

THE NEW AGE

INCORPORATING "CREDIT POWER"

A WEEKLY REVIEW OF POLITICS, LITERATURE, AND ART

No. 1877] NEW SERIES Vol. XLIII. No. 18. THURSDAY, AUGUST 30, 1928. [Registered at the G.P.O. as a Newspaper.] **SEVENPENCE**

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NOTES OF THE WEEK.

The *Daily Mail* the other day was discussing the difficulties of the English railway system. Having returned thanks for Mr. Thomas's generous sacrifice of his client's wages to the tune of £3 millions a year, it remarked that this sum was not nearly sufficient to solve their problems, and made the inevitable reference to the heavy capitalisation of the system. But heavy capitalisation of industries need present no problem to a Government who can see straight.

Assuming capitalisation figures to be a record of money spent on physical capital such as, for instance, the railways' tracks, rolling stock, and stations, it is simply a question of investigating how the figures come into existence. In mass money-accounting of this kind there are fundamentally only two parties involved, one is the banking system and the other the whole community considered as workers and consumers without reference to who are employers and who employed; to put it shortly—the lending party and the borrowing party. Since the bank creates the money it lends and destroys it on repayment, then creates some more, and destroys that, and so on, it follows (1) that any permanent capital equipment constructed by the use of a succession of loans will bear a cost value equal to the sum of all the loans, and (2) when completed, and the last loan repaid, its power of earning money will be nil. The process is the same in principal as though a bank lent borrowers a £5 note on Monday, received it back on Saturday, lent it again on Monday, and so on for a year. In that case the costs of the borrowers would be about £250 at the end of a year, but there would be no money in circulation to repay the costs. It is easy to see that if all these costs are to be recovered in prices then every time the borrowers repay the £5 note, and add that figure to their capitalisation account the banker ought to credit the £5 to a price-fund account of some sort. It does not matter what name it is called, but obviously it

ought to be a communal fund because all costs have to be recovered from the community through retail trade in the long run.

But this does not happen. "Every repaid bank loan destroys a deposit," as Mr. McKenna keeps pointing out. So when the *Daily Mail* complains of the problem of railway capitalisation and speaks, as it does, of the many millions of pounds which have been "sunk in railways," it is half right and half wrong. The money has been "sunk" all right, but not in the railway companies. It has been sunk in the banking system. Nobody realises this because the bank in turn "sinks" the money, and does so by expunging from its published accounts all record of the money it has received and destroyed. "See," it cries, "we haven't got it." No, it has not got it as recorded credit, but it has got it in the subtler form of unrecorded credit-power. It has transmuted the credit into the secret reserves of the banking system. In a fundamental sense the credit exists, but wears a coat of invisibility. The remedy is obviously to turn those reserves again into money and distribute it gratuitously to the community in addition to its current earnings. That is the answer to the question: "Where is the money to come from?" which bothers so many people when they hear Social Credit speakers mention the National Dividend.

In an article in the *Daily Express* of August 20 Mr. Philip Snowden says:

"It is a strange thing that the advance of science and the progress of mechanical appliances should bring the misery of unemployment and suffering to millions of people; that men should be thrown out of work and unable to purchase the necessaries of life because the capacity to produce these things has increased. The fundamental cause of unemployment is the fact that the purchasing power of the masses does not keep pace with the increased capacity to produce goods." The progress of mechanical appliances is the progress of labour-saving devices. So it is the reverse of "strange" that they should save labour. What

ought to appear "strange" is that the saved labour should suffer. And what ought to appear stranger still is that the "misery of unemployment" is not offset by any perceptible increase in the happiness of employment. Mr. Snowden's diagnosis of the situation may pass in a verbal sense, but his remedy is all at sea. He looks round the world and says:—

"If the millions of people in China and India and Africa could afford to buy five shillings' more cotton goods per head a year . . ."

We need not continue to quote. Leave out the money aspect of the problem and consider the physical situation. Mr. Snowden commences with the fact that the masses in Britain are short of cotton goods while the cotton industry is able to make plenty. Why on earth should the export of cotton goods to China-men, Indians, and Africans make it easier to clothe our own masses? If Manchester can deliver shirts plus loin-cloths, Manchester can deliver more shirts if it does not deliver loin-cloths. Given the surplus production-energy and a home shortage of products, why interpose the East between a Manchester factory and a Manchester slum? That is a question everyone would want to have explained were he living under a barter economy. It still needs explaining though we live under a money economy, because the supposed function of a money system is to ease and quicken the barter-process—to fulfil, not to destroy, the law of bartering. If Mr. Snowden denies this of the present system of finance, we shall not disagree with him. But he is not likely to do so.

Now, coming to the money question in regard to these Eastern orders which Mr. Snowden dreams about, we agree that (to mention a figure he gives) if £60,000,000 a year were spent by Indians in Lancashire, our operatives would pick up a few more shirts out of the transaction than they do—always assuming that they were not called upon to devote their extra earnings to paying the overdue calls on their worthless shares in the cotton companies. But what grounds has Mr. Snowden for supposing that if Indian consumers had that extra sum to spend, they would come to Lancashire with it? If they got it suddenly they might have to; but not for long. The producers in India would be after that trade very quickly. As Mr. Snowden says, "world trade is in its infancy," which implies that world-capacity for production is indefinitely expandable. That is to say that every country will expand production to meet its consumers' demand.

Mr. Snowden suggests a method by which Indians can get some money. Britain, he says, ought to spend money in developing Indian agriculture. Thus "we should be developing the resources of Great Britain." All this means loans to India. If these loans were conditional upon their proceeds being spent in Britain, then British producers would receive the money and send out steel, concrete, railway material, and what not. There would be a small boom and a relief of unemployment for a little while. But the price we should pay would be to make India a stronger competitor of ours. It does not matter that it is only agricultural produce that is in immediate question. Agricultural development in India would either prove inefficient (in which case it would not be an improved British resource) or it would prove efficient, in which case that particular efficiency would contribute to general efficiency. The end of the process, continued long enough, would be an agitation in Lancashire against the importation of Indian shirts.

There is a striking parallel between France's recent naval understanding with Sir Austen Chamberlain and her military understanding with Sir Edward

Grey before the last war. Whenever Sir Edward was asked what Britain's formal commitments were he invariably assured Parliament that there were none—that Britain had a free hand on whether to participate in a European war involving France. As events turned out in August, 1918, the statement was found true. We had no lawyer's agreement, but we had a gentleman's, and, as gentlemen—! No astute statesman had been deceived, because when French and British officers went inspecting French fortresses and exchanging military information only a fool could miss seeing what was up. And now today, when rumours are current that France and Britain are interchanging naval secrets, astute statesmen are well alive to their implications. In 1914 it was Berlin that was suspicious. In 1928 it is New York. Mr. Kellogg is about to sign a Pact to outlaw war. His departure from America to do so synchronised with Sir Austen Chamberlain's departure to America. We regret Sir Austen's recent illness and are glad he is so soon well enough to go on such a long and busy tour as has been mapped out for him. His absence from the Pact-signing ceremony will be made good by Lord Cushenden (the name suggests the "buffer state") who, not knowing the terms of the Anglo-French pact, will be better able to answer Mr. Kellogg's questions about it. Everything will go off amicably however. How could it not when all these statesmen are assembled to outlaw unnecessary war?

"The process through which the loans of one bank become the deposits of another is described at some length; and the manner in which this process makes possible the multiplication of deposits in the banking system as a whole on the basis of a given reserve is clearly explained."—From a review of *The Banking Process*, by R. G. Rodkey, Michigan, in *Barron's Weekly*, August 13, 1928.

"Along with the growth of orthodox instalment selling there have developed some variations in Germany and Australia. In Germany there is one interesting variation which has caused concern. It is a practice called 'consumption financing.' It consists of the issue by special finance companies of 'credit cheques' in consideration of a down payment and a promise to pay fixed instalments for a given time. The credit cheque may be used to buy at specified shops almost any commodity except food. There is no question raised concerning the goods for which the loan is granted."

"It will be recalled that one of the leading joint stock banks deliberately tried a short time ago to circumvent the restrictive policies of the central bank by importing a large quantity of gold and tendering it to the Bank of England. It was conjectured that the aim was to force the hands of the authorities by 'smothering' them in gold until they no longer had the resolution to continue their 'sterilisation' policy. . . . The Bank of England has deliberately attempted to prevent the new gold from being made the basis of increased lending by the joint stock banks. It has been opposed, too, by some of the most influential bankers of the United Kingdom, who have done everything possible to enforce as well as to preach the doctrine of cheap and abundant credits as an aid to industrial recovery. So far the Bank is victor. It is estimated that if the Bank of England had passively received this gold on deposit from other banks, and the latter had made it the basis of increased bank deposits of the country would have been increased £180,000,000. Had the Bank of England itself also chosen to make the new gold the basis for loan operations, it might without weakening its reserve ratio, have expanded notes in circulation, and thus added still further to the credit balances of the joint stock banks available for credit expansion. It did nothing of the sort. It set to work to sell securities and thus draw down the balances of the joint stock banks which might otherwise have become the basis for new loans and new deposits."—Editorial in *New York Journal of Commerce*, August 7.

The next meeting of the M.M. Club takes place on Wednesday, September 5th, from 5.30 p.m. Discussion at 6.15. Chairman, Mr. A. Brenton.

The Fetish of Abstinence.

Let us picture a small community tilling land and getting crops of wheat of a certain quantity which they wholly consume. Supposing that the question arises whether they shall try to obtain a greater yield, the answer will depend on two considerations: (1) Is a greater yield possible? and (2) Will it serve any useful purpose?

Assuming they are able to increase the yield, their incentive to do so will arise from one or the other of the following reasons (1) that they are able and would like to consume more; (2) that they want to provide against a sudden failure of a harvest. The purpose of producing more will be two-fold—to fulfil a need and to cover a risk. If they are getting 2,000 bushels and can raise the yield to 4,000 bushels they will have to allocate the extra 2,000 bushels in certain proportions to the need and the risk.

To do this they will decide by past experience what the chances of ruined harvests are. Have they ever had two successive harvests completely ruined?—or three? Let us suppose them to agree that their safety will be assured by the accumulation of the equivalent of two harvests, namely 4,000 bushels.

They proceed to work harder, improve their methods and construct labour-aiding machines, with the result that they get their yield up to 4,000 bushels per harvest. They do not consume more than 2,000 bushels, so they complete their store of 4,000 bushels at the second harvest. When that is done, they are now able to consume the whole of each following harvest until a catastrophe drives them to tap their store, upon which they will slacken consumption until they have replenished it.

This is a common-sense way of conducting an economic system. The community acts on the principle that the proper purpose of increasing production is to increase consumption. And though they initially produce more without consuming more, they do not prolong their period of abstinence beyond the point where their definitely calculated risk has been covered by their savings. They do not work for work's sake; nor do they save for saving's sake. They work to consume; and when they save, they save to consume. Consumption is their conscious objective all through. Note also that, since the risk they provide against may happen without warning, they keep their savings in a form which can meet the emergency instantly. It would be no use for them to accumulate fertilisers or ploughs or threshing-machines. Their insurance "fund" has to be of the same character as the loss it is designed to make good.

Of course, it is possible to imagine their using a money system, and recording their risks and their provision against them in financial terms, but no amount of money savings would spare them the necessity of saving actual wheat. They could not replace a destroyed harvest with pieces of gold or paper.

As between this simple, primitive example and our present economic system there is a fundamental difference. To-day, abstinence is regarded as a moral obligation in itself instead of an accident induction from consumption. The only justification for abstinence is the risk of a failure in production. The magnitude and duration of such abstinence needs to be no more than commensurate with the magnitude of the risk.

Now, consider these conclusions in relation to the economy of the modern world. Disregarding for

the moment the financial aspect of economics, and confining attention to the physical aspect, the risk of failure of supplies of the means of life is not in the remotest degree comparable in magnitude to the loss of a whole harvest by a primitive community. Take such supplies as could be most slowly replaced if lost, namely, agricultural products: nobody would affirm that there was a risk of a complete failure of the world's crops, nor even of a partial failure sufficient to jeopardise life. Scientific discoveries applied to production and transportation have made it physically possible not only to provide the necessary aggregate quantity but also to average local surpluses with local shortages elsewhere. This being true of agricultural produce, it is unnecessary to demonstrate its truth as regards the world's manufacturing power. Speaking comprehensively, applied science has more than eliminated the risks: it has made them a minus quantity. The evidence of this is clearly manifested in such phenomena as the deliberate reduction of areas planted with wheat, cotton, sugar, rubber, etc., not to speak of the frequent cases of actual destruction such as the burning of wheat for fuel in America, the shooting of calves in Argentina, the dumping of fish back in the sea round our coasts, and the rotting of fruit in our orchards. Our ancestors were afraid of bad harvests: in these days we are afraid of good ones.

Consider this curious circumstance: the nearest approach which modern civilisation has made towards a catastrophe comparable to the loss of a harvest by the primitive community took place when the war broke out in 1914. The combatant nations had made no provision in terms of food and other articles of consumption to tide themselves over a period of four years' destruction. They had not foreseen that they would have to send a quarter of their adult male workers out of their factories into the battlefield. Yet, when this happened, the world got its food just the same, and, so far as the poorer classes of the communities were concerned, they got more than usual. And, to crown the story, every one of those nations came out of the war with an increased quantity of productive equipment, representing, according to some authorities, 50 per cent. extra manufacturing power.

So the practice of abstinence in these days is an insurance against negligible risks, and is indefensible on economic grounds. And, much more important, since it is the direct cause of poverty, which impairs the health and culture of nine-tenths of the world's population, it is indefensible on moral and aesthetic grounds. It is an affront to the conscience of the scientist, the humanitarian, and the artist, for it is purposeless and cruel and ugly.

Nevertheless, everyone speaks its praises. That is because the whole power of the banking monopoly is applied to inculcating the doctrine. We need not stop to inquire why: the vital point is that the doctrine is false in physical reality, however plausible it may sound when argued by financial arithmetic.

All reformers are rapidly coming to the common conclusion that there is a direct relation between banking policy and the present economic impasse. The time is at hand when all reformers are going to be credit reformers. Many of them are already submitting to public opinion schemes for improving the administration of the credit system. But this is largely wasted effort. The general public are not competent to pronounce on the technique of such schemes. They are only competent to pronounce on the policy which these schemes are designed to implement. It is for them to say what they want done, not

how it is to be done. This does not mean that discussion as to the "how" should be reserved from public attention, but it does mean that if the object of consulting the public is to get them to exercise political pressure they must be consulted about the "what." Moreover, the "what" must be formulated in such terms as will enable them to make up their non-technical minds to a plain yes or no. For instance, a group of artists and oculists might conceivably object to red pillar boxes and try to persuade the public to demand green ones. A few of the public might be persuaded to demand green under the influence of the oculists' argument that green was better for the eye than red. But the vast majority would react under the influence of their own psychology without recourse to any logical process. They would know what "red" was, and what "green" was; and they would say either, "We like red" or "We like green"; and that would be the end of it.

Now an economic issue is not so simple as this to define. But assuming the public can be induced to co-operate in pressing for it they must understand the issue. Its formulation might be as follows: "Do you wish to consume more or do you wish to stay as you are?" Put thus, it permits of an *impulsive* answer—although it may not necessarily evoke one. By an "impulsive answer" we mean the answer to the question: "What does *your nature* call for," not what they think their nature "ought" to call for. Directly the element "ought" comes into the case, the answer is bound to be, not the public's, but the bankers'. That is hopeless; especially since the policy to be introduced is a reversal of the bankers' policy.

We are not to be assumed here to believe that it is possible for reformers ever to be able to get whole masses of people thus to consult their nature. In fact, it is precisely because we recognise the overwhelming power of the bankers to persuade normal people to be *ashamed* of what their nature tells them—that we have always doubted the wisdom of relying on mass propaganda. But insofar as credit reformers like to exert influence as private individuals they will do best to concentrate on exploding the "abstinence" superstition. It requires no special knowledge of finance. Nor does it essentially call for controversial abilities. You can undermine a false doctrine by laughing at it—this doctrine especially, because most people you meet are subconsciously in revolt against it and may derive comfort from your laughter. As for the others, if you use ridicule and refuse to argue, you will sooner or later irritate someone and drive him to relieve his emotion by going and arguing the question with someone else: and then, under the whimsical laws of chance, this someone else might easily turn out to be an expert disciple of Douglas on the prowl for prey. You never know: and that adds zest to the game.

It is, of course, necessary, when once a person has realised the falsity of the abstinence doctrine on the physical plane, to be prepared to give him an idea how the opposite doctrine can be applied to the present system where the remedy must necessarily fit into a money economy. This entails a consideration of the origin and nature of financial credit. We need not go over the ground. It has been prepared sufficiently for the purpose by the speeches of Mr. McKenna. By reference to these, in conjunction with elementary facts described in Social Credit literature, it can be made clear that:

(1) Money is a costless thing which anybody could manufacture if permitted to.

(2) The value of money is derived from all the uses to which it is put.

(3) The whole community uses money.

(4) Therefore every member of the community contributes something towards imbuing money with value.

(5) Therefore, all money justly belongs, at the point of its origination, to the community.

(6) The originators of money are the banks.

(7) The origination of money is accomplished by the bankers' act of lending it. "Every bank loan creates a deposit" (McKenna).

(8) Hence the money which bankers lend is money belonging to the community.

(9) When borrowers repay money to the bankers its origination is cancelled. "Every repayment of a bank loan destroys a deposit" (McKenna).

(10) The money received by the bankers in repayment of loans belongs to the community.

(11) Therefore the destruction of that money is a destruction of the community's property.

(12) All money in existence is money which the banks have created and lent and which they will recall and destroy.

(13) Therefore the community does not possess an independent stock of money, but is dependent on the use of bank-loan money temporarily in circulation.

(14) The community is directly concerned with bank policy, and entitled to control it.

All this is leading up to a proposition that we will discuss, namely that every member of the community has the right of partnership in the banking system of his country. Consider the present Bank of England or the Big Five Banks to be combined in one institution called, let us say, the English Bank. Every baby born in England would *ipso facto* be a partner in the English Bank. His or her citizenship would be as automatic as is now his or her citizenship. This is not put forward as a formal scheme, but as a picture emphasising the real rights of citizenship. These rights would not include that of interfering with the administration of the Bank's function, but they would include that of changing the function, if they did not give satisfaction. The test of efficiency which these functionaries would have to stand to would be the economic phenomena which accompanied their monetary transactions. Their fifty million employers would between them have a fairly accurate knowledge of what was the productive capacity of their country's industries, and would require that these industries should be kept working at 100 per cent. efficiency for so long as there existed a visible need for the products anywhere among the community. To meet that requirement the managers of the Bank would have to co-operate with producers to devise a scheme under which the money forthcoming from consumers kept pace with the total cost of the 100 per cent. output. That done, they could rest assured that the consumers' orders would keep the industries at full stretch.

The principle of the financial method required to do this can be shown by reference to the hypothetical community considered earlier in this article. If those few people had formed a bank and created credit to finance their first two years of doubled wheat production, the cost value of their production would have been double the cost value of their consumption, i.e., the cost of 4,000 bushels against 2,000. Consider them as a wholly engaged in production. In their role as a group of producers suppose they borrowed £4,000 of credit from their bank. Having got their 4,000 bushels of wheat, they would next price the wheat. Meanwhile they would have paid themselves £4,000

as remuneration for producing the wheat. If, as producers, they decided to charge for the wheat "all it will fetch," they would sell 2,000 bushels to themselves for £4,000. Then they would pay the bank back, and the bank would destroy the money. The next season the same thing would happen. They would now have a store of 4,000 bushels of wheat. The original cost value of that wheat would be £4,000. But there would be no money in existence. As intending consumers of wheat they would not be able to buy it. Nor as producers of wheat would they be able to sell it. Nevertheless, as *bankers* they could settle the problem—or alternatively they could have arranged something that would settle it. If, at the previous harvests, they had decided not to destroy all the money that came back to the bank, but only that fraction of it which represented the fraction of the wheat they had eaten, i.e., one half, they would have credited themselves with the undestroyed money which would have accumulated to the cost value of the stored wheat. Then in any future emergency when they required to eat their store they would do so and cancel the credit.

Now in these days the world does not need to accumulate emergency rations. The risks of the season are covered by the output of the season. And that output is obtained from a productive equipment working short time, and much of it not at all. That productive equipment is the modern equivalent to the store of wheat. It cannot itself be eaten, but it can be used up in the manufacture of eatables. The reason why it is not is because consumers have no money to pay for its cost. As in the case of the wheat, the money they should have for the purpose was destroyed when the equipment was first constructed. It was taken from them (or their fathers and grandfathers) in the price of what they ate when they laboured at the construction. The remedy for this has been indicated. The missing money must be made good; and in future the comparative rates at which banks create and destroy money must be so regulated as to provide that the community shall have a call on money, to be honoured at such rate as is rendered necessary by industrial wear and tear on a full programme of production. It is a roughly true generalisation to say that the wages, salaries, and dividends of the community are sufficient to pay only the direct charges on production. The overheads chargeable on that production must therefore be met by money provided gratuitously by the banks. Since by their premature destruction of money they have made those overheads irrecoverable so by their re-creation of the money they must make them recoverable.

"A despatch from New York, dated August 8, stated that preliminary steps towards a Chinese financial rehabilitation programme, involving the biggest transaction in history, will soon be given official consideration by Washington and other capitals."—*European Finance*, August 17, 1928.

"Official consideration will soon be given to financial rehabilitation for China. The financing plan will probably be similar to the consortium of international bankers proposed in June, 1918, a proposal which fell through because Japan opposed extension of the consortium field into Manchuria."—*Barron's Weekly*, August 16, 1928.

"The evolution of the Labour Banks movement is attracting considerable attention in Germany as elsewhere. Particular interest centres in the rapid development of the Workers' Employees' and Civil Servants' Bank of Berlin. Its activities are strictly limited. On principle, no credit is advanced to private persons, and the bank refrains from all speculative operations on the Bourse. . . . It is interesting to note that the labour ranks in Germany are divided as to the advisability of development along these lines. The ordinary banks evince no hostility and are perfectly willing to work in conjunction with the Labour Banks."—*European Finance*, August 24, 1928.

Social Credit Philosophy.

[Extracts from Major Douglas's writings.
Compiled by W. T. Symons.]

II.

In this enumeration of social evils, which is only so wide as is necessary to suggest principles, emphasis is laid on . . . abstract defects and miscarriages of justice, as well as on the material misery and distress which accompany them. The reason is that the twin evil of servility is poverty, as has been clearly recognised by all shades of opinion amongst the exponents of Revolutionary Socialism. Poverty is in itself a transient phenomenon, but servility (not necessarily, of course, in manner) is a definite component of a system having centralised control of policy as its apex; and while the development of self-respect is universally recognised to be an antecedent condition to any real improvement in environment, it is not so generally understood that a world-wide system is thereby challenged.

. . . a centralised or pyramid form of control may be the ideal organisation for the attainment of one specific and material end . . . but every particle of available evidence goes to show that it is totally unsuitable as a system of administration for the purposes of governing the conditions under which whole peoples live their lives. . . . For this reason it is vital to devise methods by which technical co-ordination can be combined with individual freedom. . . .

To crystallise the matter into a paragraph; in respect of any undertaking centralisation is the way to do it, but is neither the correct method of deciding what to do nor the question of who is to do it. . . .

It is most important to differentiate in this matter (the Socialists claim that the private administration of industry is the source of all economic evil in society), between private enterprise utilising capital, and the control of it by anti-public interests monopolising it. . . .

The capitalistic system in the form in which we know it has served its purpose . . . but the first necessity is to provide some bulwark against a despotism which might exceed that of the Trust. In our anxiety to make a world safe for a democracy we must beware of discarding too soon an agency which can be made to operate both ways, and thereby making democracy even more unsafe for the individual than it is at present.

The danger which at the moment threatens individual liberty far more than any extension of individual enterprise is the Servile State; the erection of an irresistible and impersonal organisation through which the ambition of the able men, animated consciously or unconsciously by the lust of domination, may operate to the enslavement of their fellows.

In attacking capitalism collective Socialism has largely failed to recognise that the real enemy is the will-to-power, the positive complement to servility . . . and that the nationalisation of all the means of livelihood, without the provision of much more effective safeguards than have so far been publicly evolved, leaves the individual without any appeal from his only possible employer, and so substitutes a worse, because a more powerful, tyranny for that which it would destroy. . . . (It assumes that there is no psychological problem involved in the control of industry. . . .)

"Deterding of the Royal Dutch Shell seems to have overvalued his advertising ability when he attacked the Russian oil contracts made with the American oil companies, and attempted to destroy them with vocalisation. Deterding wanted that Russian oil himself, and, of course, it was audacious for the American companies operating in India and the East to take the nearby Russian oil for the European and eastern districts. . . . The New York people murmured a gentle reply to indicate that Deterding had un- successfully sought the same contracts they had secured, and really had no basis for complaint. . . . But what a fool is sometimes made of the American newspaper-reading public. It was forced into reading columns of columns of what appeared as an international controversy, but was really only a commercial fight over some oil contracts."—*Wall Street Journal*, August 10, 1928.

Views and Reviews.

A PROPHET OF DEATH.

By Philippe Mairet.

It is extremely doubtful whether Freud's writings upon sociology are of the slightest real value to the sociologist. They are indeed singularly interesting. They sharpen the outline of many familiar facts, though they do so, as it were, in the ghastly light of hatred, and delineate the whole edifice in a "worm's-eye view"—as an architect would phrase it. But we look in vain for any feature which we did not know before. We are only able to admire the soft, sinuous skill in argument, the elaborate pretence of reasonableness and humility with which this old serpent proclaims a dogmatic interpretation as impervious to reason and repugnant to feeling as anything that Calvin or any Pharisee ever invented.

It is at first perplexing that a psychologist could possibly have this kind of vision of society. In his latest work,* as in previous writings, Freud recognises (fairly clearly at least) that culture, and everything else that is distinctively human, originates from the conception of a "super-ego" (as he calls it). This super-ego, which exists in everyone, is alone able to unite conscious and unconscious, instinct, intellect, and feeling alike in the service of our social being. It follows evidently that God, speaking purely psychologically, is the mental projection of all these super-egos, to which they agree to give the same name, in the effort to unify their striving. But, having himself demonstrated that some such communal representation is the fact of all the social creation in human history, Freud proceeds to dismiss it as mere illusion. The future will dispense with it. We shall learn simply to keep a social contract, involving the minimum of personal liability. We shall no longer be united by the symbol of our society, nor be inspired by visions of a Kingdom of Heaven nor by any other "illusion": but we shall improve society in our own quite rational and individual interests. Such an opinion would not much surprise us in a mathematician. It would be excusable, however unlikely, in an engineer. But it is a mystery how a psychologist can have come by such a notion.

The truth is that although psychology is a new science, Freud is of the old type of scientist. To the typical scientist of the nineteenth century the whole emotional and imaginative life—the whole "soul"—of man was only an epiphenomenon of chemical and mechanical events; and being thus of a secondary and dependent order, it did not repay special investigation. When at last the reactions of the "soul" could not be ignored, the science of psychology came into being, and was at first an effort to carry over into the study of the mind the same inductive method and the same determinist conception which had so far served in the other sciences. But psychology has this vital difference from every other science, that the object of study is also the subject that studies it. It requires, therefore, a method equally deductive and inductive, which is only now coming into being through the co-operation of Individual-psychology, the so-called "Gestalt" psychology† and the philosophy of "As if." These movements are revolutionising practice and laying down the lines of future advance in psychology; while Freud represents the utmost that the older conceptions of science could do with the new material.

Thus to the pure psychologist, the whole of Freud's actual discoveries, impressive as it is, is much less important than its demonstration of the limits of his method. And to the sociologist it is

* "The Future of an Illusion." By Sigmund Freud. International Psycho-analytical Library. (L. and V. Woolf. 6s. net.)

† It means, roughly, the psychology of the whole being.

quite useless, a sterile revelation of what was known before. For Freud, adventuring in a new realm of science, naively followed his own nose, as if it were a compass, accepted as the "god *Λόγος*" his own scheme of apperception, and reduced everyone else's notion of the truth to mere rationalisation of more or less murderous or sexual complications. No man ever pretended to such Popedom in the absence of any œcumenical authorisation.

It is natural, therefore, that man's essential nature should appear to Freud to be that of a murderous and incestuous cannibal. Culture and civilisation have existed hitherto by providing illusory substitutes for the gratification of this cannibal's instincts. What the father, or society, prohibits becomes "interiorised" as a prohibition of the "super-ego" so that the individual grows up with an aversion to direct gratification of the unseemly instincts. These instincts then break out in a higher form, which is not so destructive of society.

Now, although Freud's "super-ego," in some of his writings, seems to be credited with a power of mobilising the forces of man's whole being (which it certainly has), he conveniently forgets this when it comes to sociology. This super-ego is a mere censor. It only makes a man miserable and gives him internal conflicts. So the best hope of reducing the majority which is now hostile to culture lies in a diminution of their "instinctual rigour." I refer the reader to page 14 for a confirmation of this most dismal conclusion, since it is indeed hardly credible. Freud's other hope (expressed dubiously, and indeed he has no right to it) is the appearance of "dependable and disinterested" leaders who will educate the masses: but he is appalled at the "stupendous amount of force" that will be necessary to carry out this grand project. After all this, he has the brass face to say that, even if his own hopes for the human future are as illusory as those of religion, at least no penalty is imposed for not sharing them!

Upon Freud's assumptions there cannot be any sociology at all. Society is simply a mistake. It would be better, according to all that Freud shows, to gratify the instincts *au naturel* than to modify them by illusions which science will ultimately dispel. Freud would, of course, reply that our instincts have already (alas!?) become considerably modified, so that they actually need society for their realisation. Still, he ought logically to be opposed to any increase of the irksome social obligations: and in favour of a gradual lessening of moral demands until we could revert unhindered to the three really worth-while activities mentioned above. Or, of course, he may prefer his "disinterested" aristocracy dragooning the masses (of diminished instinctual vigour) with an "appalling" amount of force.

As I said before, it is perplexing. Freud must know as precisely as anyone alive the relative powers of imagination and intellect in human beings. He may call all religions, ideals and socialisms illusions, in the sense that they are creations of desire. But these imaginations of Man, of his future and destiny, tend to realise themselves, just like any other imaginations with which psychology is acquainted. They give rise to innumerable conflicts, both within individuals and between them, and generate many superstitions, but they shape the social life of man and so liberate his creative intelligence. In this sense they are not illusions at all. Their synthesis, so far as we can grasp it, is nothing less than the directive intelligence of humanity.

But Freud is a prophet of death. To him, man's deepest will is an oscillation between the twin instincts of death and sexuality. So, while the sands of life are running lower, he prophesies that God will also die.

Two Dialogues.

I. THE SEXPRESS.

Tom: Have you read—you must have heard of it—Mr. James Douglas's attack on a novel by a lady named Radclyffe Hall called "The Well of Loneliness"?

Dick: Yes, and that the Home Secretary has called upon the publishers to cease publication of the book, which they have done.

Tom: Do you think Mr. Douglas was right to attack this novel?

Dick: Well, I see no reason why a critic should not attack any book in any manner he likes, so long as the same rules apply to both attacker and attacked. It seemed a bit low down to call on the Government, though. It's like telling teacher.

Tom: But his argument is for suppression. Do you think he was right to appeal for such a book to be banned?

Dick: As he gave no coherent account of what the book was about, I don't know. He said a good deal about sexual inversion and perversion, and used a great many words like leprosy and plague, horrors, depravity, prussic acid, and unutterable putrefaction, but that tells nothing about the book. That is Mr. Douglas's mind.

Harry: I have read the book. It pleads for the social tolerance of Lesbianism; its idea is that women have a right to fall in love with one another and get as much satisfaction as they can out of it. Mr. Douglas calls it an "undiscussable subject," and so it may be in newspapers and chapels, but it never gets anybody down in pubs.

Tom: But do you not think that there is a limit to what should be discussed in novels?

Dick: Perhaps so, but it is rather late in the day, isn't it? There's nothing to stop anybody buying Balzac's Droll Stories, or Rabelais, or a French novel, or one of the hundred sheikh novels written and published in English.

Tom: Yes, but none of those are about perversions. They are about normal people.

Dick: Maybe. Vices shared by everybody are normal, and so permissible. Peculiarity in vice is as taboo as peculiarity in everything, it seems, except baptism.

Harry: "The Well of Loneliness" was published at 15s., so that only the right type of person would get hold of it. Mr. Douglas doesn't seem to know that a book on the same subject has just been published over Compton Mackenzie's signature—at a guinea, for similar reasons.

Tom: But Compton Mackenzie's book is said to be against Lesbianism.

Dick: Well, if it's undiscussable it's undiscussable. When "La Prisonnière" was performed in New York they were at least logical in being down on propaganda telling men to avoid Lesbians at all costs. They had decided not to mention the subject, and acted on their rule. When the play was produced in London it excited nobody, though it made a few people think. That this book is 15s. (or a guinea in the other case) merely means that working people would be kept out of the know, as they were about Birth Control, until free literature was about. Price means little in the days of circulating libraries. Not long ago Mr. Bertrand Russell preached free love to the middle-class intellectual woman who didn't want to lose her job by marrying. Her book was only half-a-crown. Isn't free love as revolutionary in theory and less prevalent in practice than Lesbianism?

Tom: But you must admit that none of the comparisons you make are with perversions.

Dick: I don't know where perversions begin.

Harry: Keep us off that question, this time, please. A novel, as Dick says, is everybody's book, and I

think there is much to be said for restricting the deep problems affecting cultures to straight-forward expository books, which go only among students.

Tom: You think, then, as the author addressed democracy by taking novel-form, that Douglas was right to address democracy to get it suppressed?

Dick: He didn't ask democracy to do anything. He addressed another Puritan despot. Mr. James Douglas is one of those humanitarians who foam at the mouth in their efforts to advertise the filth they find, and then watch the fun while policemen clean it up.

Tom: But you don't think that he was advertising the book. Surely his object was to bring its circulation to an end.

Dick: Lord Salisbury said that we didn't go to South Africa for diamonds. They were just there. If Mr. Douglas was not advertising the book he is a bigger fool than ever.

Harry: On the morning following the article it is alleged that all Mudie's borrowers asked for the book together. This, of course, may be an exaggeration.

Tom: But, thanks to Mr. Douglas, they didn't get it.

Dick: But for Mr. Douglas only a handful of them would have wanted it, and that handful would probably have sent it back as dull after two chapters.

Harry: It is not necessary in journalism, surely, for a writer to calculate the effect of what he writes. He must go out for morality with all his might, even if his service proves in the end to be on the devil's side.

Tom: I am sure you do Mr. Douglas an injustice.

Harry: Surely not. I merely acknowledge that Mr. Douglas failed heroically. The expensive edition was probably sold out next morning. I know one bookseller who couldn't get all he asked for. That was a day or two before the publication was ceased.

Dick: Mr. James Douglas is the only person who has reduced the discussion of a mild lunacy called homosexuality to mob-level. I don't believe that Miss Hall's book had a children's page. Mr. Douglas's article appeared in a paper that had. On the next page to his article were the comic pictures, and on the next but one the children's corner. So if he didn't give it to a healthy boy or girl he at least gave it to the kids who read the children's page in his paper.

Tom: You don't suggest, do you, that Mr. Douglas wanted the children to know about the book?

Dick: Not for a minute, but the effect is the same. That's the worst of sincerity.

Harry: Anyhow, the children are safe enough. You can give them almost anything without fear. They have to be driven very hard to read any dull book. They laugh innocently even at the pictures.

Tom: Mr. Douglas said he would rather give a healthy boy prussic acid than "The Well of Loneliness."

Dick: Mr. Douglas hasn't given anything to the healthy boy, who would rather have a new penknife, an equally dangerous weapon in the wrong hands, than either. The only person Mr. Douglas has given anything to is the unhealthy girl. It's a devil when a man, who is a sentimentalist in one column and a roaring Puritan in another, gets loose on perversion.

Tom: But how is one to get a dangerous book withdrawn?

Harry: If that were all one wanted, it would be easy. But there wouldn't be a ripple in the papers. Similarly there would have been no scandal, no circulation, nothing out of it for Mr. Douglas.

Dick: Mr. Douglas reminds me of those intemperate people who get mad drunk on the smell of other people's beer. If he wants to consider the possible effect of immoral literature, he ought to study the

issue of the *Sunday Express* with his article in it. "Revelations of Doctored Dogs," on page 1; "When Buchan was Doped for the St. Leger"; "Temptations of the Turf," or his own maudlin sentiment about the reprieve of three men under sentence of death, on page 9, where he takes his reader into the condemned cell and lets him taste the voluptuous excitement of feeling what it is like waiting for the hangman.

Tom: But surely it is quite moral for people to be interested in money and murder and dope and dogs, and that sort of thing?

Harry: All said and done, both the book and the attack have failed in their ostensible objects. The attack has made the book much sought after and widely discussed. Together with the attack, the book has probably awakened many women who had Lesbian proclivities without being aware of them to their own defects, and gives them bad consciences and self-despising instead of the crown of thorns and public sympathy it asks for. Really, the book is not a very good one, because it makes the Lesbian subject a man-woman with all the accomplishments. She has wealth, physique, and brains. She is a Lesbian M. Beaucaire with melancholia. Perhaps the best thing now is to let the Lesbians read it to lift their peckers up a bit. That would probably cure them.

Dick: You fellows take it all too seriously. If it wasn't intended to advertise the book and sell it off quickly at the full price, why did they publish a big photograph of the lady, and on more than one day?

Tom: Well, I cannot help but think that Mr. Douglas has tried to do the public a service by presenting it from moral contamination.

Dick and Harry: Well, good-night, Tom. No doubt you're right. T. D. H.

II. SAPPHO.

(At Another Pub.)

Dick: After all, this Lesbosh has got to be dealt with. The line of just shouting the feminine homosexuals down is no longer any good. They are a fact.

Harry: Have you any ideas on the subject?
Dick: Not fixed ones. But at the rate we are going, with the subject being discussed by persons as uninformed as James Douglas in places like the *Sunday Express*, it will soon be impossible for a boy to have a chum or a girl to have a friend. It has always been common enough for two girls in digs together to become friendly. They may even sleep in the same room. I've known brothers sleep in one bed without any excitement whatever. It will soon be looked upon as incest.

Harry: Lesbianism seems to me a far more difficult question than male homosexuality at present.

Dick: Thousands of women are living together almost as man and wife. One does the cooking and the other the going out to work. But considering it on its own—bringing in no revolutionary analogies such as Bernard Shaw's illegitimate babies for husbandless women at salaries comparable with dramatic royalties—I am prejudiced against regarding it on the honourable plane of marriage. But what are the standards?

Harry: Biologically the standard appears to be between the eugenic and the dysgenic, between what is good racially and what is bad; and similarly for culture as for race.

Dick: Agreed, but with a birthrate of 17.5 per thousand and more propaganda against than for children, it seems that the only eugenic teaching worth while would be to abolish slums and increase farm-labourers' incomes.

Harry: As Lester Ward showed, it is probable that intercourse between the sexes is in some degree eugenic whether physical children ensue or not, provided that other physically fertile unions produce enough off-

spring. Sexual intercourse is much more than physical sexual-intercourse, or should be. It should form a link in a chain of cross-fertilisation between spirits and souls as well as bodies.

Dick: Agreed that men degenerate to animals when alone, and that women lose all culture unless cross-fertilised mentally by men. I will agree almost up to accepting Weininger's theorem that the two make a complete entity—or is it a complete zero? Maeterlinck had the same idea, I believe, but he is not to be trusted since he gets sentimental.

Harry: It seems to me that a good union of a man and a woman should solve for both parties all animal, vegetable, and physical problems. It should set both free to take their places as social personalities. They should enter social life, if I may so say it, without any predatory motives left.

Dick: Agreed again. Yet why should not the he-woman and the she-woman solve the problem in the same way.

Harry: Because the spark across the pair travels too short a distance. There is no light, to fall back on a poor metaphor. But, unsatisfactory as it is, it seems to be an attempt to solve the problem of desire for the cross-fertilising union on the part of persons whose circumstances are unfortunate.

Dick: The problem is an old one, of course. Strindberg wrote *Miss Julie* on the theme of the he-woman, who, he said, was courtesan in earlier times, but gave herself airs and became the career-woman and dictator-woman in his.

Harry: The situation has also been developed by the war. For whatever biological reason—it may be the masculine misuse of civilisation—the woman of the last generation rebelled against the men. Rebellion, steady, pressing, rebellion spread over years, hardly seemed a woman's job until the suffragette movement began. Since then a great army of women have insisted on living as males. They have taken up professions and forsworn their physiological functions. The result must be atrophy of the female instincts and organs, with corresponding stimulation of the normally quiescent male instinct and organs. Now they claim the right to take wives.

Dick: It is that right I am moved to deny them, not by suppressing their books, but by refuting their opinions on reasonable grounds, though it looks as if women nowadays, having tasted power, simply crave for more of it. Nobody can reasonably claim that the atrophy of female organs gives one a right to pretend to have male organs.

Harry: Let us be fair to them if we can. Round about thirty or forty years of age are a million women whose husbands or potential husbands were killed between 1914 and 1918. The ones who never had husbands are more difficult than the widows. Those who were engaged to be married are the estate pointed creatures, robbed by Fate of the existence which most nearly makes a woman justify herself. During the war also, women had to take over many male functions. They laboured at men's jobs while at the same time developing independence, self-reliance, and intellect for affairs. Here, then, are two groups—one discouraged from competing for the limited supply of husbands available, the other with the necessary masculine attitude for filling the vacancies. The two fall in love. Not altogether unnaturally they also fall to practices which are almost analogous with that of a beaver in a cage, through the instinctive movements of building a dam.

Dick: But these women will die out in a generation, since they leave no children to inherit or imitate them. Unless they protest too much we can let them alone as a sociological problem which will solve itself.

Harry: It may be, however, that society, by considering them freakish, perverted, or wicked will stimulate their protest.

Dick: It may be, on the other hand, that their self-conviction of cowardice in not competing for a man will lead them to pretend themselves superior in other ways. They may cultivate male habits, dress, and airs, read and write books of propaganda, follow curious cults, and imagine themselves sexually self-sufficient, as the male masturbator has been known to do. It is his trick for getting over his failure to impress some woman.

Harry: Thus by rejecting and despising these women we actually rouse them to become a cultural force. By repression we make them either destructive revolutionaries or true perverts. Then we have to double and quadruple the repression.

Dick: By some magic or another the feudal system enabled women to regard themselves as the prizes for which men fought, and whose wishes men regarded as commands. That at least is the theory, and it enabled women to obtain the same satisfaction as does the female bird or animal for which the males fight. In earlier times the surplus she-women would have become nuns, the he-women, if Strindberg was right, courtesans or queens. But chivalry seems to have departed from both parties with the advent of machinery, as it did from men.

Harry: That is why the problem will not solve itself. Women have now the right to education as males, to indulge in manly sports, to practise "male" professions, law, medicine, accountancy, scientific research, etc. Some of them with male heads, expressions, and aspirations don't know what to do with their female fittings and feminine impulses.

Dick: But does that justify them in competing with the males for feminine partners, whom they deprive of true instinctive and mental cross-fertilisation?

Harry: It looks bad to the males. But, if biological observation is true, the competition of these he-women may restore the balance. Competition among surplus males for scarce females is a great civilising influence. Nothing contributes more to law, order, morality, and so forth. Woman is, and rewards; man does, and competes.

Dick: That is an idea—that the he-women are a sort of medicine for men, to put some kick into 'em, and compel 'em to fight for one woman instead of having six thrust upon 'em.

Harry: If that would solve it, again we could let it alone. We should have to become aristocratic enough in our hearts to acknowledge the manliness of the he-woman until they found out the cost. We should have to treat them as equals, and not, when we are forced to meet them, give them insincere feminine compliments that irritate them, and provoke them to aggressive display of their cock-fighting qualities. But our economic system now forces every woman to find a job. She competes in every way in the school, college, labour-market, and athletic ground. A work state where the females do all the work and only a few are necessary to replenish the wastage of life by bearing babies must produce neutral workers.

Dick: That, I suppose, is what I am really in revolt against. We have become an inefficient bee-hive. Our unemployed men are drones who do not even train for stud. Our work-women are the neutrals, developed from females, who have not got entirely rid of their sex-cravings, and who, protesting against the lack of recognition—which a work-state owes them—emulate the type regarded as superior.

Harry: The only use I can see for machines is to be the neutrals that work requires, so that among the inventive species, which is mankind, biological neutrals are not necessary. By setting women free for accomplishments and home making, the machine could bring about a leisure state for both sexes. In the beehive one sex only enjoys leisure, for which it pays by being slaughtered. In a human leisure state the home and the family could once again become the well not of loneliness but of social intercourse,

education, hospitality, and culture. A man could be a craftsman at home again instead of leaving his wife in the morning to eat her heart out and develop perverted longings.

Dick: What about the surplus women, at that time?

Harry: It isn't certain that there would be any. More boys are born than girls, and with our improved infant nurture methods and declining mortality, together with less male wear and tear through properly organised industry, we might avoid surpluses. Anyhow, the women would envy the home-makers, and possibly take more kindly to providing wives for colonials. An odd he-woman here and there wouldn't matter. It's only when their numbers increase that trouble begins. They begin to organise.

Dick: Well, as long as we go on giving all the mechanical and routine jobs to women it seems we cannot help but cultivate these neutrals. You seem to have established that. So at present society uses them, and grumbles because they plead for the right to exist.

Harry: Before the wish that they had been born boys ceases to be generated among some women we have probably a long way to go. But I am sure that we haven't set out until both sexes begin to believe in the leisure-state instead of the work-state; in the idea that a sonata played for enjoyment is as good as one played for a fee.

D. H.

Drama.

She Stoops to Conquer: Lyric, Hammersmith.

Sir Nigel Playfair writes on his programme: "I have set my face against all gags, however time-excused, nor have I paid much attention to traditional business." Thus before the performance of "She Stoops to Conquer" begins genuine co-operation is prophesied between author and producer, and the curtain seals the bond. The words used in the play, as the producer says, are Goldsmith's. Miss Hardcastle's song, originally deleted, according to Boswell, because Mrs. Bulkley was not a singer, is restored. Cradock's epilogue, which came too late for the first performance, and which was replaced by a hastily written one from Goldsmith, is spoken, possibly for the first time. The prologue written by David Garrick is also spoken. In the ale-house scene, it may be remembered, one of the "fellows," as proof of his faith in gentility at all times and places, says that "though he were obligated to dance a bear, his bear should dance only to the genteel tunes: 'Water parted,' and the minuet in 'Ariadne.'" It was a considerate thought that caused these to be played as an *entr'acte*.

Although the producer has "paid little attention to traditional business," naturally some of the "business" insists on remaining in. Some of it belongs not only to the nineteenth century theatre, but to the theatre of any time. One of the merits of comedy which at times verges on farce is that many variations and surprising turns can be worked upon this traditional business. The up-to-date idea that the aim of comedy is to make everything appear natural has the inevitable fate of making it become merely natural. Goldsmith lived before the barren convention that the object of art is to photograph the life. So far, indeed, from being the world, the world of "She Stoops to Conquer" is one where wit can abide with virtue. In inscribing the play to Dr. Johnson Goldsmith wrote that the "undertaking of a comedy not merely sentimental was dangerous," and that "it may serve the interests of manous," and that "it may serve the interests of man-kind to inform them also that the greatest wit may be found in a character without impairing the most unaffected piety."

Thus Goldsmith acknowledges all the heresies of our own time in one sentence. And by contemporary rationalist standards the play would be judged a bad

one. Its plot would not withstand for a moment the judicial examination which the crook play has established as the mode. Who believes that in the real world old Hardcastle could welcome Hastings and young Marlow at the gate without disabusing them before they got inside of the illusion that his house was an inn? Goldsmith did well to arrange the scene "off-stage." Could anything be more incredible than that young Marlow, although he may have kept his eyes on the ground at his first meeting with Kate Hardcastle, could mistake her for the barmaid at the second meeting? Goldsmith answers all this sort of criticism sufficiently in the preface to the "Vicar of Wakefield." "A book may be amusing with numerous errors," he wrote, to forestall the critics whose hobby is pointing errors out, "or it may be dull without a single absurdity." The lines of "She Stoops to Conquer" are full of wit, humour, and penetration. Characters are endeared to the audience, so that misunderstandings and mistaken identities do not become farcical; sentiment—the appeal for sympathy for the victims of the misunderstandings, as, in general, for their intentions—is so well proportioned to the comic aspects that the audience is never irritated to demand logical eventuality. The play belongs to the theatre. Each performer is given a turn, which is prepared for, and rendered at the centre of the stage, with a gesture now driven out of the theatre, and gradually being treated as a stray dog in the music-hall.

Marie Ney's performance as Kate Hardcastle showed that this actress has made immense progress in the last year or two. Her efforts at dialect during Kate's pretence at being the barmaid were very weak, of course, being sometimes Lancashire and at others Somerset, while at others the dialect lapsed. The dialect passages are short, however, and outside them she showed a clean and unaffected speech, her O's only falling to diphthongs when two of them maliciously came along together, as in "I don't know." Her voice was musical and well controlled, and she also commanded a quality for which no more exact word offers itself than poise. Her finding the right rhythms of gesture and speech for Goldsmith's conception gave an air of leisure to the work which added to the pleasure of seeing it. She very cleverly combined the impression of single-hearted simplicity with clever-headed versatility. If sometimes she appeared a little self-conscious, that was not altogether a bad thing; it only indicates anxiety to go on growing. Renée de Vaux and Yvonne Rorie played Mrs. Hardcastle and Miss Neville, the former with a spirited, comic, and sentimental hypocrisy almost traditional, the latter with a childlike preciousness certainly justified by the lines, though seeming ultra-modern rather than eighteenth century. Among the men, Nigel Playfair treated Tony Lumpkin with untraditional but welcome generosity. It was in Tony, we might suppose, that wit and piety dwelt together, or, if not these, at least humour and good-nature. This high-spirited squire's son, with a taste for ale and unpretentious company, whose practical jokes were on the devil rather than with him, is obviously not such a fool as he has been made to look. Nigel Playfair makes him unquestionably wiser without making him look less a fool. Brian Aherne's Young Marlow was a restrained but sincere gentleman of quality, of fine figure, fine deportment, and fine voice, but Ronald Simpson's Hastings was merely a modern young man in costume. D. Hay Petrie played old Hardcastle as a quiet, bewildered gentleman with a better heart than head, who was moved at last only to very temperate protest by unbearable provocation. The whole interpretation is enjoyable for its freshness, and Sir Nigel Playfair has a right to be proud of it.

The Italian Marionettes: Scala.

The Italian Marionettes, under the direction of Mr. Amilcar Mariani and the musical advice of Mrs.

Julia Chatterton, are once more in London. Last week they gave a condensed version of "The Geisha," a complete ballet, and six items of the marionette music-hall. During their stay the programme is to be varied frequently, items of the music-hall, of course, being in every performance. The operators on this occasion are even more skilful than those about whom my enthusiasm rose a year ago, though their greater skill tempts them to imitate life more, and to comment on it less. The love of burlesque and caricature is still there; it comes out in the singer's stretching and shaking, in the funny, if a trifle vulgar, antics of the ballet-dancer when she shakes what I can only call her tail-feathers. The operators' skill renders the performance fascinating as an exhibition of technique, but I hope they will never play entirely for approval on the ground of their ability to imitate human beings. It is for their ability to put human beings in their places, to take them off, to make fun of them, that the marionettes established a right to separate existence.

Technically these marionettes are miraculous. The variety of their steps in the dances practically annexes that territory, so far as it is professional, from the human being. Everything in the present production is finished. Nothing is passed over in the lump. From the three sailor boys who dance a hornpipe in "The Geisha" to the complete ballet every detail is cared for. A marionette who takes a handkerchief out of his pocket, uses it, and puts it back again, dancers who open fans and close them, a pianist who shakes his coat-tails, and a sailor who raises his hat, are a few of the achievements of these string-pulled people. The music-hall, as it can hardly fail to do, brought the house down, every item from the trapeze-gymnast, the comedienne, established rope-dancer, the clowns, to the concert party, establishing the marionette varieties well above any human competitors. Nobody sees Bil-Bal-Bul without conceiving affection for him.

While the marionettes have talents and matter that ought to be good enough to fill any theatre until after Christmas, they have not yet made the best of themselves. The intervals in their programme were too long, especially when followed by musical interludes, which made the audience impatient. If the intervals were very much cut down and the evening nearly filled with marionette play the audience would go home enthusiastic advertisers. On the occasion when I was present the audience practically begged for encores in the music-hall, and would gladly have had some at other times. These should be given. So refreshing, interesting, and delightful an exhibition as that of the Italian Marionettes ought to be presented in the most attractive and stimulating manner possible.

PAUL BANKS.

Music.

The Powers of the Air.

Amid some performances of really horrifying badness, especially by singers, recently broadcast, those of Messieurs Roy Henderson and John Thorne have been as clear, pure, cold water in a desert. Mr. Henderson gave us some admirable Handel singing with fine florid work, good phrasing, and excellent style. If this fine young artist continues to progress so rapidly we shall soon have to pay homage to a great one. Mr. John Thorne, whose name, I confess, was quite new to me, I count as a particular discovery. His style is not cast in the grand manner, nor his voice, although a very good one and beautifully used, but his singing of a group of Lieder was in every sense of the word *echt*. A very accomplished artist, of whom to hear more I shall take every chance.

Mr. Henderson later sang some Wayfaring Songs of Vaughan Williams, a farrago of tedious plati-

tude utterly characterless and so miserably written for the voice that all Mr. Henderson's fine skill could not make them sound other than "stale, flat, and unprofitable."

And as might be expected the Bach sung and played by Misses X. and Y. respectively told us a great deal more about these ladies than about Bach. I do not propose to give them the honour even of disparaging mention by name in a periodical of such distinction as ours, hence the X. and Y. Sufficient be it that the one is a popularish soprano of the ballad type, the latter a still more popular chory-bantic pianist of the writhing, intense type, the kind that plays with every part of her body, naturally except the part most concerned, her fingers. Her success, I am convinced, is chiefly due to her sinuosities, our audiences being far too much concerned with the sinful lusts of the eye to enable properly to attend with their ears. As for what part that which Miss Y. is doubtless pleased (but not I!) to call her mind, plays in all this it is perhaps kinder not to enquire, her performance, which must be seen to be believed, partaking much more of the nature of the *Danse du Ventre* than piano playing.

As both Miss X., singer, and Miss Y., pianist, show the same faults, each being in her own medium the counterpart of the other, I will speak of them together. Neither possesses the glimmering of a perception of the need of the most absolute technical precision, that drawing of fine, steady, firm, clean lines without which Bach interpretation does not begin. Neither can hold a phrase without letting it sag in the middle like a slack clothes-line, and each has recourse to injecting into the music that extraneous and hideously inappropriate "feeling" that is the hall-mark of the bad performer and a proof that the root of the matter is not in him or her. Further, if ever a composer demands intellectual staying power, the ability to think consecutively and coherently along a given line of thought it is Bach. Neither Miss X. nor Miss Y. has this or anything like it. Miss Y., who is one of the "beautiful tone" school, is under the delusion that a series of more or less pleasant patches of sound in which the outlines of the music are smudged and blurred in the backboneless woolliness in which her type specialises, can take its place. It can't.

In complete contrast to this, a few nights later was the brilliant and masterly playing of Mme. Poldowsky, who as a pianist has all that Miss Y. lacks, a clean crispness, a vivacity and resilience of rhythm, and an admirable power of seeing the last note in the first. All is knit up into a close, convincing and satisfying whole. These qualities were all the more strikingly displayed since Mme. Poldowsky's compositions do not show them, so that the player's power of synthesis had a double task, to supply a lack inherent in the music played and to make the substitution convincing to the ear.

Poldowsky quâ composer is not startling—she is very derivative and much too reliant on the modish practices of the moment, in fact her compositions during the last ten years or so are rather like an anthology of fashion plates. But Poldowsky the composer plus Poldowsky the pianist makes a very delightful and brilliant entertainment. Mme. Makushina, who sang some songs of this composer, including the delightful "Cortège," quite a little masterpiece with its subtly leering suggestiveness, most cleverly capturing the malicious spirit of Verlaine's poem, and the mordant "Colombine," was not an ideal collaborator, she lacks the sparkle and vivacity of temperament which made that admirable artist, Zoia Rosowsky, such an ideal singer of songs of this type, who was the last I heard sing them some years ago, or the gifted Olga Haley, of both of whom we hear unhappily nothing nowadays.

KAIKHOSRU SORABJI.

Review.

The Remedy for Overproduction and Unemployment. By Hugo Bilgram. (Vanguard Press, New York. 50 cents.)

Mr. Hugo Bilgram's well-written little book "was inspired by a competitive contest under the auspices of the Pollak Foundation," and is an elaboration of an essay submitted, but ignored by the judges. Mr. Bilgram accepts the reasons for overproduction set down in Foster and Catchings's work, "Profits," as due to the inability of the consumer to purchase the product sent to market, the main reason for shortage of purchasing-power being undistributed interest. Mr. Bilgram states that "the fundamental causes of the persistent scarcity of money among consumers is the fact that in the supply of one of the most essential factors of commerce (credit) competition is forcibly suppressed without adequate cause." The author's remedy, somewhat resembling Mr. Meulen's in principle, is to abolish the credit monopoly. He proposes, in one of his two plans, to institute competition in discount rates, and in the other to start "Credit Associations" for employers, which would deal with their credit-transfers in place of the banking system. Mr. Bilgram's case, of course, is right as far as it goes, and it goes so far that we regret that he did not contemplate the problem from another angle before closing his scheme. We do not agree that there is any over-production problem that could not be settled by consideration in true Parliaments of what the world's absorption capacity is. The problem is one of under-consumption. Looked at from that angle the question is freed from paradox, which is a big step towards solution intellectually. Once the matter in need of solution is seen as under-consumption the fact that interest is not the only item of cost which has no reflection in consumer-purchasing power becomes of primary significance. Depreciation and a very considerable proportion of overhead charges are no more reflected—in the cycle of production and distribution under consideration—in consumer money than interest. To save bank interest, to be sure, is to reduce cost and increase efficiency, and it is worth doing, since it is, as Mr. Bilgram claims, a monopoly controlled charge. But this step alone would merely produce a partial remedy, and when one is going for a remedy on this question the only course is to go for a real one, which includes price-regulation designed to free the consumer from an accumulation of costs, part of the equivalent purchasing power of which was collected and cancelled in previous cycles of production, and part of which was not at any time distributed.

LETTERS TO THE EDITOR.

GOLD AND UNEMPLOYMENT.

Sir,—The following quotation from that admirable French periodical, "Vient de Paraître"—which incidentally contains regularly some of the finest musical critiques that one could wish to read, written by a distinguished young French artist, Lucien Mainssieux—may interest your readers. The writer (Abel Chevalley) is speaking of the banquet of the Goldsmiths' Company celebratory of the completion of the Oxford English Dictionary.

"Nous sommes bien, disait l'un, dans le pays qui fonde sur l'or non seulement sa prospérité matérielle mais aussi l'accomplissement de ses destinées intellectuelles. Avec quels succès, et aussi quelles tares! Mais avec quelle assurance! L'Angleterre depuis dix ans condamne au chômage un million de ses ouvriers, cinq millions de ses habitants à un million de ses ouvriers, cinq millions de ses habitants à un million de ses ouvriers, joue le sort de son industrie et de son commerce, force les grands terriens à vendre leurs terres, ampute d'un cinquième les revenus de tous ceux qui travaillent comme de ceux qui possèdent. Mais elle a rétabli l'étalon d'or!"

I was at once struck with the intelligent insight of this by a French literary man as contrasted with the complete blindness of Shaw, as so devastatingly shown by Mr. Macalister in his "Bring Out Your Dead!" in your issue of August 9.

KAIKHOSRU SORABJI.

SOCIAL CREDIT AND PARLIAMENTARY CANDIDATES.

Sir,—In reference to recent correspondence in THE NEW AGE concerning the forthcoming Election, may I remind your readers that we have already presented a Petition to your readers that we have already presented a Petition to Parliament for an Inquiry into Finance. I would suggest that all who intend to take any active part in an organised campaign should begin by inviting the attention of each prospective candidate to the Petition, and inquiring what they are going to do about it.

Copies of the Petition might be sent to each Parliamentary candidate and a definite answer obtained.

G. TALBOT GRACE.

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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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Manager, THE NEW AGE, 70, High Holborn, W.C.1.

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Published by the Proprietor (ARTHUR BRENTON), 70 High Holborn, London, W.C.1, and printed for him by THE ARGUS PRESS, Temple-avenue and Tudor-street, London, E.C.4