

# THE NEW AGE

INCORPORATING "CREDIT POWER"

A WEEKLY REVIEW OF POLITICS, LITERATURE, AND ART

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## NOTES OF THE WEEK.

Lord Melchett last week made a speech in which he declared that the consolidation of the interests of the British Empire was more important as an immediate policy than the resolution of European rivalries, and he invited Sir Austen Chamberlain to adopt it. He advocated the safeguarding of Empire industries in terms which indicated that he envisaged a protective tariff-ring round the Empire. The *Daily News*, in a commentary on the speech, pointed out that Lord Melchett had preached Free Trade for some years past, and would now have great difficulty in answering some of his old arguments against Protection. That may be so; but economic time waits for no polemical consistency on the part of politicians. Given two opposite policies, one in operation and the other not, and given that the operative policy is permitting widespread trade stagnation and unemployment to continue, there is bound to arise an overpowering desire to substitute the non-operative policy, however cogently it may be proved in theory to be futile or even dangerous. Neither the employers nor the working classes in this country will be content to starve for want of profits and wages just because their political advisers are unwilling to eat their words. Lord Melchett's change of attitude is an expression of a reaction against the obvious failure of Free Trade to restore our fallen industrial fortunes. His inconsistency is only superficial, moreover; because fundamentally there is no difference in principle between the two policies. Free Trade is Protection in a sublimated form. The Protectionist wants to stop imports in order to secure a favourable balance of trade: the Free Trader wants to let them in for exactly the same reason. Each supports his chosen policy on the assumption that an excess of export values is the objective to be achieved. Their quarrel with each is one concerning means, not ends. Both want to checkmate the foreign exporter: the Protectionist tries to save his pieces, while the Free Trader believes in sacrificing

some of them. Free Trade is thus an aggressive form of Protection. The Protectionist says: "Let us resist the first onslaught of the enemy"; the Free Trader says: "No, let us withdraw before it, and then attack his attenuated lines of communication." Their conflicting plausibilities are in exact equipoise; and the reason why there has not resulted a deadlock in public opinion on the subject is chiefly because the Free Trader's tactics better suit the business objectives of bankers, international investment trusts, marine insurance companies and shipowners.

The basic principle advanced by Free Traders is that of buying in the cheapest and selling in the dearest market. Apply this to the whole of industry considered as a buying and selling unit, and the only "market" in existence is the private-consumption market. The money resources of this market are wages, salaries, and dividends only. So the principle works out to the following formula: Distribute the least money for personal incomes and tribute the most money for personal necessities. The effect of doing this is that consumers have to part with the earnings derived from *all* production in exchange for a *part* of the production. The difference represents additional plant, for the service of which the consumer is theoretically unable to pay any future charge. That he is practically able to do so is due to the fact that his earnings from a new cycle of production are available in part to fill the gap arising from the old cycle: but this only serves to create a wider gap later on. So the Free Trade principle can do nothing to solve the general producer-problem of how to sell production profitably and continuously. The Free Trader may claim to be a longer-sighted individual than the Protectionist, but when the objective can be shown to be disastrous, the shorter-sighted Protectionist can claim to be practically right even though he is theoretically wrong. When going in the wrong direction it is better to walk with the Protectionist than run with the Free Trader.

The quarterly review, *The Round Table*, for December, contains an article entitled "A Plea for an Independent Foreign Policy." This review, we must remind our readers, has always been regarded as reflecting a school of responsible thought; and at one time the contributors to it—all of whom wrote anonymously—were spoken of comprehensively as "Lord Milner's young men." The present contributors still write anonymously; but in the present number they appear to have broken away from the Milner tradition. The article to which we refer summarises the history of Europe since the War, with reference to the Versailles Treaty, the Anglo-French Pact, and Anglo-American relations. It shows no sign of a realistic conception of the ultimate cause of war. It rarely touches on the play of economic forces operating in the world, and never so much as mentions financial policy. It lags behind Mr. McKenna's policy, for instance, by a long distance. It seems to indicate that the writer has not been able to make a coherent synthesis of the numerous signs and portents which have been appearing during the last few months. He is fumbling about for a policy which will at the same time protect the integrity of Empire interests and avoid a clash of arms. At the end of his article he only gets so far as to enjoin on Britain the necessity of her refusing to have any "special understanding" with any other Power. He certainly mentions the United States as one of those Powers with which Britain should not have such a special understanding; but he then advocates a spiritual sort of compact between Great Britain, France, Germany, and the United States, whereby they would "put into practice in their respective spheres the ideals of the League, Locarno, and the Peace Pact." If they do this, he declares, "there is no Power on earth that dare challenge them to war." This is just the meaningless kind of thing that people say when they do not know what to say. Its one advantage is that, being meaningless, it means everything; and so when the writer does come to mean anything he will be able to say that the present article meant what he then means without fear of contradiction or of a charge of inconsistency.

The following passage from his article is perhaps the most compact revelation of his misunderstanding of the situation:—

"At the root of the naval problem lies the question of ensuring freedom for national commerce in time of war. There is no other real issue at stake between the British Empire and the United States. . . . Their vital interests nowhere conflict. There is plenty of international trade to employ all their people if they set themselves to bring about the necessary expansion of world markets by developing and raising the standard of living of all the 1,800,000,000 inhabitants of the earth."

The root cause of naval problems is not the desire for freedom to move goods about the world in war-time, but the inability to get orders for goods in peace-time. If every nation, in peace-time, could get all the orders it needed, no nation would want to impede any other in its deliveries of the goods ordered. In that case, the question of war would not arise, and therefore preparations for dealing with war-impediments to commerce would be superfluous. To-day it is peace-impediments to commerce which raise the problem of war-impediments to commerce. For instance, the writer of the article unwittingly emphasises this by his statement that the eighteen hundred million inhabitants of the world would be able to keep the inhabitants of Great Britain and the United States fully employed. No doubt they would if they were able to spend money without producing anything. But before they spend they have to earn; and they cannot earn except from their domestic industries in payment of services. Their earnings are entered as domestic

industrial costs, and have to be recovered in prices. If America and Britain absorb foreign earnings in prices while foreign industries pay out those earnings, how are the foreign industries to remain in business? As a matter of fact, the industrial plants outside Britain and America are capable of supplying Britons and Americans just as easily as is the reverse procedure. This is the root of war and the naval problem. The dumping of goods is the economic analogue to an artillery bombardment. The competition to dump them constitutes a war, and one of which the concomitant misery to ordinary people is just as heavy, if not more so, than in a military war. To compute pain one must multiply its intensity by its duration; and while the pain of war is more intense, the pain of peace lasts so much longer as to become the greater in the end.

Both Lord Rothermere and Lord Beaverbrook appear to have decided that a policy of criticism against the Bank of England is a good sales proposition for their newspapers. We have given evidence of their attitude in recent issues of this journal. An additional sign, in the case of Lord Beaverbrook, is the appointment of Mr. A. S. Wade, to the City Editorship of the *Evening Standard*. Mr. Wade has been acting in that capacity on the *Daily News* for a long time, and he has been by far the most independent and outspoken critic of the orthodox City outlook of any of his journalistic peers. Again, in a recent issue of the *Evening Standard* a "Special Correspondent" contributes a long article on "U.S. and British Trade: Factors in British Depression and American Prosperity." All the "factors" will be familiar to our readers: they concern facts and arguments with which, it will be remembered, we dealt thoroughly five years ago, and have often referred to since. The writer says that at the beginning of 1921 America had 5,000,000 workers out of employment. They were absorbed, he says, because American industrialists got tired of the previous credit restricting and became so annoyed that there came a time when they "openly spoke and wrote of the 'conspiracy of bankers' which was ruining their enterprises." So credit was expanded. Coincidentally, he proceeds, the restriction of immigrants was made law so as to prevent any rapid increase of the population, and therefore of motor seeking employment. The building boom and the car boom followed, and "the spending power of the workers was tremendously increased," and so there followed an enormous increase in every kind of merchandise receipts. This internal expansion was helped by sales abroad of "some very dear cotton crops." Then, to complete the process came the strengthening of the barriers against the imported manufactures under the Fordney tariff law which began operating over four years ago. In contrast the writer points to three features about British trade during the period.

"This is not the place to inquire fully into this matter, but it can be said with the certainty that comes from abundant evidence

(1) That our troubles began when the banks called in their loans on a heavy scale in 1919-1920, causing industrialists to have to sell their already manufactured products at great loss, and carry the raw material they had already bought also at a loss as well as putting them into difficulties on wages questions with their employees.

(2) That after deflation eased up in 1923 we got our best trade year since the boom in 1924, and

(3) That the fresh restriction of credit which began in 1925 in order to prepare our return to gold in 1925 caused a set-back from which we have never recovered.

The writer omits to mention the instalment-purchase boom, which was the latest development of United

States policy. But what he includes is ample support for his concluding suggestion.

"Defenders of that [i.e., British monetary] policy may say that it is a coincidence that the two things have existed in line with each other. But it rather seems that the monetary authorities of the country would be well employed in inquiring whether American experience in 1921 was not a lesson which they might study."

And, by implication the quicker the better, for he observes that America is "still bounding ahead," while "our unemployment has lately been increasing."

The *Evening Standard's* "City Notes" of November 26 link up with the above article. They begin:—

"Although the 1929 banking speeches will not be heard for some weeks we understand that leading bankers are now looking ahead with some misgiving as to what they shall say about the trade of the country.

"The difficulty about the present year is that favourable signs, such as the increase of manufactured exports, and apparently of production in general, are found side by side with such unfavourable signs as the increase of unemployment, decrease in railway goods carrying, and decrease of provincial bank clearings."

The writer observes that possibly there is a "simple explanation somewhere" which would "reconcile these signs if it were known," and he quotes *The Economist* in support of his own contention that the Governor of the Bank should "survey recent financial and economic developments and show how they reacted upon the past policy of the Bank" (quoted by him from *The Economist*). He adds that the intrinsic importance of these questions is under discussion in the City where "more and more people are becoming critical of monetary policy." "Not in banks only, but in Stock Exchange quarters, too," because the Stock Exchange realises that a steady advance in leading industrial shares is only possible on the basis of better trade, and that otherwise there can be no "firm foundation for its own prosperity."

These questions, though they by no means constitute a Social Credit policy, nor even guarantee it, are the questions which must be settled as a preliminary to it: so therefore their ventilation is encouraging. Excluding the unlikely contingency of the American Central Bank authorities being converted from the old financial policy under which they dominate the world's political policies, it is primarily essential that there should be a dissolution of partnership between the American and British Central Banks, irrespective of what use the Bank of England may intend to make of its restored independence. We think it reasonable to infer that this partnership is being dissolved. Whether Mr. Norman does or does not decide officially to offer a public explanation of the interaction of economic developments with the Bank's credit policy does not much matter, because, if he does not the disaffected bankers, Stock Exchange members, and industrialists will adopt Mr. McKenna's. Their present agitation seems to be designed not so much to elicit more information as to manoeuvre Mr. Norman into the dilemma of confirming what they already know, or of presenting them with a more credible interpretation of it than Mr. McKenna's. It is a real dilemma for the Bank, because a frank disclosure of its policy must eventually lead also to a disclosure of its past commitments to the Federal Reserve Board. Critics of the bank have not brought into action all their guns. It is not simply a question of why America prospered while Britain suffered, but rather of whether Britain's suffering was not a condition of American prosperity. So far as we and our readers are concerned, the question has been answered long enough

ago to render it probable that it will now be thought of independently (!) in Fleet Street.

We have not exhausted Lord Beaverbrook's contributions to the controversy yet. The *Evening Standard* of November 27 publishes an interview which Mr. John F. Sinclair has had with Mr. Mellon in Washington. Mr. Sinclair is the Special Correspondent of the *Evening Standard*, and also of the North American Newspaper Alliance. Mr. Mellon was interviewed about the prospects of American prosperity under the new Hoover Administration. He expects America to set new levels in wealth such as no country has reached before.

"Our national income has passed 90 billion dollars and is moving rapidly towards the 100 billion mark. That means that at the present time the *per capita* income for each man, woman and child in this country is already more than 765 dollars (£153). Of our national income more than 765 dollars go into savings. There is no increasingly large amounts go into savings. There is no exhaustion of our national resources, and, leaving out of account wars and other great calamities, I can see no reason why the present upward trend in this country should not continue."

Mr. Sinclair asked him a question obviously based on one of Mr. McKenna's assertions. The following are the question and the reply:—

"Will America's position as a creditor nation mean that for many years to come she will be required to loan money in large amounts to her debtors in order to continue to trade with them and to collect the debts owed to us by foreign debtor governments?"

"We shall, of course, continue to lend large amounts abroad. The savings of the American people must find outlet, and our people will continue to invest wherever there is a prospect of securing the best returns on their money. But there is a good deal of nonsense talked about the importance of the debt payments in world trade."

Mr. Mellon, of course, did not expose the "nonsense." His reference to America's rising national income as holding the promise of continuous prosperity has no value. A national income depends upon the amount of money in circulation, and that amount of money—as Mr. McKenna has pointed out—depends on how much the banks choose to lend. For instance, Britain's national income rose steadily and quickly all through the period of the war. But the hopes based on that rise were, as we know only too well, most dramatically frustrated in 1920. It is a curious reflection that when the world broke the peace and began to destroy, the world's income rose, and when it mended the peace and began to create the world's income fell. Of course, even during the war, the world did not destroy on balance; it still created more than it destroyed, emerging into peace with a capacity for production larger than it had ever known before. But the anomaly remains that its income was not only increased, but multiplied.

An increasing amount of the American national income, says Mr. Mellon, goes into savings. Probably it is because of this that he says that he does not expect commodity prices to soar out of reach. Perhaps not. But the quiescence of the commodity market is no guarantee of prosperity. If the banks double the money income of a community by expanding their issues of loan-credit, and at the same time the insurance companies and sharemongers get "work and sponge up the extra income as 'savings,'" the amount left to enter the consumption-market is the same as before; and if the supply of commodities offered in that market does not decrease, the price-level will remain as before. But that is only one side of the picture. On the other side is the fact that the saved income buys new physical capital, or very often old physical capital at inflated prices. (The spectacular boom on the New York Stock Exchange last week is an illustration of the last-named application of the money.) But, new or old, the

consequence is the same, that a new load of financial capital comes into existence seeking to earn revenue in prices—which prices must always ultimately travel forward and become charges against the consumer. This process whereby a man's savings in one year become a charge on his earnings next year must necessarily break down unless the banks are prepared to increase their loan-finance year by year so as to enable him to earn sufficient extra money to pay the additional charges. At first the American banks did this incidentally to promoting the building-boom and the motor-car boom. Latterly they have done it directly by advancing credit to enable him to buy goods this year out of his expected earnings of next year. Nevertheless, there must come a time when the bankers call a halt. The increase in unemployment in America is a sign that industry cannot sell all its production, and is therefore shutting down factories. When Mr. Mellon says that the "savings" of Americans "must find outlet" he is really saying that goods and material representing the product of those savings must be dumped on foreign countries without return. And the longer America continues to expand income and savings, the higher the proportion of the increased savings must "find outlet" in this form. The snag is that other countries are determined not to "find inlet" for American savings. To speak accurately, it is the producers in those countries (masters and men) who are determined (or will quickly find themselves obliged) to stop up the inlet: while the Central Banks are using their power of persuasion and act to prevent their doing so. Sir George Paish here, and Mr. Mellon in America, may pretend that Europe cannot restore herself without American assistance, but sooner or later the meaning of such "assistance" will be realised as American dumping. If another war breaks out it will be because the belligerent nations insist on assisting each other, and insist on resisting each other's assistance.

Lord Rothermere's contribution to the controversy consists in allowing the following report to appear in the *Daily Mail* of November 28:—

"Members of the Stock Exchange are indignant about a wreath which has been for a week at the base of the Exchange war memorial.

"The wreath, which rests among Armistice Day poppies, embodies a protest against the fact that the King's head and the Houses of Parliament have been omitted from the design of the new £1 and 10s. bank notes.

"A cartoon shows the high priests, dressed in black clothes with top hats, delivering the oracle: 'In a very real sense the world is on a dollar basis.' Behind them is the golden calf and a temple of Mammon. Financiers and statesmen, among them Mr. Winston Churchill, are shown bowing down. The protest says:—

"This composite wreath of Mother Nature's kindly currencies, mingled with a puzzled nation's tears, is deposited here three hours after sunset, November 21, 1928, to mark the passing of our King's head and of the Houses of Parliament from off the paper currency of the realm.

"Our glorious dead gave their last best gift for liberty, King, and country. Their broken wives, mothers, brothers, and sisters have been squeezed, peeled, and scattered, and their lives frustrated by another blind, backward, blundering attempt to equate gold with flesh and blood.

"Our currency has been linked with that of foreign Powers and our great physical victory is lost.

"This act of remembrance is performed as a pledge to our gracious King that the humiliation of his royal house by this betrayal of trust on the part of his advisers is noted."

The *Star* of the same day publishes a picture showing two gentlemen inspecting the wreath, and adds the subscription: "A Wreath Protest against the absence of the King's head on the new currency notes has been placed on the Stock Exchange War Memorial, and has aroused much curiosity among

City men." In view of the *Evening Standard's* assertion that the Bank's policy is meeting with hostile criticism on the Stock Exchange, we do not believe in the "indignation" attributed to the members. The joke might quite plausibly be attributed to one of them. However, we are entitled to take the credit (or discredit) of having stirred the culprit up, because, during the whole time since the idea of transferring the currency issue to the Bank was spoken of, we do not recall a comment in any other journal but THE NEW AGE which referred to the King. But what surprises us more than the episode itself is the free advertisement that the *Daily Mail* has chosen to give it. Evidently that newspaper did not share in the "indignation" (if any) or it would not have reproduced the unknown loyalist's "protest" at such length.

## An Outline of Social Credit.

By H. M. M.

### IV.

We have seen that the difference between total prices and total incomes leads to revolution or war. The next thing to consider is how the difference is caused. It is caused by the unscientific way in which credit is issued and recalled by the bank, together with the absence of control over selling prices.

The organisation of credit is one of the greatest achievements of our age. Daniel Webster, the eminent American jurist and statesman, said: "Credit is the vital air of modern commerce. It has done more, a thousand times, to enrich nations than all the mines of all the world." And he is right, even although the world's riches exist as yet mainly in a potential form, and have never been actualised to any great extent. The important matter is that they can be actualised now, almost at a moment's notice.

If credit had not been organised the world could never have been organised for large-scale production, or steam and electricity been substituted for human energy as the motive power in industry; and it is only because the burden of toil has been, or can be, transferred from the backs of men to the backs of machines—as Douglas puts it—that emancipation in any real sense is to-day a possibility and not a dream.

What is credit? There are two kinds—*Real Credit* and *Financial Credit*.

*Real Credit* has been defined by Douglas as the capacity of a community with its plant, culture, and labour, to deliver goods and services. The whole community is embraced within the scope of its meaning, not the so-called workers only.

*Financial Credit* is the instrument for setting *Real Credit* in motion and converting it into actual goods and services, and for distributing them where they are required. It has been well called the life-blood of society, and performing so all-important a function it should be under the control of society; but at present it is privately owned and controlled.

Since *Financial Credit* is so vital a thing, let us see how it is created, and study its effects. For our present purpose money and credit may be regarded as one and the same thing. They are interchangeable. One authority, R. G. Hawtrey, says in his book, *Currency and Credit*: "Credit is often said to be a substitute for money. It would be just as accurate to say that money is a substitute for credit." "The banks undertake to transform cash into credit and credit into cash at the choice of their customers: they themselves claim no say in the matter."

In another place he says: "Practically all purchasing power comes into existence in the form of credit, and though it may be transmuted into cash

in its passage through the hands either of poor men who have no banking account, or of rich men who require pocket-money, it resumes the form of credit to be extinguished."

Mr. Reginald McKenna, chairman of the Midland Bank, used words to the same effect when addressing the shareholders of that bank in 1924. "The amount of money in existence," he said, "varies only with the action of the banks in increasing or diminishing deposits. We know how that is effected. Every bank loan and every bank purchase of securities creates a deposit, and every repayment of a bank loan and every bank sale destroys one."

Hawtrey says further that, "Credit originates in production and is extinguished in consumption"; and, referring to the creation of credit, that "The banker creates the means of payment out of nothing."

It is a common belief that when bankers lend money it is their customers' deposits they are lending. That is a delusion, held by Bernard Shaw among others. One of the greatest authorities on banking, H. D. Macleod, tells us in his book, *The Theory and Practice of Banking*, that

"The essential and distinctive feature of a 'bank' and a 'banker' is to create and issue credit payable on demand, and this credit is intended to be put into circulation and serve all the purposes of money. A bank, therefore, is not an office for borrowing and lending money; but it is a manufactory of credit." "In the language of banking, a deposit and an issue are the same thing." "It is commonly supposed that a banker's profit consists in the difference between the interest he pays for the money he borrows, and the interest he charges for the money he lends. The fact is, that a banker's profits consist exclusively in the profits he can make by creating and issuing credit in excess of the specie he holds in reserve. A bank which issues credit only in exchange for money, never made, and can by no possibility make, profits. It only begins to make profits when it creates and issues credit in exchange for debts payable at a future time."

The points to be noted particularly are:—

(1) Practically all purchasing power comes into existence in the form of a bank credit.

(2) Bank credits are created by the banks out of nothing.

(3) They originate in production, and are extinguished in consumption.

All the credit that the community gets and converts into money and spends or saves is manufactured by the banks out of nothing. It is lent to manufacturers, dealers, and others who require it for their business, and is circulated by them throughout the community. Some of it goes direct into the pockets of consumers, as wages, salaries, or dividends; and, in being spent, it transfers goods from the ultimate vendor or retailer to the consumer—that is its function. This we will call "consumer credit," and the costs it creates "consumer costs"—that is, costs representing purchasing power in the consumer's hands, costs he can pay.

The rest of the credit issued is used to transfer goods, not from retailer to consumer, but from one business firm to another. This we will call "business credit," and the costs it creates "business costs."

These two classes of credit and costs coincide with the inside and outside payments of the analysis in Chapter I.

The distinction is purely one of function, and is made for elucidation purposes. So far as the business world is concerned it is not perceived to exist. If it was, the economic problem would probably have been solved long ago. Any bank credit will perform either function.

Business credits, as defined, are nobody's income—that is the importance of the distinction made above—so business costs are costs the consumer has no money to meet and cannot therefore pay.

Business credits are mere replacement credits, replacing earlier issues of consumer credit which have been spent and extinguished; for what is a consumer-cost at one stage of the productive process becomes a business-cost at all subsequent stages.

It is important to note that all money or credit acts in two different directions at one and the same time. It creates new costs for the borrowers, and, in being spent, pays off old ones. By this double action the cost of what is consumed is transferred and re-embodied in the cost of what is produced; but—and this is the whole economic problem in a nutshell—the money, or credit, so spent, in liquidating those earlier costs, is repaid to the banks and cancelled, while the production costs it has created remain in existence practically for ever, by the constant repetition of the re-embodiment process.

Business credits perform a useful and necessary function in transferring goods from point to point within the productive system, and so building up stocks and capital (the machinery of production); but their usefulness is wholly nullified by the fact that not being anybody's income, they cannot transfer goods out of the system for the personal benefit of the community. This tends constantly to bring the system to a standstill. They create costs which must appear in retail prices; but they cannot bridge the gap between retailer and consumer.

This explains why all the discoveries and inventions of the last hundred years or so have resulted in a tremendous development of productive power which is not reflected in a corresponding increase in the general well-being—why, for instance, slums continue to exist side by side with the means to wipe them out of existence.

All social advance is held back by the fact that the whole body of production costs has to be met out of the consumer's income; and as the two things are incommensurate, a mere trickle of goods reaches him. If any change is to take place, if the trickle is to become a flow proportionate to the productive power potentially present, the consumer's income must be increased; but the increase must come from somewhere outside the productive system: it must not appear anywhere as a cost, or costs will rise in proportion as the consumer's income is increased, and no more goods will reach him. In other words, it must be a free issue of money. This point will be dealt with later.

The fact that all costs are unloaded ultimately on the consumer may seem to contradict what has been said: may seem to show that he has the money to meet them. It does not: all it shows is that the rate of liquidation is the rate at which he gets money to spend, not the rate at which costs mount up.

The M.M. Club meets on Wednesday, December 5th, at 5 o'clock. Meeting at 6.15 as usual.

"The Finance Committee of the Manchester City Council, replying to Mr. Baldwin's request to employers to find work for the unemployed, point out that the Council has already, with Government assistance, spent more than two million pounds on special relief work, and is ready and anxious to spend more if the Government will also do its share. As it is, however, the State has contributed a quarter of this expenditure, and has now laid down a rule that only districts with more than 10 per cent. of unemployed will in future receive State relief grants. In other words, the Cabinet which represents national interests repudiates its responsibility for the national problem of unemployment, and hopes by shifting its burden on to local shoulders to gain the credit for alleviating the suffering in distressed areas. . . . The economics of Mr. Baldwin's appeal are as odd as its assumption that the State has no duty to the unemployed except to ask other people to employ them."—*Manchester Guardian*, October 29, 1928.

Views and Reviews.

HARDY IN MUFTI.\*

A large proportion of this book is in Hardy's own words, taken from his notebooks and diaries, or written down by Mrs. Hardy after he had been telling her about his early life. The result is what amounts to a new prose work by the poet-novelist, who, after the issue of "Jude the Obscure" over thirty years ago, published nothing more in prose except a preface or two. The extracts have been made with judgment and joined together very skillfully. There is an absence of all the usual faults in this biography. There is no tedious and unnecessary elaboration of detail; no obtrusion of the biographer's own personality and opinions; no sentimentalism; none of that false reverence which so often spoils a book about a great author. Mrs. Hardy knows quite well that Hardy wrote some classic novels; she knows that we know; and she leaves it at that, and gets on with her book. This is admirable.

The book is so full of things which I should like to quote or to discuss, of obiter dicta, of anecdotes, of thumb-nail sketches by Hardy, of tales collected by him from country men and women, that the only way for me is to ramble about like a bee in a flower-bed. How can I omit to re-tell a story such as this, from a diary, September, 1873: "Met J.D., one of the old Mellstock fiddlers. . . Told me of Jack —, who spent all the money he had—sixpence—at the Oak Inn, took his sixpence out of the till when the landlady's back was turned, and spent it over again; then stole it again, and again spent it, till he had had a real skinful. 'He was too honest to take any money but his own,' said J. D." There are many examples which show how Hardy delighted in the "humours" of his country friends. He had as keen an eye for the comedies of country life as for the tragedies. I often wish that he had rebelled more often against the taste of his readers and given us books, instead of chapters, about the comedians in farm-house and inn-parlour; not since Shakespeare described Costand in "Love's Labour's Lost" have we been given such dialect scenes of comedy as Hardy could write. We could spare six books like "Two on a Tower" for another "Under the Greenwood Tree."

However, Hardy had to make a living by writing novels, so he had to write about what pleased his readers—although not necessarily in the way that best pleased them—an important distinction, which points the difference between making money by writing, and writing for money. Hardy was not one of those high-falutin' authors who think every word they pen is sacred. When his novels were serialised in magazines before publication in book form, and the editors pointed out that their priggish readers would be horrified to read that a man carried three maidens over a ditch in his arms, Hardy put the girls in a wheelbarrow for the magazine, and put them back in the man's arms for the book. In like manner, other "objectionable" passages were cut. Those tender minor artists, who can only write when they are in the mood, and everything is just so, would faint at the idea of doing to their unimportant creations what Hardy did with cynical amusement to his great ones.

The Hardy whose philosophy of resignation tinged so deeply such tales as "Tess" and "Jude" was evident in Hardy, the boy of seven. The staircase of his home in those days had its walls coloured venetian red, and the evening sun added to this colour a great intensity for a quarter of an hour. The boy used to wait for this chromatic effect, and sitting all alone would recite with great

\* "The Early Life of Thomas Hardy (1840-1881)." By Florence Emily Hardy. (Macmillan. 18s.)

fervency "And now another day is gone," from Dr. Watt's hymns. . . . Although very popular at school, he preferred to be alone, and did not feel pleased when boys would often volunteer to walk the long way home with him. Charles Lamb, as an adult, had the same trouble. His walk to and from Covent Garden to the India Office he loved to take alone; but he had to suffer the penalty of being generally popular, and people went out of their way to disoblige him with the kindest of intentions. But few people can understand those who love solitude.

It was while Hardy was a boy that he saw a woman hanged, being close to the scaffold. Also, at a distance of over three miles, he saw a man hanged. As he sat down to breakfast one morning he remembered there was to be an execution, and rushed out on to the hill with a telescope. As he put the glass to his eye the white figure on the scaffold in the town three miles away dropped downwards, and the faint note of the prison clock struck eight. The boy felt alone on the hill with the dead murderer, and he crept homeward, wishing he had not been so curious. This incident is evidently the original basis of that final scene in "Tess," where Angel Clare waits on the hill to see the black flag which will signal the death of Tess.

After meeting Matthew Arnold, Hardy said that "he had a manner of having made up his mind upon everything years ago, so that it was a pleasing futility for his interlocutor to begin thinking new ideas, different from his own, at that time of day." In a Memorandum dated 1883, he wrote: "Write a list of things which everybody thinks and nobody says, and a list of things which everybody says and nobody thinks."

He meets Walter Pater, "whose manner is that of one carrying weighty ideas without spilling them." He meets Henry James, "who has a ponderously warm manner of saying nothing in infinite sentences," and the subjects of whose novels "one could be interested in at moments when there is nothing larger to think of." In these sharp criticisms we have a Hardy hitherto unknown to readers.

JOHN SHAND.

Twelve o'Clock.

"Shakespeare strikes twelve every time."—Emerson.  
EXTRACTS FROM "THE NEW AGE."  
(Edited by Sagittarius.)

"I should define idolatry as the practice of taking some object or virtue, and without trying to understand its true nature, investing it with attributes which do not belong to it."—The Inescapable Conflict. C. H. Douglas.

"But then, Sir Walter Scott set out to write a pleasant romance—he was not concerned with probings into the mysterious depths of personality, about which we prate so much and know so little—and he succeeded in giving untold pleasure to generations of English-speaking readers."—Rancid Romance. By Old and Crusted.

"Prohibit tea and bedrooms as well as cocktails, and how many writers in English, French, or American could make a comedy?"—Drama.

"The beauty of Spanish humour is that it can love what it laughs at."—Drama.

"The great exemplar of dynamic propaganda was Christ. Who never spoke to the people without a parable."—Reviews. J. G.

"It (Kibbo Kift) is satisfied with the British Constitution as it stands, but it is not satisfied that the King of England, his Ministers, and the hereditary and elected representatives of the people should remain powerless before the financial monopoly which is the effective ruler, not only of this country, but of the world."—The Kibbo Kift and Regional Patriotism. John Hargrave.

Drama.

The Clandestine Marriage: Arts.

At the present time when so much of the work composed in the period following the Censorship Act of 1737 has been successfully produced, Colman and Garrick's "The Clandestine Marriage" was well worth revival. As Hazlitt said, "it belongs to the middle style of comedy; its merit depends rather on judgment and selection than on any original vein of genius." Hazlitt also called it a nearly perfect play, and it is a good sample of what those moderns whose phrase of approbation is "good-theatre" are aiming at. It was composed in a period when property in plots and quotations was neither as vehemently insisted on nor legally as protected as it is, possibly because the upper-classes had not yet got into stride with their appropriation of the common lands. Colman used a play by Townley, written six years earlier, as the basis, and Garrick no doubt made it fit for the theatre. This, as Goldsmith wrote, meant making it fit for two things, first, showing off actors, and, second, showing a profit. To show a profit, however, a play has to be entertaining. "The Clandestine Marriage" is in this respect so excellent that one can understand, though one continue irrationally to disagree with, those who would whip the author out of the theatre to let the actors and producer get on with it.

Every situation is perfectly prepared beforehand. Thus the plot, a matter in which the earlier gentlemen dramatists tied themselves up with grievous complexity, is easy to follow; and situation follows upon situation without causing a moment of fear that collapse may set in. Though there are no agonies of doubt, since no issues are raised except the rules of husband-getting, and the manners of different social classes, the characters have personality, solidity, and distinction. The play is, in short, a display of the theatre-craftsman's mastery of technique. While the historians of the theatre write of the period in which "The Clandestine Marriage" was written as one of decline ending in sterility, the play testifies to the efficiency with which the theatrical journeymen conducted the business when authors had almost deserted it. The period was truly one of transition, as much so as the present. In literature, poetry was fast dying, while prose was growing up only slowly. The poets of the eighteenth century had prose thoughts, while afterwards schoolboys who wrote poetry had either to turn their hands to prose or die young. The world was no longer one to sing about; it had become one to think about, though a very little of that seems to have tired mankind out. The period had begun of the wonder of the matter of fact. Essay, philosophy, and novel, all flourished, but the theatre, crying out for prose-writers to bring it into the whirl, cried in the wilderness.

One classical view of drama was that, while tragedy portrayed the misfortunes of the great, comedy ridiculed the weaknesses of the small; the great being synonymous with kings, princes, and mankind, whereas the small were the rest of significant change ought to have begun which has been celebrated by Galsworthy, O'Casey, O'Neill, and a few others, and which decrees that tragedy shall portray the misfortunes of the lowly, as against comedy, ridiculing the weakness, pretension, and corruption of the high. "The Clandestine Marriage" is remarkable, however, not in that it showed so little trace of the social change, but in that it showed so much; enough to demonstrate the theatre's readiness for a new spirit. The speculator whose daily job is to deal with news from the Stock Exchange is contrasted with the decrepit lion of the

old nobility in a way that puts both in a ridiculous light. The gentleman has no morals, the upstart no manners; both are insensitive to human considerations about methods of getting money or social connections, according to their ambitions. How rich a satire is the scene where Canton attempts to take the other pleasures—after the wine—of his betters, with Miss Sterling eavesdropping. The chambermaid's subsequent insistence on her virtue is a forecast of the later realisation that whereas immorality may be an adornment of the nobility, it is a crime among the poor. That the old aristocrat is permitted to retain a sense of honour and gentlemanly generosity reflects, of course, the persistence of the ancient snobbery, but it has to be acknowledged that the aristocracy's loss of these qualities wants a deal of getting used to even to-day; so much that multitudes go on believing the gentleman a better master than the upstart in the hope that act of faith will re-create him so.

Miss Auriole Lee has softened the production to such a degree that the lines of the play are stronger than her presentation. Surely in the past Sterling has been rendered far more as a burlesque of the contemptible *nouveau riche* than on this occasion by Mr. Wallace Evenett. Exits are arranged by the authors so that this vulgar bourgeois with money, who "made a little land go a long way" by crinkling the paths, and had a spire built at the bounding of his estate to give it the appearance of including a church, could be derided in the portrait and applauded in the execution. Sterling's anxiety, no matter what it cost in cash, to get one of his daughters married to a title, and his willingness to bargain with either of them in consideration of reduced payment, was treated by the actor as being almost deserving of sympathy; an attitude quite unthinkable outside the age of Victoria, and earlier than the mass-production of democratic American millionaires fighting for the ruins of European culture.

In spite of the partial endowment of gentility where it does not seem due, in other cases besides the one mentioned, the production goes well. It is raised to the level of creation by O. B. Clarence's portrait of Lord Ogleby. Ogleby's name settles rather than indicates the opinion to be held of him. This battened old ruin has to be treated with pills, cordials, and ointment every morning to make him good for a day. He has to rouge his cheeks before appearing in company, where, in spite of his age, past, and rheumatism, he imposes himself on the company as the most frolicsome gallant of all. He fancies himself as a devil among the ladies, as the spark who has only to come and be seen, to conquer. Probably Ogleby's recollection, when the clandestinely married Lovewell and Fanny are forced out of the bed-room in the early hours, that he had made promises to Fanny, was introduced by the authors to bring about the peace and forgiveness in which audiences require comedies to end. Mr. Clarence gave this recollection its weight. His Lord Ogleby, without the slightest offence against the lines anywhere, became a jovial fellow, by no means unconscious of his own vanity, who carried off his gesture of gaiety in a miserable world. Though Ogleby chose pleasures out of season to the extent of sowing wild oats in winter, Mr. Clarence endeared him to the audience as the last of the line sprung from Old King Cole. What a fool Lord Ogleby could have been made to appear when he mistook his intercession with her father tied attempt to ask his intercession with her father for a bashful lead for him to declare his love. But Mr. Clarence, again with full study of the lines, weighted them with just the pathos they could carry, and converted a passage that might have been buffooned into delightful, human, comedy. This actor does not fit into types, he creates human beings. The

middle generation of present-day actors do not realise what can be done by getting inside the character and giving one's self up to it. At present that is known—together with the work it requires—only by the older actors and the children. Another fine performance was given by Mrs. Tom Wise as Mrs. Heidelberg, the lady who ruled the Sterling household by controlling its expectations. Marjorie Mars got the right note of lovable simplicity as Fanny, and Betty Chester gave Miss Sterling her fill of high-spirited ambition not to be cheated out of the right of primogeniture to elevation to the peerage by marriage.

PAUL BANKS.

## Music.

Van Dieren. Wigmore: November 10.

This concert was devoted entirely to the chamber works of one of the most remarkable and individual figures in the music of our time, and never before has one been so struck by the immense mastery of the composer in so many different departments of music, not to speak of the amazing and strange beauty that emerges from his marvellously flexible and subtle writing. Things like the *Serenata* are one long fabric of lovely melodies, most exquisitely interwoven, a combination of instruments that in other hands would be impossible, but which in van Dieren's hands is treated with a skill that is breathtaking. Of the numbers with voice, written with all van Dieren's unique understanding of the singer and his problems, it is difficult to say which were the most lovely, but I am tempted to pitch on the delicious *Frammento de "Zenobia,"* with chamber orchestra accompaniment, two lovely Heine songs and an enchanting setting of *Le Temps a Laisse Son Manteau* of Charles d'Orléans. These beautiful works suffered from the rough and ready methods of Mr. John Goss, who with all his undoubted musical flair and musicianship, is sadly deficient as a singer. These works, as I have said before, require the highest and most finished art of the singer, they cry out for the refinement and subtleties of the finest *bel canto*, the art of a Battistini, a de Gogorza or a Julia Culp; that, needless to say, is hardly within the capacity of Mr. Goss.

A really shocking chamber orchestra under a conductor who showed little, if any, intelligent grasp of the music, combined to do their best (and worst) to ruin the delicately balanced and finely-wrought texture of the *Serenata*, and the accompaniments to two of the songs. Bad as this is in itself, what is much worse is that in this country a composer is judged not on what he is, but on what performances such as these make of him.

Three very interesting studies, forming together an admirable set, were played with all the unique skill and understanding that that very gifted pianist, Frida Kindler, always brings to the performance of her husband's work, and to whom it is always a cause for regret that one hears so little, either in her husband's or any other work. What a relief to hear a woman pianist whose playing does not reek of "feminine charm" (ugh!) but who plays from a fine musical mind instead.

The concert ended with *Marginalia in Musica* to de Quincey's essay on Murder, a piece of exuberant and rich humour—the like of which I have not yet met, and not merely that, but an exhilarating and sparkling piece of music, contrived and fashioned by a master.

If these have quality, apart from the many others that set van Dieren so completely apart from his more fashionable contemporaries, it is that quality which E. J. Dent once described in Busoni's music

that makes other "modern" music sound so provincial and insular. It springs not only from a rare musical genius, but from a rich and fertile mind, "a good European" in every sense, one of deep and wide culture, and is informed by a dignity, a distinction of manner and bearing that are unique. I have already referred to the remarkable beauty of the mere fabric of his works apart from the beauty of their sound—for if ever there be living exemplars of that very profound truth that was once parodically enunciated without any idea of its musical application, "Take care of the sense, and the sounds will take care of themselves," in van Dieren's music, it is to be found. And in following with delighted fascination the linear beauty of these works, one is sometimes liable to be caught napping by the piercing beauty of consorted sound of the various lines. This was particularly noticeable in the *Serenata* and the Sixth String Quartet, the latter indifferently played by the International String Quartet. And above all there is the astonishing melodic fertility and richness, bringing forcibly home to one the accuracy of Cecil Gray's estimation of van Dieren as a "master of complex melodic structures."

L. S. O.: Queen's Hall, November 12.

Beecham was conducting: nevertheless, I suppose I must be constitutionally incapable of appreciating the Mozart Requiem—one of the summits in all music, we are assured. I prefer summits in warmer latitudes than Spitzbergen. I find the work mechanical, dull, poverty-stricken, uninventive, colourless, and contrapuntally undistinguished. I am doubtless wrong. I am, however, case-hardened and impenitent. This by way of anticipating possible howls of execration for blasphemy. The new Symphony (£2,000 prize work we are ubiquitously informed) was new only in so much as that particular number six by the composer, Kurt Atterberg, had not been played here before, and that it has but recently been written. It is an ill-digested collection of "ways of doing it," without co-ordination or unity of style, of matter completely commonplace at bottom, bricked out occasionally in very cheap second-hand "modernisms"—in fact, the sort of work that would carry off a £2,000 prize offered by a gramophone company.

The rarely heard *Psalm 13*, of Liszt, finished the programme. Here is a superb piece of music—dramatic if you like, sometimes to the point of rich quality, perhaps, but what an abounding flood of glowing inspiration, what imaginative colouring, what consummate handling, what impetuous, vivid personal force in every bar! It was fairly well done by Mr. Francis Russell singing the difficult tenor solo, and the Manchester Beecham Opera Choir not nearly so well. They seemed to be uneasy in the upper reaches, and as often as not fouled them in passage. A work whose neglect is incomprehensible, except, I suppose, for its difficulties. Yet other works as difficult and quite without corresponding merits remain constantly on the *répertoire*.

Sir Thomas Beecham; Royal Albert Hall, November 11.

This programme contained two prime attractions. *Sea-Drift* of Delius, and Miss Florence Austral. *Sea-Drift* was indifferently done by all concerned, soloist Dennis Noble quite inadequate—no power, authority, or conviction. A smallish poor-styled singer, chorus Manchester Beecham Operatic Choir again, poor especially on high tones, and the whole thing obviously a hurried skimmed rehearsal affair. Beecham, because of a damaged hand, much below his usual clear, crisp form. Austral, who apparently cannot sing badly, was obviously somewhat under

the depressing conditions of Albert Hall plus a singularly warm humid atmosphere plus yet again a most uninspiring *locum tenens* for Sir Thomas, who delegated the accompanying to a careful, quiet subordinate—the last person, with all his sound pedestrian capacity, to accompany such a singer. It is not to be wondered at that the results were not of the happiest. But, although this was so, Miss Austral yet sang, as not a dozen living singers can, in two tremendous arias, *Ocean Thou Mighty Monster*, and *Isolda's Narration*.

Elgar's *For the Fallen* is one of the most painfully obvious made-to-order compositions. One feels that the composer had the uncomfortable feeling that, as Cecil Gray so neatly and cruelly calls him in this aspect of him, the self-appointed Poet Laureate of English Music, some such national gesture was demanded of him. Starting not unimpressively, the work rapidly sinks into the worst common-places of patriotic funeral-march pomp and circumstance, with all their crudity and blatancy. What is worse, one feels all the time that the composer is working hard to pump up in himself the *correct* feelings, while really hating the whole thing. The consequence is that, with all the defects I have already charged against it, *For the Fallen* rings utterly hollow and insincere, though I have no doubt that insincerity was the last thing with which the composer would feel himself to have been consciously guilty of. Coming on top of the wonderful *Falstaff* the effect was all the more distressing. Artists should really by common consent be exempted from patriotic attitude-striking.

KAIKHOSRU SORABJI.

## Painting.

Leicester Galleries.

Beatrice Bland is an artist who takes the painting of flower pictures seriously, remembering that it is not merely a question of being decorative, but of having some special impulse towards this particular form of self-expression. But not all the pictures in this show of hers are flower studies, though all the best are. There is a good deal of Fantin's strength and just sense of harmonious arrangement in her "Roses, Pinks, and Love-in-a-Mist," while her "Mixed Bunch in a Blue Mug" is brilliant, and her "Summer Bunch" attractively bold. She is never tiresome, either by monotony or over-ingenuity. As for her landscapes, there is a sour quality about her "Houses at St. Tropez," although it is full of brains. And "The Harbour, Cassis," is really only a clever smudge. Some critics would admire her "Village in Westmoreland," but it is vague and dangerously near the borderland of the commonplace.

With her are the new Paul Nash's, and naturally they drew a very fresh and dashing crowd to the private view. He is an artist who well understands how to pull the leg of his very strong following, and he certainly does so in many of these examples. But we cannot deny the cleverness of his "Diving Stage," a flat and thin oil study in grey, with a shivery suggestion of cold movement behind. His "Riviera Landscape" is very smart, and his figure of a lady in black, reading, has just enough rare quality to satisfy very close criticism. So, indeed, has his "Period Interior," which is a clever glimpse of a white Chippendale chair and bridge Pond," fine both in drawing and in colour, and the "Landscape at Iden," in which the treatment of the water shows definite contact with the spirit of Nature. Almost is one persuaded to be a highbrow at a show like this; for even the veriest poppycock in it has some sort of meaning.

LEOPOLD SPERO.

## Reviews.

Lord Peter Views the Body. By Dorothy L. Sayers. (Gollancz. 7s. 6d. net.)

When a book consists of short stories the fact ought to be indicated on the cover. In the present case the offence is mitigated, because Lord Peter is the hero of all the stories and gives the book a connected form. Lord Peter—the gentleman-detective—is an old acquaintance; he has figured in all Miss Sayers's detective fiction, just as Holmes did in Doyle's. When Miss Sayers created him he was a posturing prig, and there have since been occasions when the present reviewer would have cheered if he had been murdered. It is pleasing therefore to record that she has apparently given him a good talking to, and that in the present series he has dropped some of his irritating mannerisms, or at any rate does not intrude them so continuously as he did. In other words, Miss Sayers makes him do more and talk less. May the good work continue. These stories are, on the whole, of high merit, and do credit to their author's fertility of invention. It is a refreshing thing to see a writer compress a novel idea into a few pages when there are such a multitude of scribblers who would dilute it indefinitely with redundant elaboration. Messrs. Gollancz would do well to go slow with their adulatory claims for some of their authors. Miss Sayers's work is considerably better than that of two other authors whose books Messrs. Gollancz recently claimed were among the greatest examples of detective fiction in the last century! Their fiction-tasters must have furred palates. Try Eno's. J. G.

Common Clay. By Hessel Tiltman. (Benn. 7s. 6d.)

It looks as if, long before the General Election comes around, there will be quite a number of these romances of proletarian self-expression. James Welsh, the poor young man whose Parliamentary career has already been sore afflicted by the nuisance of bumptious literary condescension, has just written one. So, for the matter of that, did Mrs. Amabel Williams Ellis, and one very much like this, with the same sympathetic bourgeois outlook. But we do not mean to try and patronise Mr. Tiltman. For he is an excellent craftsman, as all good journalists should be, and he has been able to remember so much detail of the hard days of the past fifteen years which we so easily forget. He gives us an excellent film of the rise of a Labour leader from the first big stirrings of the movement in 1906 until after the War, and then, in the sweep of a few pages, the monotonous discovery that life does not necessarily change much in days, even though times may change. The struggling slum lad becomes a sort of Jim Thomas, with differences not entirely complimentary to Jim, and his affairs, and dies, without marked reluctance, when he finds that his own son, turned Left-winger, is out on the street corners acclaiming him a scab. Mr. Tiltman knows London, he knows the Labour movement, and he knows how to tell a story. He does not quite know how to keep its shape symmetrical, but this is not as easy a task as it looks. And we can easily forgive him such a trifling failure. L. S.

Collected Letters of Oliver Goldsmith. Edited by K. C. Balderston. (Cambridge University Press. 7s. 6d.)

As literature, Goldsmith's Correspondence is valuable only for about a dozen of the longer letters; these are charming. They are full of vivacity and humour, and give one almost as direct a sense of his personality as if one had met him. He wrote very few letters, or very few of those he wrote have survived. There are only fifty-three authentic letters in this volume, and of these quite a number are very short, some of them nothing more than what we should write on a postcard to-day. So far as Miss Balderston knows—she is a specialist on the subject—we are here given every extant letter with the exception of two to James Boswell which, for some unexplained reason she has not been allowed to include. The result of this scarcity is, in a seven and sixpenny volume, plenty of room for editorial commentary, and Miss Balderston has taken full advantage of it. We are given information about everybody, how- ever obscure, who is mentioned, and either confirmed or refuted by reference to contemporary records. When Goldsmith makes a mistake about a date, his editor can correct him. If he writes, as in Letter 42, that he has had "the advice of a sensible friend" upon some matter, we are told in a footnote that the friend is "generally thought to have been Johnson." This is intensive research with a vengeance. "God's curse," I can hear Goldsmith exclaim, using his favourite expletive, "these modern scholars won't let a man lie in his private correspondence." The average page of this excellently printed and bound edition is half a page of text to half a page of notes and

explanations. An erudite Introduction also helps to fatten the volume, as do the Appendices of "Doubtful Letters," "Forged Letters," and "The Text of Mrs. Hodson's Narrative of Goldsmith's Early Life." This miniature biography, by the way, while interesting to the student of Goldsmith, is amusing in quite a special way. Mrs. Hodson innocently took up her unpractised pen to describe her reminiscences of a famous man, and we find that this ingenuous old lady of the eighteenth century could compose by accident prose just like that sophisticated American lady, Anita Loos. This is how one paragraph begins:—

"one evening for a large Company of young people at his Uncle's a young Gentleman playd the fiddle who thought him self a graeter wit & humourist than any one Else did the Company insisted upon the Dr. Dancing a horn pipe which he refuse a long time but on the commands of his uncle he exhibited he was then 9 years old & had lately had the small pox which left very deep red marks & he realy cut an ugly figure how ever he was a very good subject for the wit of our fiddleing gentleman who Cryd out in rapture there was Esop how like Esop he was the very man by G. . . ."

Miss Balderston completes her very thoroughly edited volume with an alphabetically arranged list of correspondents, and an Index. J. S.

**The Portrait Invisible.** By Joseph Gollomb. (Heinemann. 7s. 6d.)

The hero of this murderous mystery is called the Goldfish, and he is really a rather sinister villain. He begins with a promising habit of assisting the Law because of his morbid interest in certain aspects of psychology. He ends up by uniting the lovers whom the author has consistently and ruthlessly torn aside for nearly 300 pages. L. S.

**"Humours Unreconciled."** By Sherard Vines. (Wishart. 7s. 6d.)

The European colonies in India have been overmuch used as material for novelists. As a change of scene, Mr. Sherard Vines's choice of Japan may be commended. Unfortunately, it is only the scene that is changed; the inhabitants are very familiar. The "white devils" in Japan seem indistinguishable in manners and habits from the "sahibs" in India. The relaxing climate and the isolation amidst a completely foreign race; the enforced indolence which drinking, talking scandal, card-playing and intrigue help to make easier; these things do not so improve many of the "white devils" that one feels as certain as they do of their racial superiority to the slant-eyed natives. Mr. Vines, at any rate, views them with ironic eyes. He does not tell any coherent or even incoherent story. He allows us a glimpse of various scenes in the life of the colony which he can set down in malice, and, in malice, he can draw a character well enough to enliven the pages of his commentary. He is rather consciously clever, but has some wit, and a deft pen. L. S.

### "THE COBBLER AND THE FINANCIER."

(From *La Fontaine*.)

There was once a Cobbler, who sang from morning till evening,  
And it was wonderful to see him, and wonderful to hear him,  
For, as he sang, he said some remarkably wise things,  
Far more gaily than any one  
Of all the Seven Wise Men.

And this Cobbler had for neighbour a Financier  
Who was wrapt up in his Gold—as Financiers are.  
And he naturally sang little, and he slept still less.  
And if by any chance the Financier happened to drop off to sleep  
Just before dawn, why then the Cobbler happened to wake him  
Just then with his Song.

So the Financier began to think it was rather a pity  
That Providence hadn't arranged things so  
That Sleep could be had for Money,  
Just like the things that people buy  
To eat and drink—for instance.

So one day the Financier sent for the Cobbler who sang,  
And he said to the Cobbler: "Do tell me, Mr. Gregory—  
How much you earn by the year."

"Oh, dear!—by the year!—by the year, indeed, Sir!"—  
Said the Cobbler, who was greatly amused at the mere idea—

"The fact is, Sir, I do not reckon in that way,  
I hardly ever add one day to another day—so to say.  
It's quite enough for me if, at the end,  
I get hold of the end of the year—so to say.  
But every day, of course, I earn enough."

"Well then, tell me, please," said the Financier,  
"How much do you earn by the day?"  
"Sometimes more—and sometimes less; that depends"—  
Said the Cobbler. "But the pity is—because if it weren't for that,

My earnings would be pretty considerable—the pity is—  
I was going to say, that there are mixed up in the Year,  
So many Days that ought to be done away with—  
Feast-days, for instance, and holidays—which simply ruin the likes of us.

Yes—holidays and feast-days, which are always running into one another,  
So to say. And as for the Curé, he always manages To drag in some new saint somehow or other into his sermons—

Yes, some new saint or other whom we hadn't ever heard of before."

The Financier was highly amused—  
(He was concerned with High Finance, by the way)—  
And was naturally amused by the Cobbler's simplicity.  
And he said to the Cobbler: "Look here, Mr. Gregory,  
I wish to set you to-day, on the Throne—so to say.  
Here are two hundred Half-Crowns, which you can take with you,  
And keep with care, for use on a Rainy Day—so to say."

The Cobbler imagined that he saw before him  
All the silver that the Earth had produced  
For the last two hundred years—for the use of all mankind.

So he went home with the silver which the Financier had given him,  
And he buried all the silver in his cellar, forthwith.  
But with the silver, alas!—he buried his Joy.

There was no more singing, so far as the Cobbler was concerned.  
Because he lost his voice the moment he found  
What is really the cause of all our troubles,—  
The root-cause, so to say—and that is—Money.

The Cobbler didn't have any sleep any more.  
He had, instead, Care and Sorrow,  
With senseless worries and silly scares.  
He was on the alert all day—so to say,  
And if at night the Cat happened to make a little noise,  
Why the Cobbler thought that the Cat  
Was trying to get away with his silver.

And at last the poor man ran to the Financier,  
Who, by the way, was getting some sleep,  
Because the Cobbler wasn't waking him any more  
With his Song—towards Dawn.  
And the Cobbler said to the Financier:  
"Give me Sleep—give me Song;  
But, for goodness' sake, take back your wretched Money.  
Please do!"  
LIONEL DE FONSEKA.

### LETTERS TO THE EDITOR.

#### YANK NOTES.

Sir,—We have had our own "Bradburys" and "Fishers." How about "Yank Notes" for the new issue, or, more colloquially, just "Yanks"? P. T. K.

#### UTILITARIANISM.

Sir,—Mr. Hilderic Cousens says, "In Bentham's day Christian morality was talked about a good deal and practised precious little." I believe this was not so. In the sense that he means it, Christian morality hardly existed in Bentham's day. Christian comment upon events was hardly ever made in terms which would justify our calling it a "morality," for the simple reason that by that time the Church had abandoned its social ethic. In fact, this period may well be regarded as the winter solstice of Christian morality in England. But for a few honourable exceptions, the Church was silent. This is important to note, I think, particularly since it enables one to see in its full significance the gradual recovery by the Church of her social conscience which we are witnessing to-day.  
MARJORY GRACIE.

#### CASH AND CREDIT.

Sir,—Will Mr. Keppel pardon my commending to him some simple primer on money, e.g., Mr. D. A. Barker's excellent little "Cash and Credit"? After mastering the fundamentals he will realise that all "cash" is "credit," in the sense of financial credit, and that any reference to money (of any kind) that is borrowed necessitates the use of the expression "Loan credit."

ERNEST A. DOWSON.

#### WHY IS SOCIAL CREDIT NOT ADOPTED?

Sir,—You say that Social Credit would relieve all distress caused by poverty, and that those in control of financial policy are acquainted with the Social Credit analysis. This being so, why is it that Social Credit is not applied? The answers to this question—the bankers' lust for power, and so on—always seems to me to be somewhat fanciful, and I am sure that there must be some clearer reasons which will bear repeating to matter-of-fact people.

The reasons might seem to you so obvious as not to require stating, but I would be glad of some enlightenment on the subject.  
TOM DIXON.

[The real reasons are not discoverable so long as the authorities choose not to reveal them. Their (we speak of British authorities) delay in adopting Social Credit (excluding the power-complex) may theoretically be ascribed to any of the following causes or any combination of them.

(a) They have discovered a flaw in the Douglas Analysis.

(b) They still think there may be one.

(c) They accept the Analysis but think it bad morals to provide people with money without work as a general principle.

(d) They have not yet worked out to their satisfaction the ultimate practical consequences of a Social Credit policy.

(e) They are not prepared to risk being the first to adopt it, and are trying to secure the adhesion of other national authorities with the view of a concerted experiment.

(f) They are making preparations to face the risk alone.

All these are more or less credible reasons except (in our judgment) the first. In addition to reasons frequently made public we have other information which convinces us that there is a concerted plan to prevent the mention of Major Douglas's name in connection with finance-economics. The only authoritative criticism purporting to deal with Social Credit that has appeared outside the Labour Party's Report was made by the *Banker's Magazine*, which chose to criticise not Major Douglas, but statements in a pamphlet by someone else. The criticism was answered in THE NEW AGE. The issue of the *Banker's Magazine*, which contained it was ately but could not obtain it. The Labour Party's Report, which was wholly occupied with Major Douglas's Analysis, was reviewed in a long leading article in a London financial newspaper the morning following its issue, in which Major Douglas's name was not once mentioned nor the substance of his conclusions. The subject was presented as though it were a scheme to nationalise the Bank of England. On one occasion a certain Institute cancelled an arrangement for having printed and circulated that paper. It declined to give a reason. A young journalist was warned by a big Press magnate to have nothing to do with the Douglas proposals, as he would "spoil his career" if he got mixed up with them. We infer from these facts that the authorities concerned have not discovered a flaw in the Douglas Analysis.—ED.]

#### PIN PRICKS.

Sir,—One of my earliest recollections is that of hearing my good Quaker parents relate how, on their having refused as a matter of conscience to pay some tithe charge or other, a deferential person walked in one day, and laying hands on the first bit of portable property visible, a plated gravy spoon, gave a receipt for its value as silver, saluted them with the utmost politeness, and went his way.  
It remained for years, with my parents, an unsettled point as to whether they ought or ought not to have informed the man of his mistake. But that is by the way.  
The above little incident came to mind when I was considering whether there was really any practical use in isolated, unorganised individual resistance to law. Prejudiced in favour of such resistance, I still wondered if anything much had ever been accomplished by it.  
Taking what is perhaps the most important case of all, I asked myself: Would the existence of 10,000 conscientious

objectors in anyway delay the next outbreak of war even were they all prepared to be shot rather than fight? Would a hundred thousand? And I very much doubted it.

And therefrom I came to smaller matters.  
Some time ago some of our Social Creditors were advising us, as a means of furthering our cause, to delay paying income tax till legal proceedings were actually imminent. And you, Sir, yourself, in your notes of November 22, recommended us at some length to help on the advent of Social Credit by restricting ourselves to the use of silver money!

To amuse your readers by considering all the effects of such a course of action is reasonable enough, but actually to recommend it, as you seem to do, as a part of serious policy is surely not entirely wise, and that for the following reasons:

In the first place I presume that no one will seriously contend that, even if every one of your readers followed either or both of the above courses, the effect could be anything but entirely negligible. Therefore to propose them is but a waste of time.

Secondly, the mere fact of our advocating any such proceedings would immediately damn us in the minds of all sensible practical men, to whom they would appear mere "footling."

Nor must we forget that an apparently harmless friendly little Kipper drawn across the scent may upset the hunt as disastrously as any high smelling bag of aniseed, Adlerian or other.

That you should let us have one plain practical policy and no such preposterous pin-pricks is the prayer of yours truly,

PHILIP T. KENWAY.

#### MISS HEYMAN.

Sir,—You have put the case as between Mr. Llewellyn and myself with such neatness and justice that no more is to be said about that aspect of it.

As far as Continental and American reputations are concerned the experienced look on them, as on all daily journalistic criticism, with deep distrust (but for exceptional cases). Let me give one or two illustrative instances: (1) There is a young woman pianist in this country, a most indifferent player, whose Bach playing, among other things, is atrocious; yet she has received notices both here and abroad that would be only comprehensible were she a Sophie Menter, a Kwast Hodapp, and a Carreno rolled into one; and her reputation among the musically half-educated is immense. (2) There is a notorious soprano Opera Houses great wealth enables her to buy up entire Opera Houses for a night and rampage up and down two Continents in a blaze of venal splendour, with dazzling and fulsome notices in her wake. She is a complete charlatan, voiceless and incompetent. It is just the same in England, where (3) a contralto, at whose efforts "to be grave exceeds all power of face," has received from some of the leading (!) dailies notices that would not be out of place were she an Olczewska, a Basilides, or a Leisner.

Miss Heyman, Mr. Llewellyn informs us, is the one person who is reputed in America and on the Continent to interpret Scriabine correctly. Now the correct way to interpret Scriabine or anyone else is so to do that a sense of play Scriabine or anyone else is so to do that a sense of the well-knit, cogent, logical utterance is conveyed. This is the foundation for the superstructure of nuance, shading dynamics, and so on. And this I found just as lacking in Miss Heyman's Chopin as in her Scriabine; and other competent critics agreed with me. Scriabine's entire works pent critics agreed with me. Scriabine's entire works were not only known to me for some sixteen years (I have not only been known to me for some sixteen years, but I heard him several times in recitals of his own works, and I have a vivid memory of his playing of the later Sonatas. There was a vast difference. In his hands they were utterly convincing and cohesive; his grip being supreme in its mastery. But nothing in Miss Heyman's playing reminded me in the least of Scriabine's own interpretations . . . imitation one does not, of course, ask; but reminder, in that one might have had a feeling of complete authority in performance, that was lacking.

Mr. Llewellyn says he knows Miss Heyman personally, and his objection to my criticism appears to be based on that, and, by contrast, on what others said of her. But if that, and, for instance, who takes his work seriously and conscientiously were to start allowing mistaken considerations of a personal nature to place any confidence become impossible for his readers to place any confidence in the honesty and integrity of his remarks about any performer who may happen to be known to him as a friend. That is not, never has been, and never shall be my way any more than it is the way of the distinguished periodical of which I have the honour to be a contributor.

KAKHOSRU SORABJI.

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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.

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