan are here to stay."—A. R. Erskine, President of the Studebaker Corporation, quoted in Wall Street Journal, January 14, 1927.

"In the week ending February 19 the official employment "In the week ending February 19 the official employment bureau (in France) had 96,547 applications for employment that it was unable to satisfy. On November 15 there were only 459 unemployed in receipt of the dole, and offers of employment greatly exceeded the applications for it."—

Manchester Guardian, February 26, 1927.

## The Meaning of Spirit. By Philippe Mairet,

What is the meaning of the word "Spirit"? So many people imagine that it is synonymous with "ghost" and "spook," and signifies something which science has proved not to exist, that it is often necessary to defend this word itself, one of the most valuable concepts we possess. A doctor of medicine of a very scientific spirit, lately wrote a criticism of Eucken in which he said that "spirit" was to him a concept of no intelligible content.

"The belief in spirit, he wrote, "is a psychological delusion. It is the sublimation of an impulse which arises not in the inherited past, as instinct, but within the consciousness during our awakening from unconscious immaturity, as a subjective realisation or experience of a process of progress and advance."

There is an assumption implicit in these words which is typical of one of the worst prejudices that modern civilisation engenders. It is assumed that an impulse arising out of the inherited past can produce reality, but that immediate and direct self-experience can only produce delusions. No doubt it is quite possible and legitimate thus to divide our impulses into those which arise by instinct without our conscious will, and those which we clearly feel that we ourselves generate in consciousness, but why should we call the one real and the other unreal? It can only be a false distinction made in order to stress one side of our experience. The scientist wishes to investigate causes, which he can find in the inherited past, but he cannot find the cause of consciousness because the spirit is cause in itself. The existence of that everpresent uncaused cause, a centre of spontaneous generation, as it were, is the most immediate and inalienable experience of human life-it is the very basis of our being and intelligence. It is only a philosophy over-fascinated by science which tries to reduce this noumenal reality to the ordinary phenomenal level, which is as impossible as the desperate efforts to dismiss it as an illusion.

Moreover, the idea expressed in the word Spirit can only be denied by making an essentially unscientific philosophy—unscientific because based on a redundant hypothesis. A scientist has to make hypotheses; but he does not need to believe in their truth, in fact he must not do so. They are working ideas, which Science takes up and lays aside like tools. But philosophy, which is concerned with the meaning of experience as a whole, must take experienced reality for truth. It cuts its own throat if it imagines something hypothetical to be more real than reality—something such as matter, or electricity, for instance. Philosophy has to reject arbitrary and remote suppositions and to base itself upon the most immediate and universal fact it can find. We are ourselves as much beings as bodies—we exist in a consciousness, and philosophy cannot assume that we are in that respect an accidental exception to the cosmos. Some things, such as stones, for instance, may superficially seem dead and quite independent of subjectivity; but no one would deny that an animal is the vehicle of some kind of inner life; and life does evidently shade off through imperceptible gradations through the animal and vegetable kingdoms into the mineral itself. We must call some things "dead" for convenience, but the more we examine them the less absolutely dead they appear. If there is some point in the scale of creation beyond which there are bodies utterly devoid of psychic being, no one has determined it; and as an assumption the idea has no value-not even to the scientist.

There is a tendency, especially in recent times, to ound philosophies upon such valueless hypotheses. Out-and-out materialism imagined a universe of "dead" particles combining by the action of equally "dead" forces: and lately we have had philosophies of a more psychological sort of determinism, hypothecating "blind" instinct of various kinds, or "life-force" as the all-determining reality. It is necessary, therefore, to enquire into the motive behind all that kind of theorising. Just the motive behind all that kind of theorising. Just as the scientist's hypothesis is an instrument he uses for work, a man's philosophy is the instru-ment he uses for the kind of life he wants to live. So, if men begin to prefer the idea that the supreme causal principle is something dead or blind or in any case a power, not ourselves, making for something or other which we don't know, it is safe to assume that we live in an age when men want to escape complicity in the universe somehow. want a philosophy of helplessness. Or it may be that we are deeply afraid of humanity, and want to take away its spirit by denying the reality of Spirit. All are prone to this kind of thinking at times, though few are able to give it any expert philosophical form: but it is by turning our back upon our most immediate experience: it diverts us from the everyday intuitive certainty we have that we are each a part of life, and effectively working and shaping it has been a part of life. shaping it by our spiritual powers of will and ideation. That immediate sense that we are men, the most clearly focussed—and therefore the most effective and individualised spirits in the whole of our experience—is really stronger than any hypothetical and imaginary theories of something else; for we live in it and by it: but nevertheless it can be gradually weakened and worn away by doubtful thinking. People in the modern world are made more and more to feel that they are the consequences of some unless of some will quences of some unknown thing, which Science will one day perhaps discover. Flying to opposite extremes such as Christover. tremes, such as Christian Science and Spiritualism, is not the worst of the effects of this: it leads to neurosis, which is pre-eminently a disease of subjective uncertainty or doubt.

Unfortunately a great part of the work done to treat and cure neurosis is associated with philosophical suggestion to phical suggestion that is likely, in wider circles, to increase it. Conceptions such as Libido and Collective. Uncertainty lective Unconscious, given to a world already using big abstractions to sustain a perverse line of life, are all too likely to be taken for a new revelation of cosmic powers, destroying the last vestiges of human autonomy. One can only admire the consummate artfulness of Adler, in his carefulness not to give people any such dangerous ideas. An idea is a formidable tool, whose value depends entirely the transfer of the tr tirely upon what you want to do with it. Adder gives out, to all and sundry, but one focussing concept, and it is not even an idea of a reality, but of a reality, but of a particular kind of illusion—the sense of in feriority, not even actual inferiority. He is careful not to project another generalisation which could serve as both a live generalisation which could serve as both a discouragement and an excuse. His diagnosis, also, is always a method of relating everything causally to the individual himself to his own "way of life."

That is psychology, and not philosophy. But the value of the individual in psychology is the same as that of Spirit in all in psychology is the same all. that of Spirit in philosophy. Spirit is fundamental, it is more than à priori. If it be denied, the individual loses his direction. vidual loses his distinctiveness and meaning, and community also becomes impossible Human community also becomes impossible. Human community cannot be founded upon abstractions, nor upon any generalisations we can make about over souls, inclined souls, instincts, or inherited similarities. Its basis is an immediate activity of the Spirit; and in last resort both Individuals. last resort both Individual and Society derive being from our implicit faith that Spirit is real.

## Views and Reviews.

June 30, 1927

THE I. O.

Since 1918, when the whole American Army was subjected to psychological tests for the measurement of intelligence, America—and through America, Europe—has been threatened by a revolution in educational ideals probably as far-reaching as the political revolution in Russia. The implications of intelligence-tests which at present hold the field in America, and which were reflected in The Future of Education" (by Mr. Pink) in England point to the possibility of deliberately selecting leader-men and geniuses. Beyond this, the idea hardens that once the future great men have been appointed for special and approgreat men have been anointed for special and appro-Priate training the rest may justly be left to provide communities with their necessary lower castes of unskilled skilled morons, on whose education the State need expend no rooms, on whose education the State need expend no more time and money than their subordinate functions. nate functions require. Mankind will be saved, in accordance will be saved the philoaccordance with the science of Galton and the philosophy of Nicotal the science of Galton and the philosophy of Nicotal the science of galton and the philosophy of Nicotal the science of galton and the philosophy of Nicotal the science of galton and the philosophy of Nicotal the science of galton and the philosophy of Nicotal the science of galton and the philosophy of Nicotal the science of galton and the philosophy of Nicotal the science of galton and the philosophy of Nicotal the science of galton and the philosophy of Nicotal the science of galton and the philosophy of Nicotal the science of galton and the philosophy of Nicotal the science of galton and the philosophy of Nicotal the science of galton and the philosophy of Nicotal the science of galton and the philosophy of Nicotal the science of galton and the philosophy of Nicotal the science of galton and the philosophy of Nicotal the science of galton and the philosophy of Nicotal the science of galton and gal sophy of Nietzsche, by the conscious choice of ruler-

The result envisaged appears to sacrifice the umaner ideals envisaged appears to sacrifice the humaner ideals on which modern communities have been built as on which modern communities have been built—the equality of man, the rights of man, life more abundant for all, and many other democratic inspirations. At first in which merit are the also hereditary in which merit—even though merit be also hereditary will be the decisive factor in elevation to positions of social privilegies factor in elevation to positions of social privilege and responsibility. Looked at longer, however, the prospect is less attractive. character that character has a suffered neglect, and character that character has suffered neglect, and any effort to make a permanent governing code out what are all the series only is of what are, all said and done, ability tests only is

Any future suspect in essence from the beginning. Any future whether in aristocracy must merit—in character whether in character whether wheth ability or not, since only character cannot be bought its rank among a people the whole of whom are the great men worth. It is more than likely that trained and cultured. It is more than likely that the great men worth producing would arise under the duties, and sacrifices, rather than under the idea that pigmies are not socially offensive if a few are taller.

At a time when some hundreds of the gifted million school-children for special training and ing to meet an American professor\* who challenges ing to meet an American professor\* who challenges both the reading of the facts and the implications to intelligence question states.

Professor Basilan misely acknowledges that he is not disinterested, that he holds a brief less the maximum contains the maximum con he wants the common-man" to whom and from whom less, his sight is not blurred by his object. His reading of the available data renders much of the tions of the enthusiasts for the intelligence questions. reading of the available data renders much of the tions and their consists for the intelligence questions and their consists for the intelligence questions. tions and the enthusiasts for the intelligence ques-contrast. The caste implications superficial by attack. The capacity of intelligence tests to measure native power, no matter how careful the training to cancel out the attempt to cancel out the contribution of acquired training and experience, has been much exaggertests has been justified. Dr. Cyril Burt, in what
soing attempt to determine what schooling contrigoing attempt to determine what schooling contributes to intelligence as measured by tests," found gence put through the Binet tests native intelligence contributed 33 per cent.; general experigence contributed 33 per cent.; general experi-\*Determinism in Education. By William C. Bagley. (Warwick and York, Baltimore, \$2.20.)

ence or the informal education of everyday life II per cent.; and formal schooling 54 per cent.

In the examination of the American Army two series of tests were given, the Alpha series designed for men who could read and write English, and the Beta series for those who could not. In 1922 Mr. H. B. Alexander showed that if the men who took the Alpha tests were sorted according to their States of origin, a very high correlation would be found between the order of resultant groups in intelligence and the order of the same States in school facili-Professor Bagley goes further, and demonstrates that apparent exceptions to this order can be accounted for by the immigration statistics, strengthening Alexander's conclusion that the questions were rather "tests of what has been, rather than of what can be, learned." When the literate negroes who took the Alpha tests are similar to the Alpha tests are similar took the Alpha tests are similar to the Alpha tests larly considered the intelligence rank of their States of origin shows an even closer correlation with the quality of the schools in those States, a fact which goes a long way towards answering the argument that the States with the best stock naturally had the best schools. This argument is dealt with by Professor Bagley in some detail, and his contention that where there are good schools unfavourable immigrant stock is quickly improved in such a way as to maintain the precedence of the States con-cerned is validated. Even in the case of the Beta tests for the illiterate—who included immigrants educated in some language other than English as well as native American illiterates—the correlation of the examination result and such schooling as the men concerned had had was .67, unity being

Professor Bagley includes in his series of essays a reply to Professor Brigham's well-known work, "A Study of American Intelligence," the primary theme of which was the superiority of the Nordic races and its implications for immigration. Once again Bagley shows that the closest correlation is to be found between the quality of the immigrant and education facilities in the country of origin, and that unsurmountable contradictions oppose the adoption of the racial theory:-

While no one can seriously doubt the general superiority "While no one can seriously doubt the general superiority of the whites over the negroes in native intelligence, the Army tests show clearly the tremendous influence of good schools in stimulating intelligence and the corresponding handicap imposed by poor schools. On pages 724-25 of the Army report are tables that distribute by States the scores made by literate negroes on Army Alpha. . . One finds that the literate negroes from Illinois not only surpassed the literate negroes from the South, but also achieved a literate negroes from the South, but also achieved a median score above the median scores of the literate whites from nine Southern States; that the literate negroes from Pennsylvania surpassed the literate whites from two Southern States; while for all Northern negroes reported Southern States; while for all Northern negroes reported the median Alpha score surpasses the median Alpha score for the whites of Mississippi, Kentucky, and Arkansas."

As Professor Bagley remarks, according to Professor Brigham's method of determining Nordicism, the Southern Whites represent about the purest Nordic stock in the country, yet where their schools are poor their intelligence is low, so that Professor Brigham is compelled to choose between granting that schooling affected the intelligence ratings, or abandoning the theory of Nordic supremacy.

This work is not an attempt to discredit the system and method of intelligence tests as a whole or to bring about their abolition. Professor Bagley asks for circumspection as regards what the tests are capable of doing, and for the avoidance of a premature revolution calculated to destroy the chances of getting the best for himself and his fellows from even the child least endowed by nature. He is in agree-

ment with Professors Chambers and Reed-and fundamentally in disagreement with the influential movement grouped around Professor Terman—as to the effect of education in increasing or decreasing natural differences. That it increases the differences, and hence repays itself only in the case of the gifted, is a partial view leading to wrong conduct. Recent observation even hints that, although the child with high endowments by nature learns more quickly, the less fortunate child gradually overtakes him. It is rare for a child to possess the virtues of both the hare and the tortoise. The clever child scarcely needs education. He discovers the means of developing himself, and would succeed in any school. For teaching to be an art it must bring practical sense and wisdom into the creatures that Nature has neglected. In any event, there is no gulf between the ranks of the educated, no matter how much their original differences have been increased by training, so wide as that which divides the educated from the uneducated.

(To be concluded.)

#### The Tree of Life. By J. R. Donald (Vicar of Bradwell). VI.—CATHOLICISM.

TAPLEY: What's this newspaper cutting I found in the first volume of Baring Gould's "Origin and Development of Religious Belief" that you lent me? I suppose you got it from some Protestant rag, but I didn't know you patronised one. It's this kind of I didn't know you patronised one. It's this kind of thing that puts me off religion. Listen to it: "In thing that puts me on rengion. Listen to it: In the most accurate of modern dictionaries, religion is defined as the human recognition of a superhuman controlling power, and especially of a personal God entitled to obedience." I might go to a Catholic pager but I'm not going to look for it in a Catholic paper, but I'm not going to look for it in a dictionary. And any paper that does that kind of thing, so far as I'm concerned, has little religion and no Catholicism. Here, Padre, take it. It will help to light your fire.

PADRE: This bit is it? Yes, I remember its coming out. It was a criticism on the "My Religion" articles in the Daily Express. But the Editor wouldn't thank you for calling his paper a Protestant rag. He talks Catholicism from one end of it to the other, and the paper is the soundest we have in the Church of England. But I suppose they're all tarred with the same brush. So you've they're all tarred with the same brush. So you've read Baring Gould's book, Sykes? How do you

SYKES: A great book by a great man, who wrote about too many things. Had he kept to one, he'd have taught us all something, as he has done even now. A pioneer book on a new line, and crude as all such, I suppose, must be, but great in spite of that.

PADRE: I wish we had more biology in the Church, for biology is the final Gamaliel test of truth. What is "of God" will live, and so will become a subject for biology, and what isn't won't. Isn't that so,

Sykes: What can survive does survive, and what can't doesn't. But in either case the success or failure is biological, and must be accounted for bio-

TAPLEY: I want to hear you do that so that I can see if you are any better than the dictionary on what, at bottom, religion is.

SYKES: I suppose, especially at the 'Varsity, we get the idea that a good many strange things have done, and are doing, duty as religion, and in such a view we are supported by the wars of the sects, and by the cock and bull stories of missionaries. Complete acceptance of the position might well land in atheism. Personally, I don't think there's much truth in it. Its apparent truth comes from a study of the question from the wrong angle. Never-

theless, we should be prepared for the suggestion that there is religion and trimmings. My own view is that the trimmings are, as a rule, very natural developments and manifestations. Still, we are prepared, as you evidently are, for the question: what is the vital thing in it? I don't believe in dictionaries are the vital thing in it? tionaries any more than you do. I prefer to set out on my own, and to define religion of any value, as man's relation, individually and socially, to the Phylum Urge. With apologies to the Padre, I'm convinced there's very little vital religion outside

PADRE: I'm not inclined to disagree with that definition, for it embraces Immanentism, and we know how the Transcendental rises out of that—if you like, as trimmings. But what about Orthodoxy?

TAPLEY: You're in a sad dilemma now, Padre You dethroned the Pope at the Reformation, and now you go to people like Sykes for the "infallible dictum." Scientific authorities are all setting up as little Popes, each in his own line, and even in religion. I would almost prefer the old arrangement.

PADRE: Don't scoff too soon. Let us at least hear what Sykes has to say, for biology is pretty conclusive. Now, Sykes, how do we stand biologically? This is a serious matter as regards Orthodoxy and Heresy, Catholicism and Protestantism.

SYKES: The whole question is clear as noonday. Religion is a biological product in human life, a biological acquisition, just as that of a rhinoceros is his horn. If the horn has what we call "survival value," the rhinoceros and his descendants survive, the horn with them. The religion that makes survival health for man—chiefly moral health—keeps homes together, helps men and children to survive, and lives on in them. That's how Orthodoxy and Catholicism came to be. They have survival value and live in the men the and live in the men they give life to. They are the salt of the earth, and preserve mankind. The heresies and sectaries are the beliefs and professors of them, whose survival value was inferior. The them, whose survival value was inferior. Gamaliel test has shown them up. Orthodoxy and Catholicism are less matters of logic than of history, on the anvil of which they have been hammered into their property. their present shape. Catholicism is the vital faith and worship of the living people. Protestantism is always showing its always showing its pandering to moral attitudes more for their convenience than for their vitality.

TAPLEY: Then religion, with you, is far from being primarily as intellect, with you, is far from

being primarily an intellectual matter.

Sykes: It is. And that's where my definition comes in. Man's relation, individually and socially, to the Phylam II. to the Phylum Urge. You've got to be "rooted and grounded in love" before you can "comprehend with all saints, the length and the breadth, the height and the depth of the love of Christ which passeth." the depth of the love of Christ which passeth mere brain "knowledge." Intellectual religion isn't religion at all. The only thing worthy of the name is the vital core of the Phylum Urge.

TAPLEY: I see where you get the Protestant. Too strong on intellect. Hangs his so-called religion on the wrong peg. He is in the same boat, of course, the Modernia. the Modernist.

SYKES: Protestants and Modernists are both out for rationalisation, which is as foolish in religion in all other human affairs. They look for religion where there is none, for the great Libido, the Phylum Urge, is not in the Urge, is not in their purview.

TAPLEY: From what I can see of these gentlem they have thrown away their religion, while carefully retaining their retaining their superstitions. Anything I ever feel want in religions and anything I ever feel anything I ever feel and anything I ever feel anything want in religion remains in the Mother Church, and ever will remain there, even when these people have left it, and carried their brain-begotten theories with them.

PADRE: I think you might be a Churchman, Tapley, if to be such didn't happen to involve being

a Christian, which I don't suppose you ever will be. The utmost I hope for you, and I do hope that much, is a sympathetic understanding of our position.

## Music.

"Aida": Covent Garden, June 8. This was a moderately good performance of Aida'' with admirable work by some of the principal singular and pal singers. Grete Stückgold was interesting and simpatica as Aida, and in the beautiful Nile scene sang very finely.

The voice has not the heroic dimensions of the contractions of the contraction some services of the contraction of th dimensions of those of the great dramatic soprani, but it is well schooled, of charming quality, controlled by a lively and sensitive musical intelligence. gence. Olczewska as Amneris sang superbly, as finely as ever I remember to have heard anyone in this part, hardly excepting the great days of the Caruso—Destinn—Kirkby Lunn performances.
But singularly enough, she has not the majestic grandeur and importance of hearing that made grandeur and imperiousness of bearing that made Kirkby Lunn's conception so superlatively great. One missed the magnificently regal boredom and ennui of the latter in the opening of the second act, but Mme. Olczewska was superb in the great scene of Act IV., and deserved all the enthusiastic and indefinitely. indefinitely repeated recalls she won. A curious defect in the repeated recalls she won. A curious defect in the last scene—instead of bowing herself in prosta the last scene—instead of bowing herself in prostrate grief over the stone in the temple floor, beneath which Radames has been entombed, she merely stood before it facing the audience; an error in judgment one is reluctant to lay at the door of so of the stood before it facing the audience; and door of so of the stood before it facing the audience; and door of so of the stood before it facing the audience; and door of so of the stood before it facing the audience; and door of so of the stood before it facing the audience; and door of so of the stood before it facing the audience; and door of so of the stood before it facing the audience; and door of so of the stood before it facing the audience; and door of so of the stood before it facing the audience; and door of so of the stood before it facing the audience; and door of so of the stood before it facing the audience; and door of so of the stood before it facing the audience; and door of so of the stood before it facing the stood bea door of so exacting and meticulous an artist. Herr Schipper Schipper was a magnificent Amonasro, powerful and savage, without ever becoming rough and did artist. Alexander Kipnis is a good singer, but High Priest convincing as Journet used to do. From High Priest convincing as Journet used to do. From these four remaining these four non-Italian singers to the remaining Italian principal Italian principals, was a desolating drop which underlines every word about the degeneracy of Italian singers and in the degeneracy of which Mr. Newman Italian singers and singing on which Mr. Newman can say of them is that they were typical presentday Italian singers, and leave it (and them) at that.
The small but important "off" part of the Priestess
singer this than on this consider

singer this—than on this occasion. Frida Kindler and John Goss (Wigmore, June 9.) It is a matter of acute regret to the few of us that this very fine artist, who is in the front rank of all the superb command and the powerful intellectusched. ality which distinguishes the greatest of the Busoni School above over pianists. Here is no flabby lanand "gand wholly damnable feminine "grace" power of a fine mind and vigorous individuality. I form remember having been so interested in a performance of the Wanderer Fantasie. Her great problems, both musical and intellectual, of her husand Variations—a composition which has the fine quality. and Variations—a composition which has the fine quality of delicate wrought metal work. A theme entered beauty is specified as the sure one of the finest great beauty is spun through one of the finest tant set of varietieun through one of the finest extant set of variations so personal, so individual, admirable in their aloofness from the jargon of all day, music such aloofness from the jargon of all day, music such aloofness from the jargon of all day, music such aloofness from the jargon of all day, music such aloofness from the jargon of all day, music such aloofness from the jargon of all day, music such aloofness from the jargon of the minutes aloofness from the minutes aloofn the day, music such as van Dieren himself almost alone knows to day how to write. The Seven Songs the day, music such as van Dieren himself almost to poems of W. S. Landor I prefer to hear again befound "The Touch of Love" and "Leaf after the most beautiful. Mr. Goss sang better have heard him do for many years.

KAIKHOSRU SORABJI.

# The Theatre and Drama.

The connection between the theatre and architecture does not end when the building of the stage and auditorium is completed. There is a close social resemblance in that the production of stage pieces, like the construction of buildings, requires the submission of the wills of many men for the realisation of the idea of one, and the sacrifice of their labour and time. There are, of course, a number of important differences. Once a building is put up there it is until it crumbles, or is pulled down, or is removed by artillery or earthquake; whereas a play may continue manifest only by reproduction. When demand ceases, so does reproduction. Fashion, therefore, dominates the theatre as it cannot dominate architecture, so that the theatre reflects more quickly changes in the manners and modes of thought of a community. So many wills have to be consulted—as though it were necessary to protect the wills to be submitted from futility—before a play is produced or a building constructed, that the faults of any particular play, as also the faults of any particular building, cannot

be blamed on any one person. It is rare for anyone to blame an architect for a new ugly public or private building; it is even more rare for anyone to blame the contractor who undertakes the erection. The blame may possibly be laid on the persons who choose and pay for the design and construction, but it seems as a rule to be debited to the general trend of the community at the time. To allocate the criminal responsibility for Bush House one has to write the history of the world and America. Not to be able to hold responsible any particular person results generally in everybody escaping conviction, though nobody quite escapes the consequences, either utilitarian or aesthecapes the consequences, either utilitarian or aesthetic. The population of London, in other words, must live with Bush House in their midst, influencing by suggestion themselves and their process. suggestion themselves and their progeny, until they take a responsibility more serious than that required to sanction its construction—namely, that required to sanction its construction—namely, that required to sanction its demolition. For the final responsibility for team works such as plays and buildings must be borne by the community, difficult as it is

To blame a theatre manager for a play is common to convict. enough, though his position is far more hazardous than that of the person who accepts a design for a than that of the person who accepts a design for a building. One theatre in London has dedicated itself to art; the Old Vic stands or falls by its faith in the drawing power of Shakespeare. Yet, although it is a very large theatre indeed, and has a preemptive right to the repertoire of the most highly reputed dramatist in the world, the Old Vic has to pay for its high thinking by very plain living. At West End prices it could not obtain an audience; at present prices its fate is to produce art in return for West End prices it could not obtain an audience; at present prices its fate is to produce art in return for no circuses and little bread. It is not hampered by the competitive prices that have to be paid as rent for West End theatres; it is practically unhampered financially by the drag of the star system. Indeed, the West End manager—who is in a sense the head-quarters of English Drama—so far from being free to engage in the selection and production of dramatic art, is threatened with engulfment in a whirlpool of commercial conditions. commercial conditions.

From the manager's standpoint the theatre, besides being an institution reflecting dramatic culture, sides being an institution reflecting dramatic curture, is a concern that he and a staff must get a living from. No matter how loyal he may be to the drama, he cannot undertake what he does not feel reasonably sure audiences will pay to see. In providing what he beautieves the public ought to want, he can lose his fortune lieves the public once, after which he becomes —if he has one—only once, after which he becomes the man who backed a loser. The number of the public who will visit a work of art is limited. Though

JUNE 30, 1927

such a work may gain a relative success at this or that theatre, both might fail if two were presented to-gether, the limited artistic public being cursed with an exceedingly limited pocket. A work of art exacts that the witness earn the new experience. He is required to stand at full height, and to work in order to receive what the artist offers. Art may be long, but it is rare, and many fortunes have been lost in trying to depend on it. Not even Shaw, presented at reasonable prices, would be certain to make a living for a repertoire company in London. The Irish Players must have a change from Sean O'Casey, Synge, and Lennox Robinson, and only the variety of their repertoire generally, and their power to fall back on a favourite when the red light appears, keeps

As long as theatre rents are excessive, and the public regards the actor as more important than the play, the present state of affairs of high prices, popular plays, and the star system, will force its maintenance on the theatre manager. While recouping one's self for an enormous outlay remains a gamble, the practical theatre manager must be moved to invite the support of the majority, and of the wealthy, with neither of which culture finds a welcome. The theatre cannot—it never could—be restricted to a medium for culture. No man can live on the mountain all the time. It is reprehensible, but not the fault of theatre managers or of any particular class connected with the theatre, that it has to be given over to entertainment more than to art. It may be heroic for the artist to starve at his art rather than write a pot-boiler, but desire for revenge tends to add itself to necessity as a rule for the manufacture

At the present time the theatre, besides being to a small extent a vehicle for art, and to a large extent a place of entertainment—like a music-hall, but more continuous, and therefore better—it is also to a large extent a branch of medicine. It is a department of psycho-therapy whose office resembles that of Coueism or psycho-analysis; to make people who are rightly disgusted with their period, neighbours, wives, and prospects, able to tolerate them. Men escape from business worry by various devices; they dance, drink, or sleep, read novels, or daydream, indulge in golf or tennis, or seize any available escape from thought. In each there may be some possibility of health, less in dance than in drink, less in drink than in sleep; and in each also is the possibility of march siving way further to is the possibility of merely giving way further to the disease. The man who most requires sleep may be unable to sleep, so he reads a novel, preferably a variation on a fairy-tale, so that ultimately, insleep while he dreams

There is very little on the West End stage at present for which either the author or manager present for which either the author or manager would claim the title of art. "The Dybbuk," at the Royalty Theatre, certainly comes within the category, while "The Beaux' Stratagem," at the Hammersmith Lyric, puts in a claim. Mr. Miles stimulates thought unto argument as propaganda, but that, rather than art, is what the author was making. Mr. Malleson is bent on giving father a whacking. Of entertainment there is a fair amount whacking. Of entertainment there is a fair amount of first-class quality, including the detective plays and several farces. Of psychological medicine there has lately been a dearth. This brand of play is precisely what managers have refused in the belief that the public much preferred the stimulant served as entertainment—which, if it made the distraught more ill eventually, at least gave them the illusion of health in artificial hyper-aesthesia for the time being. Managers have laughed at the play that really does operate as medicine, and laughed harder at the quantity of syrup mixed with

it in many cases to make it palatable. The success of two such pieces within a fortnight gives the hint that reaction is setting in against the superficiality, smart sayings, and cynicism called brilliant comedy; that ridicule of the basic institutions of society cannot stimulate for ever; and that theatrical re-education seems to begin by first returning the public to childhood or adolescence.

A. NEWSOME.

## Reviews.

The Russian Revolution. By Lancelot Lawton. (Macmillan. 21s.)

The extremely interesting madhouse which is the Russia of to-day is a subject which ought to be tackled by contemporary foreign writers, who can be the contemporary foreign writers. go and see it as it is, and get the vivid truth which always strikes the eye of the outsider while he is still fresh to entirely new surroundings and responsive to their red. sponsive to their radiation upon him. But yet, since frankly the Bolsheviks are out to create a way of living which is alien to anything yet known in the world, and for the achievement of which they are willing to wait until all obstacles, including human bodies, have been cleared out of the road, it may be that the first satisfactory purview of the Communist State in being is not to be had for a long time yet. Mr. Lawton, who is very careful, very painstaking, and surprisingly effective in the sum of his analysis, rather spoils his book by introducing what he takes to be an illustration of Bolshevism in the past in China, and another in Egypt. These earnest and well-intended comparisons will not quite do. The Bolsheviks are handling a bigger job precisely because, while they can deal at such grim ease with any opposition in the towns, they know that towns, they know they can never impose on thich Russian peasant any form of Communism which does not fit in with his personal views, with his greed, his sloth, his patience and barbaric good-humour, and his essential concernation. When humour, and his essential conservatism. Mr. Lawton tells us that Terror stalks at every corner in the cities of Bolshevik Russia, we can be lieve him William Bolshevik Russia, we can be lieve him. When he explains the honesty and discerity of Lenin and other leaders of the new tick it," said an American friend with whom he making a tour of the night life in Leningrad. making a tour of the night life in Leningrad them don't like to see unhappy people enjoying The selves." Well, that's one side of Russia. other side is the countryside, not unchanged, has found a first life to the country to the co has found a freedom no Tsar would ever have conceded but a regism ceded, but surely, so far as Communist idealogism is concerned, no different in essentials from what it was. This is in short was. This is, in short, as fine a book as any man fould have written there are a few dull pages—but really, there aren't any worth mentioning. . . . !

The Wall of Glass. By Amabel Williams Ellis. (Cape. 7s. 6d.)

Of such excellent quality is Mrs. Williams Ellis's political novel, so fine in texture, so shrewd in o servation, so sustained in its interest, that we must have a fault somewhere find a fault somewhere, and we accordingly would that we have her for not centralising her plot sufficiently. that we had as little fault to find in half the she we fearfully the state of the state we fearfully, tearfully, uncheerfully inspect has written a story of interesting people, and instabiliestimate of Tory complacency or Labour instabilies the step is all the step in the step in the step in the step in the step is all the step in t ties she is all for understanding and just appreciation. True, her book is a sketch, but it is a lively, sympathetic sketch of the sketch of t seen, and in the character of the Clydesider and is shows the broad alone she shows the broad artistic comprehension and instinctive sense of proportion which mark as a novelist whose work is entitled to high rank.

Her little green-eyed Elsie of the suburban backstreets is a confident and vivid creation, and if the other women in the book do not appeal to us so generously, it is because the author did not spend on them the same care and concentration, or at least was not so deeply interested in them. There are many forces in the Labour movement of to-day, different in origin in the same to make power. different in origin, in character, in motive power and intent. But only a fool would try to make out that Labour has no future because it lacks a single direction. Far more sensible is this observer, who traces each stream of power to its source, and estimates in the light of that knowledge its immediate and prospective potentialities. Of course a poliand prospective potentialities. Of course, a political tical novel of to-day, if it is to be at once interesting to the esting to the general reader and true to actual contemporary life, is the devil of a job, compared with which the writing of "Sybil" was no more difficult than falling off a log. Mrs. Williams Ellis has come as near to complete success as anybody but a very great novelist could expect to do, and has preserved withal a clearness and a grave heauty of preserved withal a cleanness and a grave beauty of style which style which would have ensured the refusal of her book by—shall we be generous to Barabbas, and say 75 per cent. of the publishers in London?

# A Debaters' Encyclopædia.

Most serious students will agree that attendance at public debates is one of the worst methods of clearing up conare present (if any) quiver in the hot air of oratory and the halo off the speeches beforehand and leave only the the listeners take home, and how very much earlier arrive state. (The present reviewer has been at debates where Most serious students will agree that attendance at public (The present reviewer has been at debates where enabled him to wind up the proceedings before they began.)
One reform might be to institute "faculties" at Univerprobability that as and when anyone became expert at this the debaters. Something of this sort may happen in the the debaters. Something of this sort may happen in the had better attend debates by their own firesides. They can of 'Pros and Cons,' '\* published a few months ago. It treats The matter is set in two parallel columns, and each distinct bered and paired with its counter-argument in the opposite to cover the compression of statement with the compression of statement matter is set in two parallel columns, and each distinct bered and paired with its counter-argument in the opposite to cover the compression of statement necessary column. Because of the compression of statement necessary a work similar in nature to a minute-book, cutting the and con eyepieces focussed on an objective of essential deabout. Mr. Cousens must be congratulated on the efficiency restatement. of his work, not only in regard to the rearrangements and inclusion of newer ones most of which, as would be expect of which, as would be expected to the control of the control pected, deal with financial subjects. Thus, in the Index, ship, Credit, Currency, National Dividends, Finance, Gold Edward, League of Nations, Stabilisation of Prices, and Fremium Bonus. Moreover, readers of The New Age will dealt with. These financial subjects are not always dissistion of banks which is treated: the earlier concept being the new financial subjects are not always dissistation of banks which is treated: the earlier concept being the new turn which is treated: the earlier concept being of controversy. This is the very book for the newly ensured the past General Elections, and—unless some common-sense into parliament—twenty future ones. At the same newer ones, most of which, as would be exwith financial subjects. Thus, in the Index, ferences to Rapling Cocital Levy, Co-partnerpast General Elections, and—unless some common-sense time it is a valuable book of reference for the serious student, writer will find stimulation in every page of it.

A. B.

sies of the Day. Seventh edition, re-written or revised by Hilderic Cousens, B.A. (Cantab.). 211 pp. 2s. 6d.

## LETTERS TO THE EDITOR. SCULPTURE.

Dear Sir,—To your issue of July 1, last year, I had the pleasure of contributing a short note—"The Form of Sculpture." In connection with what I then wrote I should like to draw the attention of your readers to the work of a young sculptor, Mr. Maurice Lambert, although his first exhibition (at the Claridge Gallery, Brook Street, W.) closes on June 30 next.

So rare a quality of imaginative alertness is revealed in "Kneeling Torso," a beautiful piece of craftsmanship in polished alabaster, which appeals to the combined senses of sight and touch, that it is to be hoped circumstances will enable the artist to develop the talent shown in such a piece, and in the delightful brass "Birds" on a marble

Mr. Lambert's portraits, notably "Peter Quennell," in bronze, are quietly well done; but it is his eagerness to adventure into unexplored fields of shape that should evoke the enthusiastic encouragement of those who appreciate ERNEST H. R. COLLINGS. vital sculpture.

## MR. A. B. FLETCHER ON "THE FUTURE."

Sir,-May I point out to Mr. Fletcher that it is Nature herself, or the Laws of the Universe, which created "the world of conscious future existence," which he sees as nothing but a mirage of *fin de siècle* weariness. There never was an age in which the evidence concerning strange visitants from that world was not abundant, and now that they have been beaught within the ambit of experimental they have been brought within the ambit of experimental science the possibility of their existence, however startling it may appear to us, cannot any longer be referred to in terms of Huxleyan superiority. ISABEL KINGSLEY.

# MR. PENTY AND DISTRIBUTISM.

Sir,—My attention has been directed through an article in G.K.'s Weekly on a review of Mr. Chesterton's "Outline of Society" by Mr. Hilderic Cousens to a reference to myself to which I take exception. That reference identifies me with the social philosophy of Messrs. Chesterton and Belloc. Doubtless I share many opinions with Mr. Chesterton and a few with Mr. Belloc, as doubtless many of your readers also do. Yet finally I am no more in their boat than I am in that of Mr.

similarity and even identity of organisation, function, and policy of Jewry and finance as a result of this confusion. In "international finance" the word clearly connotes not "international finance" the word clearly connotes not merely a number of financiers scattered through the nations, but an organisation working through national banks by means of agreements, tacit or otherwise. In "international Jewry" it connotes nothing more than the fact that the Jews are scattered among the nations. There is no international organisation, that is, of course, outside the brains of believers in the Protocols of the Elders of Zion and there of believers in the *Protocols of the Elders of Zion*, and there are no bodies which work on international agreements. In the one case the connotation is that of organisation, in the

the one case the connotation is that of organisation, in the other that of distribution.

Few people will find it difficult to believe that superior intelligence could not and does not desire commercial and financial power without having to assume the urge of some mystic "kultur" teleology working through an appropriate organisation, and I, for one, am surprised that such an assumption is the standby of one who declares himself conversant with "all forms of Jewish thought."

S. P. ABRAMS.

## "SCHOOLING."

Dear Sir,—I am naturally grateful to "R.M." for his extended criticism of my "Procrustes, or the Future of Education," though I should dispute the interpretation that he puts upon my argument as a whole. May I, however, call attention to a sentence or two in his second article, in which he seriously misrepresents my point of view? He speaks of me as "chiding the 'liberal education' idealists for their impractical belief that the pupil's personality and the passage to which he refers I was not denving that character can be developed by educational influences." In the passage to which he refers I was not denying that education influences character: I was merely trying to meet the "liberal education" idealists on their own ground. They are always loud in their insistence that the essential with them. But the process of character-formation does not eighteen. It is therefore quite illogical of them to talk as on leaving school is no concern of theirs.

Incidentally, I must disclaim any right to the doctorate M. Alderdow. Pink.

M. ALDERTON PINK.

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