

THE NEW AGE

INCORPORATING "CREDIT POWER."

A WEEKLY REVIEW OF POLITICS, LITERATURE AND ART

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NOTES OF THE WEEK.

Lord Rothermere, Lord Melchett, Lord Elibank, and Sir Robert Donald have suddenly discovered that Cabinet-making in camera is contrary to democratic principle. The electors, declare these authorities, have a right to know in advance the names of the politicians designated by any Party for the key positions in its Cabinet if it takes office. But observe that the electors heard nothing about this new principle until Mr. Baldwin disclosed the fact that he had been *privately* invited to adopt it in the case of the Conservative Party, and had definitely refused. Supposing that he had given way and named his Ministers-designate to Lord Rothermere; there is no evidence to show that this Press Magnate intended to broadcast the particulars for the information of the public. Of course, there is no reason why he should not have had such an intention, for the publication of the names would not have enlightened the electorate in the slightest degree. But the balance of probability is that there would have been no publicity; because, if publicity had been contemplated, the newly-discovered principle could have been announced in the *Daily Mail* before any overtures were made to Mr. Baldwin; and, in fact, the overtures themselves could (and should) have been made in the form of a public demand by the *Daily Mail* for Mr. Baldwin's adoption of the principle. As things are, Lord Rothermere has put himself in a situation in which he is unable to rebut the suggestion that his present "constitutional" agitation is a case of making a virtue of necessity. Mr. Baldwin's disclosure has forced him to justify his secret overture by publicly invoking what he calls "a great political principle." This is a good thing, because now, either all three Parties must adopt it or none at all.

It is interesting to notice that since the *Daily Herald* passed from the control of Socialism into the control of Capitalism it has been showing more and more definite promise of becoming an exponent of the doctrine of real economic democracy. For

example, its leading article of June 19 would make a sound Social-Credit leaflet. Here are several passages from it:

"It [the world] is suffering not from poverty, but from riches; not from a shortage, but from an excess of wealth.

"There is a world economic crisis of over-production.

"Yet how can there be over-production? Human wants are far from satisfied. Even bare human needs are not satisfied.

"There is a glut of wheat while millions are underfed; a glut of cotton while millions are under-clothed.

"The economic machine has broken down. It produces ever more and more efficiently. The goods are there, the need is there. Yet stomachs remain empty while wheat piles up in the elevators, and farmers dread a too good harvest.

"And as goods accumulate and men decay, production must be artificially restricted. Unemployment grows. Purchasing power declines again. The vicious circle widens.

"This is a radical disease of our system, calling for radical remedies. The problem is to turn human need into purchasing power, to create an increased 'effective demand' that keeps pace with increased production.

"It is a problem which must be solved quickly.

"For the evil grows apace; and its final phase, unless the cure is found, would be a desperate struggle for inadequate markets, ending in suicidal wars and the crash of civilisation."

On the day when this article appeared Mr. Winston Churchill delivered the Romanes lecture at Oxford, and the *Daily Herald* of the next day, June 20, prominently published a synopsis of the lecture. Mr. Churchill advocated the institution of an economic sub-Parliament. The House of Commons had no rival, he said, in dealing with practical politics; but it was far otherwise with economic problems.

"The nation has, in the main, got the political system it wants. What it now asks for is more money, better times, regular employment, expanding comfort and material prosperity.

"... it turns to Parliament for guidance; and Parliament, though voluble in so many matters, is on this one paramount topic dumb."

The *Daily Herald's* report continues:

"Mr. Churchill examined the classical doctrines of economics and said that we could clearly see they did not

correspond to what was going on now. They must be replaced by a new body of doctrines equally well-fitting into a general theme.

"I cannot believe that the true principles will be discovered by our excellent Parliamentary and electoral institutions—not even if they are guided by our faithful and energetic Press," he said.

"The root problem of modern world economics was the strange discordance between the consuming and producing power.

"Who would have thought that cheap and abundant supplies of all sorts of commodities should find the science and civilisation of the world unable to utilise them?"

"Had all our triumphs of research and organisation bequeathed us only a new punishment—the Curse of Plenty?"

"The nation to-day," observed Mr. Churchill, "is not interested in politics, but in economics." He argued, therefore, that economic problems should be discussed on a non-Party basis.

The conjunction of the *Daily Herald's* article with Mr. Churchill's speech provides a valuable illustration of the fact that Party distinctions and traditions lose all meaning in the presence of real economic facts. The whole political system is, so to speak, a queue at the gate of the economic system—a queue along the whole line of which there are continuous squabbles about priority of place. Let us imagine a crowd waiting at Lord's to see the Test Match. If the last-comer of all knows that he can get a sight of the game there will be practically no pushing. There may be some, due to the desire of certain people to get a more favoured position than others, but the dominant urge to push—namely, the fear of not seeing anything at all—will not operate. But once suppose that some official appears and tells the crowd: "The ground won't hold half you people," then something approaching a riot is likely to ensue. Now this is precisely what the banker says to the electorate. Their dissensions practically all arise from their listening to a false financial rumour that the production-system cannot stand the strain of supporting the total population. The falsity of the rumour can be demonstrated by scientific evidence. The question whether the crowd outside Lord's can get a sight of the game depends on counting the crowd and measuring the ground. If sufficient aggregate capacity is assured by the resulting figures, nothing that the turnstile operators have to say can be evidence against the decision of the management to let everyone in. At most football grounds the turnstiles are fitted with automatic meters which record the number of persons passing through. After the game the crowd goes out en masse through wide gates. The people are checked in, but not checked out. This is a good practical arrangement, enabling the staff on the turnstiles to ascertain at any moment the total number who have entered, and to know when (if necessary at all) to refuse further admission. Now, the proper function of Mr. Montagu Norman and his "Big Five" staff is to do something of this sort. But they bungle the business, and on Saturday after Saturday there are rows because crowds are denied admittance with the ground only half full. It all happens because after each game these officials, instead of re-setting their meters at zero when the crowd have gone home, and so being ready to start again on the next Saturday, leave the total standing. Just because the public have not gone out through the turnstiles they are recorded as not having gone out at all! When the next Saturday comes the previous Saturday's crowd is presumed to be still inside. Or, stated in another way, every person admitted last Saturday is presumed to have destroyed the room he then took up and to have shrunk the ground. And so in political life the bankers produce their automatic-meters—their balance sheets—and prove to their own satisfaction, and everybody else's dissatisfaction, that the econ-

omic system has undergone a slimming process. We all consumed too much room last week, we did; and we didn't ought to have done; and so we must stay out this week, we must. And, fools that we all are—both administrators inside industry and customers outside—we let these bunglers get away with it and never think of checking their calculations by the use of our common-sense. If there is no quicker way of getting the trouble put right, let us have an economic Parliament by all means, and fill it with expert surveyors of physical realities. Then we shall come to realise that what the bankers tell us is a capital debt on industry is of no more significance than last week's attendance at Lord's. It is a record of old bank-credits which the community has long since extinguished in prices, investments and taxes. The debt-meter should have been set back at zero. And that is what has now to be done with it.

Politics is concerned with *sectional* priority of participation in material benefits; economics is concerned with the collective provision and enjoyment of those benefits. Politics asks: Who shall have first pick at the stock? Economics asks: Will there be a tolerably satisfactory picking for the last-comer? Politics attempts to compose sectional jealousies; economics attempts to assuage universal fear. Just so long as economic research could not prove a sufficiency of collective productive-capacity to assure a meal for the last man, politicians had to be called in to see that everybody drew his goods in his right turn. But now that economic research has demonstrated the existence of an unused reserve of productive-capacity, the question of the rightness of anybody's turn is no longer a matter of practical urgency—the art of the politician is superfluous, and has become so in the same degree as science has been developing productive power. There is a general subconscious apprehension of this truth on the part of the community, and it is manifested in the perceptible decline in the prestige of Parliament. As Mr. Churchill observes, people are no longer interested in politics; they are interested in economics. We can adduce also the experience of a lecturer for the Secular Society, who reported to the Society on one occasion that during a tour in Scotland he found that the audiences "insisted on turning the meetings into discussions on economics." They were more interested in the source of their next meal than in the origin of the universe. They gave the problem of their daily bread priority over problems of abstract justice or principles of human conduct. It is not that people deny the importance of such things as compromise and give-and-take as a basis of social peace; they approve, for example, the principle of forgiving those who trespass against them; but they have got a full notion that they can forgive more freely on a full stomach. Feed us first, they say, and afterwards by all means let us be judged according to the judgments we meet out to each other. Thus they follow faithfully the literal sequence of the Lord's Prayer.

There is only one principle of justice that concerns the present situation. It is that the whole community has the right to pass through the turnstiles into the field of economic security. This right of every person is based on the ascertained fact that there is room for him. Room is Right. If Parliament will use its gifts of oratory to disseminate and elaborate that doctrine, well and good; but there is no further useful contribution that it can make. It is no use for politicians, religious leaders and other well-meaning persons to travel up and down among the crowd waiting outside, agitating them about what they ought to do to get inside or admonishing them what not to do if and when they get inside. And it is still less use for political agita-

tors to incite those people for whom there appears as yet to be only standing-room to start mobbing the seat-holders. They are only playing into the bankers' hands; for, the bankers' object being to restrict admission to the game of consumption, nothing pleases them better than to see agitators deceiving the crowd into standing upon the order of going in instead of making a united demand to go in. Left to himself, the ordinary man's main concern is to get an uninterrupted view of the game. Give him that, and he will not concern himself much about whether he stands or sits, or whereabouts he does either. Idealists who try to imbue him with concern on such matters at the present juncture are reactionaries. The one great thing is: Immediate admission to the ground for everybody—and immediate distribution of the price of admission in the form of the National Dividend. The beginning of all other desirable things takes place after admittance, and in the transformed atmosphere created by a crowd who are saying with a sigh of relief: "Well, thank goodness we're in; that's something."

On June 23 the *Melbourne Age* referred to the impending visit of Sir Otto Niemeyer in the following terms:

"What spheres in our affairs does he propose to invade? Does he come purely as an adviser, or partly as a dictator? Possibly members of the Federal Government know; the people of Australia are not permitted to know. It cannot, however, be too emphatically said that if this Bank of England Mission is in the slightest degree an attempt based on the consciousness of its financial strength to direct Australia's economic industrial policy there are dis-appointments and discouragements ahead of the missionary. Australia is not in pawn to anyone."

The next day the same journal returned to the subject. It referred to Mr. Scullin's emphatic denial that the visit could be interpreted as intrusive—the denial did not appear elsewhere in the paper—and sang the following bankers' music:

"With these assurances the Australian public will most heartily welcome the distinguished visitor, and will accept him as a reliable financial adviser. Australia's finances have widespread ramifications in the Old Country. It is most desirable, therefore, that in any analysis of these monetary interrelations, Australia should have the presence and assistance of such an eminent representative of the Bank of England. It has to be noted that directly, at least, the Bank of England is disinterested. She is not one of Australia's creditors, but she recognises that our difficulties, though temporary, are great. The suggestion that we are free to draw upon her for expert advice is a gracious gesture on her part. In the circumstances, that gesture imposes upon all classes in Australia a reciprocal obligation to do their best. There is no occasion for panic or even uneasiness."

The *Melbourne Age* is a highly Protectionist organ, and has naturally upheld Mr. Scullin in his recent decision to restrict or prohibit certain imports into Australia. This step, it will be recalled, was his reply to the action of the London banks in hammering the Australian exchange to such a degree that one day Australian paper could not be discounted at all by recipients of Australian remittances in this country. Sir Otto Niemeyer's visit was objected to by the *Age* on the assumption that he wanted to get this fiscal impediment removed, but it now appears that either Mr. Scullin has given private assurances that the assumption was incorrect, or some other prudential reasons for speaking politely of Sir Otto's intentions. Whichever be the explanation it seems probable that this influential representative of the Bank of England would not go across the world merely to tinker with a tariff in the interests of British exporters. From a practical point of view the hammering of Australian credit in Britain had the effect of discouraging or even preventing British manufacturers from accepting orders from Australian importers; and Mr. Scullin's "reply" had

the effect of discouraging or even preventing Australian importers from giving orders to British manufacturers. The two policies did not conflict, but reinforced each other. Although, as the late Lord Milner observed, bankers are the most obtuse and short-sighted body of people with whom he had ever had to deal, they must at least be credited with the ability to foresee the immediate consequences of such a routine technical act as raising a discount rate. It is surely a Kindergarten proposition that if you stop a country importing goods you stop a country exporting goods: if you hit an importer in Australia you hit an exporter in Britain. Of course, Mr. Scullin's policy has wider implications than the Bank of England's, because his tariff hits the exporters in every country supplying Australia, whereas the marking down of Australian credit in the London Money Market primarily hits only British exporters.

It is possible to think of two other reasons for Sir Otto Niemeyer's visit. The first may be connected with an announcement made a few weeks ago that the Western Australian Government was leading a popular agitation to contract out of the Federal Government on the ground that the incidence of Federal taxation there had become insupportable. Such an agitation is likely to infect other States belonging to the Commonwealth, because they are all in the same financial condition. For instance, Mr. Hill, the Premier of South Australia, in an interview at Adelaide on June 30, stated that South Australia's deficit for the next financial year would probably amount to £3,000,000, and that the Commonwealth Bank had just intimated that his Government was not allowed to increase the existing overdraft either in Australia or in London. The total overdraft, he mentioned, now stood at approximately £3,000,000. His remarks were made in connection with a telegraphic report received that day in Adelaide saying that Sir Otto Niemeyer's visit was connected with a proposal to restrict foreign borrowing. If this is so Sir Otto has got his work cut out. For he has to frame some scheme whereby each State Government, without further borrowing from the banks, can close up its previous deficit and henceforth keep its Budget balanced, and at the same time make its contribution of money to keep the Federal Budget balanced. It appears from the report of Mr. Hill's remarks that Australia will have to "find her own money" for three years. He says he does not like to contemplate such a prospect, but he sees no alternative. Australia, he continues sadly, has got to realise that "she is thrown on her own resources entirely." This is true enough in a sense, but fundamentally untrue. The whole trouble is that though the throwing may have been "entire," Australia has not been thrown on her *entire* resources. She is allowed control of her agricultural resources, and of her industrial resources, but she has no control over her financial resources. She can find her own wheat by breeding them; she can find her own manufactures by sowing it; she can find her own manufactures by making them; but the vital thing lacking is that she is not allowed to find her own money by creating it. There is no other way of finding it. A community which wants to make more money in a colloquial sense has got to make it in a technical sense—and it has an exclusive fundamental right to do so. In strict theory every individual member of a community has the right to make money tokens commensurate with the production which he individually causes to come into existence; and the community collectively have the same right in respect of production arising out of the pooling of effort and knowledge that takes place under modern economic conditions. The only valid reason why it is not done that way is a practical reason, namely that the total out-

put of money must necessarily be co-ordinated with the total output of the goods and services. Obviously the right of being the co-ordinating authority resides in the Government. The proper function of a bank is to administer, with the maximum technical efficiency, the principles of co-ordination laid down by the Government. At the present time the two rôles are reversed. The bank proceeds on the assumption that it is the co-ordinating authority and the Government the technical administrative functionary. For example, when the Commonwealth Bank warns the Federal Government that it must cease from borrowing any more money, it is really claiming the right to fix the limit beyond which the Government may not authorise the creation of new credit. No such right of limitation inheres in banking, for the credit in question is not the property of the banker but of the community. We do not know what the total overdraft of Australia at the Commonwealth Bank may be, but let us put it at £10,000,000. Now, on the authority of Mr. McKenna, not a penny of bank overdrafts comes out of any individual's pocket. They represent additions to pre-existing credit in circulation. And when repaid they involve subtractions from circulating credit. No living person is made short of money when the bank makes a loan, nor is any living person put in funds when the bank receives a repayment. While a bank loan is out the community has more money to handle: when it is called in that money is lost to the community. Therefore a bank is not under the same necessity to withdraw loans as applies to business concerns and private individuals; it cannot say that non-repayment will involve either itself or any of its depositors in loss. The only damage it suffers is what we may call moral damage—that is to say, your rigid banker can't bear a dormant debit balance: it makes him itch, and he lies awake at nights. And if we were called upon to rationalise his itch we should suggest that what really fidgets him is the realisation of the probability that the longer he leaves "his" money out the more clearly the public will realise how easily he is able to afford to wait for it. Of course he is: for his "loan" was in essence nothing more than the issue of an authorisation to the "borrower" to make use of a certain amount of new credit belonging collectively to his fellow citizens. In principle, then, every borrower from a bank owes the money to the community. And when the borrower happens to be a Government, that Government owes the money to itself. To the question: How much credit may a Government lend itself? the answer is: As much as its constituents are able to use for generally-approved purposes. It is the Government's prerogative to prescribe the amount and allocation of the credit—the banker's function being merely to keep an accurate record of what happens. So, if the Australian Federal Government had the wit and courage to act in terms of its true responsibility to its constituents, it would follow this principle and say to the Governor of the Commonwealth Bank in regard to the dormant £10,000,000: "All right, my son; if it fidgets you, transfer the entry to another ledger and lock it up so that you won't see it. If any citizen of this country comes to you complaining that this overdraft is injuring him personally, you send him to us. You won't find one: but if you did we should know how to deal with him: we should levy a tax on him to meet your claim to repayment in respect of his share of the debt."

Instead of that we have the spectacle of Mr. Theodore, Federal Treasurer, saying in a debate at Canberra on June 13 during the third reading in Committee of the Central Reserve Bank Bill: "I think that the banks could go farther than they have done, but the Government does not control them." (Our italics.) That is to say, the natural Trustee of

the Credit of the Australian people does not control what the banks do with it. Whose fault is that? At the very moment when the words were spoken the House of Representatives was, in form, considering a Bill presumably defining the powers and functions of the Central Reserve Bank—which is a reminder that whatever control that Governments have lost has been lost by their own enactments. They have neglected to use their constitutional rights. Naturally they would all return a plausible answer—and the same answer, namely that the control of finance is too intricate a matter for public statesmen; it must be left to trained experts. Mr. Theodore, answering Mr. Yates (Labour) who had opposed the Bill, saying that the Government could "free credit by expanding the note issue without harming the Commonwealth or danger of insolvency," solemnly told him that:

"Depreciation of the currency invariably follows inflation of the note issue. That was the experience when, during the War, the Government deliberately inflated the note issue as the easiest means of raising money. The result has been increased prices, hardships, and injustices."

He was backed up by Dr. Page, the late Federal Treasurer, who said he "feared inflation as he would any pestilence." The general answer to both these gentlemen is that the evils following the expansion of credit arise, not from the expansion, but from a wrong principle of co-ordinating financial credit with economic production and distribution. If the evils were inherent in expansion they ought to disappear when contraction is adopted. But they do not. They merely change their form and incidence—the collective weight of "hardship and injustice" remaining the same whether more money or less money be put into circulation. Under expansion you have to pay for your higher income with higher prices; under contraction you have to pay for your lower prices with lower incomes. Under neither policy can anybody buy anything like the quantity of output that he needs, although the physical means of providing it are incessantly expanding. This is the invariable experience of communities, but it is invariable for the sole reason that the bankers will not alter their principle of co-ordination. One of the general reasons for Sir Otto Niemeyer's visit is to make sure that the Federal Government does nothing to impugn or alter that principle. For the right principle is now known, and is nowhere being more actively and efficiently explained and advocated than by supporters of Major Douglas's proposals in Australia. Sydney University was, we believe, the first to adopt his first work, *Economic Democracy*, as an official text-book for students for the Honours award in economics; and there are unmistakable evidences of its effect among independent thinkers in the Commonwealth.

The American Situation.

By C. H. Douglas.

Many readers of this review have no doubt been at a loss to account for the apparent anomaly involved in the sudden transition from a state of great prosperity to a state of financial and industrial depression, which has been a feature of the past year in the United States.

It will be remembered that politics in the United States, so far as the man in the street is concerned, turn upon what is called "prosperity," and that no Government will be tolerated which does not make prosperity its first objective. Conversely, a Government which does succeed in providing prosperity can do practically anything else that pleases it. Bearing in mind that financial power is paramount in the United States, and that prosperity in the modern world is for all practical purposes dependent on financial policy, why do we see the United States

grappling with an industrial crisis, apparently not very dissimilar to that which holds Great Britain in its grip.

Now, to understand this situation, the first point to be realised is that the Government of the United States (i.e., the President, the Senate, and the House of Representatives) is on the whole hundreds of years nearer to being a realistic organisation than are the Cabinet, the House of Lords, and the House of Commons in Great Britain. That is to say, while only in the last two or three years, and largely through the influence of this journal, there is growing up a small, but increasing, body of members of the House of Commons, who are competent to hold and express an opinion on finance without first consulting their local bank manager, for at least forty years, and probably more, genuine finance, by which I do not mean mere discussions on taxes and tariffs, but rather questions as to the basis and function of credit, have been continuously matters of practical politics in Washington. They first came under review at the very birth of the Republic in the days of Alexander Hamilton. They were of the very essence of the situation created by the civil war in the late sixties and early seventies. The Bryan Free-Silver Campaign, little understood perhaps by Bryan himself, nevertheless injected fresh ideas into the perennial controversy. And since the War, a continuous agitation, to which such persons as Mr. Henry Ford have contributed, has been proceeding on the same subject.

Now, the result of all this, interlocking with the control of finance over patronage in politics as elsewhere, has been to produce a peculiar situation, which, so far as my knowledge goes, is not precisely paralleled elsewhere. Considered as an institution, the Government of the United States has never relinquished its sovereignty over finance. Finance has, as usual, and by the simple method of supplying the campaign funds of all the political parties impartially, managed to make its own views prevail, but while being a Government "de facto," it has not succeeded in becoming, as in Great Britain, a Government "de jure." You do not hear in the United States timid and apologetic assurances that on no account would the Government think of criticising, much less of interfering, with the banks or the great credit institutions, although for the reasons which we have just noticed, such interference does not usually materialise, and criticism remains largely ineffective.

In particular, the office of President, which office still represents the most formidable concentration of power resident in any position held by one man in the world to-day, has always held a potential menace to the power of money.

It will not come as a new idea to students of the credit problem, that the financial system, as such, provides an effective sieve for the purpose of assuring that no individual comes into a position of considerable power, without having given, for a considerable portion of his life-time, satisfactory evidence that he will behave in accordance with the principles which are paramount in the world to-day. Through the agency of these principles, it has on the whole been possible to see that either only safe men were elected to the Presidency, or at any rate were only allowed to be effective in harmless directions.

The Presidential election of 1928, however, presented a curious problem for the financial interests to solve. For reasons which are, no doubt, deeply involved in high politics, finance does not want a Roman Catholic President of the United States, and Mr. Al Smith was a Roman Catholic. It was considered that there was only one candidate strong enough to defeat Mr. Smith, and that was Mr. Hoover, who greatly enhanced a reputation already considerable in industrial circles, by the organising

ability he displayed during and immediately subsequent to the War.

Now Mr. Hoover is something new in Presidents, and the financiers distrust him, probably with reason. He has the training and experience of an engineer. Instead of merely talking about things in the orthodox manner of the politician, much of his life has been spent in doing them. During the last few years he has been the objective of instruction on realistic finance from several people familiar with ideas expressed in this review, and from other sources of a similar character. So that having used Mr. Hoover to defeat Mr. Smith, it became the obvious strategy of the financial power to discredit Mr. Hoover, and the most direct method of doing this was to turn the prosperity of the United States into industrial and business depression.

It was quite easy. A pretext was found in the Stock Exchange speculation which is bound to be a feature of a rising market, to impose fantastic call rates on money, and to restrict loans and withdraw them from existing borrowers. The Stock market crash of last October was just as artificial as that of 1907, which was engineered by the American banks to teach the public the result of dabbling with dangerous ideas such as those put out by Mr. Bryan in his Free-Silver campaign. The objective was the same, but transferred from Mr. Bryan to Mr. Hoover, and already the slogan of "Back to Coolidge and Prosperity" is achieving a considerable measure of popularity. It is perhaps hardly necessary to observe that Mr. Coolidge, a complete nonentity, is regarded as the model President.

So far as can be seen by the unprivileged observer, Mr. Hoover has not so far given to Wall Street any serious grounds for anxiety, although his endorsement of higher tariffs is no doubt offensive to international finance, which is quite clear in its own mind that the only desirable tariffs are those which are imposed by itself through the medium of the exchange rates. Mr. Hoover has, however, at least two more years of office, and, if we might venture to give him a hint, that is all the time at his disposal to prove whether he or the bankers rule the United States. If the bankers should be proved to have made their claim good, not only will the cause of economic freedom have received a setback, but Mr. Hoover himself will have lost an opportunity such as is rarely afforded even to Presidents of the United States.

If the situation in America has been correctly appreciated in the preceding paragraphs it contains a lesson for us in this country. The strategy of international finance is, like all great strategies, based on a few simple principles, and these principles are repeated again and again. The Labour Party in this country has been put into office in order to be discredited, the Liberal Party which is predominantly financial, and notably Jewish-financial, in its interest, being put into a position to turn it out at any moment of crisis, and to put back our own Coolidge, Mr. Baldwin, for a fresh period of "tranquillity." Suppose, for instance, that the Snowden Committee on Finance and Industry were really to grapple with the causes of the social and industrial decay in this country. Then the Liberal Party would be instructed to turn out the Labour Party, and the Report of Mr. Snowden's Committee being the report of a discredited Government would be pigeon-holed by their successors, who would be sub-consciously aware that their only chance to retain the loaves and fishes would be to leave the question of finance severely alone.

The deduction to be made from these considerations is clear enough. Every effort ought to be made to discredit the idea that a mere change of Government is an effective remedy for any of our troubles. As I am always willing to admit to any-

one who is interested in so unimportant a matter, my political sympathies, if any, are Tory, possibly because there is no Tory Party in this country. But any small influence which I might have at the present time would be devoted to keep the present Government in power, simply because it is the present Government, and for no other reason. Every change of the ostensible Government is a success for the real Government, Finance, which is the deadly enemy of this country, and it is our business to cultivate the form of neutrality in regard to ostensible Governments which was expressed by the American in the early part of the European War when he said that he was so neutral that he didn't care who licked Germany.

One further observation on this situation. As Lords Beatty and Jellicoe have just told us, the naval strength of this country is in course of being reduced to a point which will ensure disaster if and when this country is attacked at sea. This reduction is not made because we cannot build the necessary ships. Our shipyards are idle, our steel furnaces are unlit, our men are sick for lack of work. It is because—God help our poor turnip heads—we have no paper-tickets—"money."

If there is a spark of virility left in this country the day the next war breaks out the local representatives of Finance will face a firing party in the Long Gallery of the Tower.

Banking Sculpture.

By W. T. S.

The pediment of the central arch of the new Bank of England has for about two months been shrouded. When the shroud was withdrawn a few days ago, it discovered a large and serious-looking lady, sculptured in stone, whether winged or merely throned in cloudy glory is somewhat doubtful. She is in sitting posture, a little too much on the edge of her chair for comfort, with a model of the central part of the Bank of England on her lap. She is a little knock-kneed, but the Bank is rather a lump!

The right hand (which has not yet been completely formed, and resembles a bus-driver's glove) is raised as though to put up an umbrella (perhaps to ward off the rain of credit). Her form suggests a somewhat extreme morality, to which anything like exuberant production would be vulgar and distressing. She herself has suffered no under-nourishment, and one would not advise her to trust to the support of her wings (or are they clouds?) should she wish to descend to the street below.

She sits flanked by two large and flowery medallions. But whose names are to be inscribed therein is a secret presumably known only to that Norman who presides over the large lady's destinies, or to the Higher Powers for whom he subdues her possible extravagance. Maybe the retiring character of our masters will be exemplified in the medallions being left blank. After all "Morgan" and "Zaharoff" would look a little odd to the antiquarians of the year 3030; and the names of "Norman" and "Strong" would be sure to cause heart-burnings in the breasts of "Dawes" and "Young," and who can say how many more.

The lady looks severely upon the City, with obvious disapproval of the statement blazoned under her very eyes, in the pediment of the Royal Exchange, that "The earth is the Lord's and the Fulness thereof." Perhaps another "pocket" of sand could be mined beneath them, to bring these proud words tumbling down. An earthquake would be too dramatic.

Anyhow, she has her troubles. She doubtless feels responsible for the row—apparently of prize-fighters and yearning ladies—who are being sculptured on

the third stage of the building, just below the Corinthian pillars from the top of which her gaze is directed upon an ungrateful world. These unfinished figures may turn out to be the Chairmen of the Big Five (or symbols of them to avoid changes in the future. Economy in all things!), in which case an apology is due in advance; things are not what they seem.

It is to be hoped that no ingrate will ever make rude remarks about fecundity in the lady's austere presence, or any person of light mind chuck her under the chin. The gods must be respected. And it will be a nice diversion for the starving masses, as the supply of life's necessities is reduced in the interests of the lady's virtue, to gather in the street below and meditate upon the Olympian quality of her strength in bearing other people's troubles so calmly.

They have shrouded her again. The rebuilding of the Bank is not to be completed for ten years. We have therefore been vouchsafed a glimpse into the future—perhaps!

The Bank of England and Its Guard.

Punctually every evening a body of Guardsmen set out from their barracks in Birdcage Walk, and do not return to them until the next morning. Now, where do they spend the night? As you watch them marching along, headed by an officer, you speedily realise that they are a special guard for someone or something. Perhaps you think they are going to guard the King, but you are wrong, for they are marching away from Buckingham Palace. The King, by virtue of his high office rightly has his guard, but these men are on other business. Perhaps then, as they are marching in the direction of Westminster, they are going to look after the Houses of Parliament for the night. Wrong again! Those responsible for the safety of the Parliament buildings are satisfied with the protection afforded by the ordinary police. No, these men do not stop at Westminster. They go straight on, along the Embankment, right into the heart of the City, where nothing is made, except money. And having reached the City, they disappear into that Holy of Holies, the Bank of England. Have you ever walked by the Bank of England and noticed its massive walls and the absence of windows facing the street? Have you ever thought how difficult it would be to break in? Why then is a guard of armed men needed, and why should the Army provide the men to look after the premises of a private company? Curious, is it not? One can imagine, in certain circumstances, the directors of the Bank sending out an S.O.S. to the military. One can even imagine this help being required by the directors for personal use, but at the moment, when the people generally only dimly sense who is responsible for the present state of affairs, one finds it difficult to see why the Bank of England needs a special guard. What is wrong with the police force? They surely are responsible for the safeguarding of private premises. Is the provision of the guard a symbolic act or has it any real use? If it is merely a gesture—a gesture that the Bank is a National institution, and as such should be protected by the forces of the Crown!—why not have a really good ceremonial mounting and make it a public spectacle? Everyone knows of the changing of the guard at St. James's Palace, and crowds watch a similar ceremony daily at the Bank of Guards. But the mounting of the guard at the Bank of England is not broadcasted to the world. On the contrary it is done so quietly and with so little fuss that very few people realise that their gold reserve is so well cared for while they sleep. But perhaps these men, who nightly do their duty, are similar to Mr. Montagu Norman, in that they are modest and retiring, and what they do, they do not want the world to know.

A. H.

A Quick Glance at India.

To begin with, Gandhi emerges from his political retirement and, on March 12, this year, starts his salt-making. On the one hand we were told that this was only a rather pathetic "stunt," that Gandhi's movement represented only a few foolish fanatics and was really only a storm in a salt-pan, and that therefore the official policy was to smile and whistle. On the other hand we were told that Gandhi had an "uncanny influence" over the popular imagination, and that, however misguided and even fantastic his salt-making march to Dandi might appear to the Western onlooker, it might unloose disorderly elements and create a difficult situation. This it certainly did, and that is why Gandhi was arrested. Having arrested the leader the whole agitation would die down, peter out, and come to nothing. . . . It has done nothing of the kind. The agitation has developed and branched out. Whereas Gandhi and his little band of disciples seem to have had the greatest difficulty in whipping up a hundred people willing to take the risk of making fools of themselves (and also of getting "biffed" on the head with police *lathis*) during the first salt-making in March, now we read of thousands taking part in one salt raid. We read that the police are frequently outnumbered, unable to cope with the situation, and forced to call in the military. The prisons, we read, are full to overflowing, and prisoners are housed in all sorts of make-shift huts and sheds with barbed-wire defences. Day after day we hear of salt raids, the cutting down of "toddy" palms, burning of foreign cloth, refusal to pay taxes, etc.; and day after day there are scuffles between the Congress Volunteers and the police.

What began with a rather theatrical gesture on Dandi beach, when a tiny handful went through the symbolic act of making a little salt, has spread out and out, until now the movement means something and his teachings. The movement has been joined by all sorts of incompatible elements—disorderly and otherwise—in just the same way that Irishmen who, before, could not agree with each other upon anything, found themselves able to agree for a moment or two under the spell of "A nation once again!" For the time being India has one common objective upon which all Indians are more or less in agreement, namely: *that British rule in India is not good, and that India should have some form of self-government.*

In the midst of all this comes the belated promise of a Round Table Conference, and the publication of the first volume of the Simon Report.

As for the Round Table—or any other—Conference, we can set that aside before it begins, since affairs are never settled by conferences of any kind whatever. Conferences are merely "sumps," or soakage-pits, for draining off a great deal of needless talk. What is to be done, and what is done, is always settled elsewhere by those who have the power to make their decisions effective. This applies not only to the forthcoming Round Table Conference on Indian affairs, but also to the All-India Congress. After all the talk had been talked and talked, Gandhi "asked" Congress for a "blank cheque"—and got it. (And behind Gandhi, no doubt, there were others, unknown to him, who had settled how this would affect the financial situation—the Salt Raiders of Wall Street, and other world centres.)

We turn to the first volume of the Simon Report and find the one sentence that matters:—
"No question is at once more difficult and more crucial than the future organisation, recruitment, and control of the Army in India."
Just so. Now we are down to tin tacks. The population of India is round about 315,000,000. A

force of 60,000 British troops and 150,000 Indian troops, officered mainly by the British, acts as garrison and also as a field army always ready to repulse attack.

A military force can, in certain circumstances, exist effectively without money, because it can take what it needs in the way of food, warmth, and shelter without payment. It can even take over—commandeer—raw materials and force civilians to work them up into the needed finished products.

In peace time an army depends upon money, but in certain crises it is in a position to hold Finance at the bayonet point and to dictate financial policy and method.

When all is said and done about India, and however long it takes to say and do, only two vital questions stand out of the political, social, and religious confusion. They are: (1) *military* organisation and control, and (2) *financial* organisation and control.

All the rest can be seen as a tremendous muddle in which it is only too easy to get lost.

No one can possibly foretell what is to be the future of India. It would not be at all surprising to find that Gandhi had succeeded in catching the bird by dropping salt on its tail. Catching a bird is one thing. Someone else, however, is pretty certain to pluck, draw, and cook it.

G. F.

Consider the Lilies.

THE BRITISH LAZZARONI.

By John Hargrave.

The Bishop of Durham (Dr. Henson) speaking at a luncheon given in London by the Individualist Bookshop on June 18, is reported by the Press to have said that the present methods of dealing with unemployment are hopeless. No one will disagree on that point, least of all the 1,700,000 unemployed. The methods are quite hopeless.

The Bishop went on to say that to receive the "dole" and to vote at Parliamentary elections was the sum total of the civic functions of a large and increasing proportion of the electorate of Great Britain.

He further declared that:

"We are transforming a multitude of potentially admirable citizens into a mass of chronically idle, economically valueless and socially mischievous persons.

"It is neither unfair nor misleading to describe these in a well-known word borrowed from Southern Italy as the 'lazzaroni.'

"The Oxford dictionary admits it into the English language, and gives as its meaning the lowest class in peoples, who lounge about the streets, living by odd jobs or begging. The British 'lazzaroni' are a post-war phenomenon."

Consider the lilies, how they grow. . . .

The labelling of nearly two million poverty-stricken British citizens (who have the misfortune to be forced by economic pressure to accept a tax-paid "dole") as the lowest class of people—the British *lazzaroni*—is economically valueless and socially mischievous.

It is socially mischievous because it does exactly what ought not to be done. It cuts off and consolidates in their slow-motion misery an Economic Caste of Untouchables. It tends to bring about internal division within these islands. It formulates a *pariah caste*. To do that is subversive, anti-social and disruptive. The Bishop has placed these unfortunate victims of an unworkable financial mechanism apart from their fellow men as "the lowest class in peoples"—as The Scum, the *lazzaroni*. It is not only grossly unfair and misleading to describe

"dole"—paid Surplus Labour in these terms, it must help to hasten the social conflict.

"They"—the British *lazzaroni*—said Dr. Henson, "are the finest human material in the world, and we seem to acquiesce in their debasement. There is a Nemesis to such folly."

There is indeed! Consider the lilies, how they grow.

One would have thought it in better taste to refrain from debasing this "fine human material" still further by sticking across it the derogatory label of *lazzaroni*.

Consider the lilies, how they grow.

Little knowing the power of words, the Bishop brings to self-consciousness and gives a disparaging and dishonourable group-title to a huge colony of "economic lepers" in our midst—a veritable Lepers' Island—the British *lazzaroni*, the Unemployed.

What an unfortunate name for a bishop to have picked upon! At once it brings to mind the *lazar*, a poor person or beggar afflicted by some dread disease. It is only too apt, for the British *lazzaroni* are afflicted by the dread disease of chronic financial anaemia.

The whole country is becoming a *lazaretto*, a pest-house for the reception of such persons.

Dr. Henson refers us to the Oxford dictionary as to the meaning of the word *lazzaroni*, but

Consider the lilies, how they grow.

The term *lazar* is from Lazarus, the beggar who was "full of sores"—even the dogs licked them—and who lay at the gate of a certain rich man hoping to be fed with the crumbs that fell from the table.

Lazarus was chronically idle, economically valueless (except as a kind of human vacuum-sweeper for clearing up crumbs), and, no doubt, socially mischievous. In course of time the beggar died and the angels carried him into "Abraham's bosom." The rich man also died, and went to Hell. There, in torment, he looked up and saw the economically-valueless, socially-mischievous and chronically-idle Lazarus in the bosom of Abraham afar off. The rich man cried aloud, saying, "Father Abraham, have mercy on me, and send Lazarus, that he may dip the tip of his finger in water, and cool my tongue; for I am in anguish in this flame." But Abraham answered, "Son, remember that thou in thy lifetime receivedst thy good things, and Lazarus in like manner evil things: but now here he is comforted, and thou art in anguish. And besides all this, between us and you there is a great gap fixed."

Perhaps without knowing it, the Bishop of Durham widens that gap and fixes it. He separates himself from the Mass Lazarus—from the *lazzaroni*—and is already in Hell.

Twelve years after the war, said the Bishop at the luncheon, we have no occupation for nearly two million men.

Consider the lilies, how they grow.

The application of science to industry, the Bishop explained, was working a revolution in industrial methods. As an example of this, he referred to a mechanical coal-cutter which Lord Londonderry, "with his characteristic enterprise and public spirit and at vast expense," had added to the productive resources of Great Britain "in his magnificent new mine." This cutter was attended by a single workman.

CONSIDER THE LILIES, HOW THEY GROW

Labour-saving devices, however, would—so the Bishop assure the assembled Individualists—benefit labour "in the long run."

Consider the lilies, how they grow.

Dr. Henson went further. Rationalisation, he told his audience, was "clearly in the interests of the workers"—(consider the lilies, how they grow . . .)—but, continued the Bishop, in "accepting"

rationalisation "they" (the British *lazzaroni*, and everyone else) accepted the necessity of discovering a solution of the problem which it created.

So it is up to the *lazzaroni*—and all the rest of us—to solve our own problem of under-consumption.

Consider the lilies, how they grow.

The Bishop of Durham has told them the naked truth. If they—that is, "the finest human material"—are thrown out of the industrial system by the process of "rationalisation" (the application of science to industry) they must "accept the necessity" of discovering a solution to the problem of how to keep alive.

Consider the lilies, how they grow.

They must solve the problem of:—"No Work, no Money—no Money, no Food."

The "lowest class in peoples" must fight their own battles and find their own way out of the present impasse; for, as the Bishop truly said, "the main problem of unemployment is not only unsolved, but does not appear to be fairly faced."

Consider the lilies, how they grow.

The Bishop did give a hint, however. He said that "efforts should be made to create new industries."

Consider the lilies, how they grow.

The workers, as they find themselves flung out of the factories and workshops (thus changing from the "finest human material" into "the lowest class in peoples") must accept the necessity of discovering a solution of the problem of unemployment—apparently by making "efforts" to "create new industries" in which to re-absorb themselves.

Consider the lilies, how they grow.

These impossible "new industries" must be rationalised, since rationalisation "is clearly in the interests of the workers" (in the long run)—and so they will throw themselves once more automatically out of employment, and have to make new efforts to create very much newer industries "rationalised" in such a remarkable way that every mechanical coal-cutter can be watched, or patted on the back, or stroked, or dusted by, say, fifty attendant *lazzaroni*.

Consider the lilies, how they grow.

Having done that they could then be paid a "fair wage" (not a "dole") and would feel that they were "partners" and "profit-sharers" in the crazy economic system that results from the dictum: "If any would not work, neither should he eat."

Consider the lilies, how they grow.

The Bishop is right. It is the one-time workers, the *lazzaroni* themselves, who must solve the problem of—the *lazzaroni*.

Consider the lilies, how they grow.

The problem of the *lazzaroni*—of the Unemployed—is the touchstone of our epoch. It is defeating, and will defeat, government after government—Conservative, Liberal, Labour, Communist. It has plunged the party system into chaos, and utterly discredited party politics. It will destroy our present parliamentary mechanism. It will bring into being the Economic State.

Consider the lilies, how they grow; they toil not, neither do they spin, yet Solomon in all his glory was not arrayed like one of these.

"I am a most prolific uncle, and there is always a wedding in our family," said Sir Herbert Samuel, as he hurried away from a luncheon party of M.P.s yesterday. The lunch was given by the ORT, an organisation formed to help the distressed Jews in Eastern Europe by loans for machinery and raw materials, in which Sir Herbert takes a keen interest. Lord Marley, who presided, and was congratulated on his promotion to the War Office, laughed heartily when, in the course of her speech of thanks, Mrs. Israel Zangwill said: "I think the duty of the Financial Secretary to the War Office ought to be to advise the Cabinet to spend no more money on war."—*The Star*, June 6, 1930.

Bankers and Protection.

The reputed "Bankers' Manifesto" in favour of Protection has been the main topic of political comment in the Press over the week-end. The earlier Manifesto, advocating the lowering or removal of fiscal barriers within the European continent, bore signatures. This one does not. Yet there was ample time between the private adoption of the Manifesto and the publication of its terms to have added the signatures—and of course all the time since and henceforward to publish them separately. Surely the public have more interest in knowing who are to be the financial backers of a Protectionist Government, than they have in knowing whom Mr. Baldwin might appoint to key positions in a Conservative Cabinet. Where is Lord Rothermere these days with his precious new constitutional principle?

Bankers in general dislike tariffs, but nobody who understands the credit question has ever expected that they would put up a fight against them. Why should they? No change of fiscal policy can endanger the privileges which they hold—the power to create, lend and recall credit how, when and where they will. Hence it is not surprising that British bankers, having encouraged or permitted Lord Rothermere and Beaverbrook to test the feeling of the electorate, have concluded from the initial result that to give moral support to Protection would do something to restore their hitherto fading popularity in the country. "Look!" the public will exclaim, "the bankers are doing something to help trade after all; and it is up to us to fall in behind them and shut up those irritable credit reformers who are always criticising them." But, after all is said, what does the bankers' moral support imply? Not an iota more than the Stock Exchange Committee concedes when it admits a new company to the privilege of a quotation. Dealings are now permitted in Protectionist stock on the market of practice's and Beaverbrook's cheers and perorations during the last week anybody would think that deal-ings were the same thing as dividends—that the bankers' consent to mark the stock is the same thing as their consent to support it. Listen to the *Evening Standard* of last Saturday.

"Labour is at heart on our side, and so are all the vital elements left in the old Liberal Party. In other words the whole country wants what the Empire Crusade has offered."

(i.e. the whole country likes "our" Prospectus) Party courageously to take up the task of turning its desires into reality."

(i.e. nothing remains but for the Conservative Party to produce the profits which "we" have promised.) If everybody is going to invest how can the Promotion fail to succeed. Convincing as the Cotton Boom, is it not?

In the meantime Wall Street presides over the Bank of International Settlements, in which the Bank of England is a subordinate partner along with the Central Banks of all the other countries in the world. Moreover, the interests of America and Germany are directly represented in the Court of the Bank of England. Thus the contemplated Mopolitan holding company; and the proposed fiscal attack on the world outside Britain will have to be conducted in the face of the foreknowledge, and designated the financial control, of the chief countries Government for defeat in the Prospectus. Any conditions prevail will have, as the *Evening Standard* says, to show some courage.

ARTHUR BRENTON.

Drama.

Désiré: New.

In the kitchen at Odette's House, Paris, the cook and the maid, over Odette's wine and her Cabinet-Minister paramour's cigarettes, inform the audience that Odette wants him to marry her, and that the couple cannot go to Deauville to-morrow morning as arranged unless they find a butler that night. When the night is far spent, and Deauville recedes farther away, Mr. Owen Nares applies for the job. He is one of those marvellous, physically handsome butlers that—the joke is in the play—mistresses become mistresses for, and of such marvellous efficiency that husbands are reluctant to part with them even then. As Odette simply must have a butler if she is to win a husband, in spite of the risk of seduction, and, perhaps, because of it, she engages him; he, being a butler with honest intentions, giving his word of honour to hold her person sacred. But his fate refuses to release him. At Deauville Odette talks in her sleep, and the butler dreams of her also, though neither knows what is happening to the other. When the Cabinet Minister has to go back to Paris because the Government has resigned—surely no French Cabinet Minister would ever leave Paris if resignation of the Government meant his going back—the butler, thrown by chance into a situation of great temptation, has an opportunity of proving himself a man of honour. He is satisfied to hear the lady call him, just once before his departure, by his name, Désiré.

The play is certainly socially improper. As for anything else the Lord Chamberlain might safely send his aunts and daughters. Some of the quieter wit is fairly subtle, and wins a quiet laugh. Three-quarters of the play have gone, however, before any situation develops, and then, instead of going up like a rocket, it fizzles out. There is no character-drawing, everything depending on "business"—out of which more might have been made—and verbal wit. The scene with the deaf lady at dinner is as good as scenes with deaf or stupid people usually are, but such people are of little use to the stage. The whole idea is far too thin to support a whole play, which is as a consequence little more than a sketch highly attenuated. Miss Nadine March's performance as the maid is the most enjoyable because it contains, at a scanty table, most meat. Mr. Owen Nares is perhaps too used to being a gentleman—the question of morals is irrelevant to the status—to make a good butler. Miss Buena Bent is first-class as the French cook, inasmuch as what she makes is appetising in spite of her being supplied with no ingredients, the same commendation applying to Mr. D. A. Clarke-Smith's performance. Miss Jeanne de Casalis suffers most of all from lack of material as Odette. Work so personal as the comedies of Sacha Guitry—if the play has not suffered in the adaptation—obviously needs the personality of M. Guitry for its production.

Marion-Ella Players.

Mr. Rodney Ackland, the author of *Marion-Ella*, played "Young Woodley" during its successful tour. "Marion-Ella," although it opens in the playroom at Elmshirst Private School for girls, is reported to have been thought of long before "Young Woodley." That is a pity. It would have been a vastly better play had it been suggested by "Young Woodley." The opening scene certainly recalls "Young Woodley," and is good as long as it does so. At Elmshirst Private School the brighter and stronger girls torment and torture the less mentally and physically fortunate with a ferocious cruelty never approached in a boy's school, since there never was a boy who would have stood it. He would have burned the school down. Enquiries

among people who know Elmshirst Private School elicited that the scene was not unjust. After so deep a plunge into the mysteries of a private school for girls, it was natural to want to see more of these middle-class women in the bud. Instead of showing more, the author abandoned his characters in favour of a group of puppets illustrating a metaphysical theory. Marion had only half a soul, the other half being possessed by Ella. Thus Marion was neurotic, miserable, and bullied while Ella had a perfect time. Nobody at first believes Marion, of course, but she finally convinces so sceptical a person as a psycho-analyst, the reason no doubt being the confusion of his psycho-analysis; afterwards there is evidence enough to convince the doubting apostle, Ella appearing on the stage alongside Marion. The one interesting feature of the play is that as long as Mr. Ackland sticks to observation the characters offer themselves for analysis. But the metaphysics have no more reality than Maeterlinck's somewhat similar notions. Whether true for life or not they are false for the stage, and the result is as bad a play as it is possible to make, on which the excellent acting of the schoolgirls, particularly that of Miss Reba Inglis and Miss Gabrielle Casartelli was wasted after the beginning.

Grafton Theatre.

The second programme of the new Grafton Theatre in Tottenham Court Road suggests a Girton London Pavilion for the Fabian Youth Movement. The first item shows how much less fun the fast-living, fast-dancing, gramophone and wireless cocktail drinkers, of this early morning get out of life than the slow-dancing, musical-box tinkling, solitude seeking couples of the Victorian evening. After so trite a piece Archie Harradine's singing of "Funfmalhunderttausend Mann" and the Robot Dance came as an enjoyable change. Miss Margaret Morris appears twice, her second contribution, Sketches for three Spanish Dances, being much more vital than her first. "Annajanska, the Bolshevik Empress," a one-act play by Bernard Shaw, seems to contain the germ of the "Apple-Cart," and suggests that the Life Force has permitted Shaw to live so long because he sets such execrable examples of bad writing when in a hurry. If anybody else had written Annajanska no manager would have read it through. "Self-Portrait," a more or less philosophic but certainly solemn dialogue between a man and his reflection, is played by two men with a mirror frame between them. It recalls a music-hall sketch of twenty or so years ago in which a valet smashed a mirror, and to hide the offence for the time being mimicked his master behind the broken frame. The old music-hall sketch was both more philosophic and vastly more entertaining. "The 'Old Firm's' Awakening," a revival of a sketch in verse of a little girl whom the fairies told to back an outsider, the home-coming of which destroyed the bookies' moral conversion, is first-class. A one-act play by Ferenc Molnar, "Fledglings," is too Austrian in sex ideology for English audiences to draw much from it. By the end of the programme the compilers were reduced to reviving old music-hall tunes, "Awfully Awful," and "Daisy Bell" being well done and bringing the house down. Both the beginning and the end of the programme, therefore, as well as much of the middle, suggest a new definition of a highbrow as one who can wallow in to-morrow's and yesterday's sentimentalism, but not to-day's. The outstanding item was Miss Norah Balfour's recitation of Amy Lowell's "Patterns," of which a bright young thing in front of me, who carried on a conversation with another behind me throughout most of the programme, shouted, in a stage-whisper, "Hasn't she a lovely diction," the other replying, "Not really, my dear, it's only a knack." She

has, nevertheless, knack or any of its alternatives. The Grafton Theatre is a very interesting experimental theatre which has not yet found its métier. Its designers have looked round Europe before executing their ideas, and the stage is well equipped for original, imaginative, work.

PAUL BANKS.

Music.

Pelléas et Mélisande.

My first visit to Covent Garden during this more than usually uninteresting season. Always the same three conductors, the same unexciting singers, the same shocking orchestral playing, the same farcically inept and crudely unintelligent stage management, so that one has not been at all tempted to pay a *minimum* of thirteen shillings for a reserved seat whence, sitting, the *entire* stage is completely invisible, for this very questionable and shoddy entertainment. But *Pelléas et Mélisande*, which I had not heard for many years, tempted me to the Opera House on June 23, more especially as the cast contained a *Mélisande* in Miss Maggie Teyte who is known for her admirable interpretation thereof. And, indeed, her performance is one of extraordinary subtlety and beauty, interestingly and well sung, so far as this monodic, quasi-montonic chant that is the voice, writing in *Pelléas* can be said to be called, or involve, singing. The *Pelléas* of Roger Bourdin was an attractive figure (hideously costumed), and making allowances for a too-typically French production, acceptably sung; indeed, as well sung as could be with such a production. Extraordinarily clear and fine diction. Every syllable was audible. This was noticeable too. This extraordinary clarity of diction in the excellent Geneviève of Mme. Jeanne Montfort but was not in evidence in any other members of the cast. Mr. John Brownlee's *Golaud* I did not find especially excellent, nor his voice nor singing, about which there has been so much talk—a manifestation of that singularly vulgar and stupid chauvinism that besetters all with the same uncritical indiscriminate flattery regardless. It is an odious manifestation as most manifestations of hypertrophied patriotism are, from the grotesque and idiotic caperings of Mr. Gandhi in India, the gances of Mussolini in Italy, to the foamings of elderly, plethoric, apoplectic military persons in club armchairs in England. The whole thing is vulgar, obscene, diseased and utterly repulsive, even in its usual place, but when imported into questions of art it is an outrage.

Fernando Autori as Arkel was admirable except for some rather rough singing, but it was a well-considered and carefully thought-out study—sympathetic, imaginative and moving. The work which a curiously hypnotic insinuating quality which counteracts any tendency to monotony that might otherwise be expected from the very uniform treatment. But so perfect is the mood-correspondence of drama and music, the grey-green crapsular fate in which the characters move in this heavily charged and doom-laden atmosphere is so marvellously heightened by the music that one is soon won over to the strange twilight sadness of this work of half-tones, half-voices, whispers, hints, half-spoken and then retracted intimations. One almost feels that the only real living things in *Pelléas* are the gloomy sinister old castle and the dark, threatening forest that presses crowdingly in on it from all sides. That the characters are merely human shadow-projections of a reality that takes place right outside them, outside their existence even, in a sense. They act out sentient and percipient automata—a drama that deals with things that, while they are protagonist thereof, do not really concern

them at all, do not really belong to them. A sort of Maya-World illusion, in fact, to borrow an idea from Vedantic philosophical ideas. This the music expresses and intensifies with extraordinary conviction, beauty and intensity, and this it is that assures to it its position as an entirely original and utterly unique masterwork. The thing was inconceivable before Maeterlinck plus—especially plus—Debussy; it is inconceivable after them. Debussy, indeed, has completed and made perfect what is but half adumbrated in the play, that could not but be more than half adumbrated verbally lest the whole character of the play be ruined, and that only that music which, as Goethe said, begins where words leave off, could complete, and Debussy's music at that. A very wonderful and moving achievement.

Over the doings of the orchestra in this lovely score of shadows, reflections and half-lights, shreds and whisks of delicate subtle colour, spider's web and rainbow, it is better to draw a veil. We have recently heard orchestras made by God for music like this—but not in Covent Garden.

"The Expert" Gramophone.

From time to time during the past few years I have referred in terms of very high praise to the remarkable gramophones produced by Mr. E. M. Ginn. I have recently heard his latest achievement, the "Expert," as he calls it, and have no hesitation in saying that not only is this instrument not equalled, it is not approached by anything else on the market at the present time. I advise anyone contemplating the purchase of a gramophone to hear Mr. Ginn's instrument first and last. His address is now 55, Rathbone Place, W.1.

KAIKHOSRU SORABJI.

The Films.

When I recently drew attention to Adrienne Allen's admirable acting in "Loose Ends," I expressed the hope that a British producer would be sufficiently well-advised to engage the services of this very talented player. I hear with great pleasure from the Gainsborough Company that it has selected Miss Allen to play the leading woman's part in "The Stronger Sex."

Another selection which it is a pleasure to record is that of Brigitte Helm for "City of Song," the bi-lingual picture which is being made by Associated Sound Film Industries. At her best Miss Helm is one of the few really great film actresses, but she is as a rule, unfortunately, cast for roles in banal productions entirely unworthy of her gifts, while she is also singularly responsive to direction. For these reasons her impersonations have been very unequal. It is to be hoped that "City of Song" will provide her with a successor to "Metropolis."

Owing to the arrangements for showing "All Quiet on the Western Front," it was necessary to withdraw "The White Hell of Pitz Palu" from the Regal after only a short season. As this is a film which should on no account be missed by lovers of screen art, it is my duty to notify readers that it is to be seen during the current week both at Tussaud's and the Rialto.

Stark Nature.

Our producers have always excelled in two types of film, the historical reproduction of war, of which "Ypres" is a classic example, and the travel picture. The latter is far more popular than most excitement can be made to realise, although its popularity has lately gone far to ruin both the travel and the nature film is the lust for sound accompaniment, usually by a gentleman with a droning voice and bad delivery who atones for his lack of oratorical gifts by attempting to be funny at all costs, and achieves

a comic strip humour in the process. It is a pleasure to be able to record that "Stark Nature," for which British Instructional is responsible, has none of these defects. The dialogue is not unduly emphasised; Major Court Treatt, who is the principal *compère*, has a pleasing voice, and his humour is unforced.

This film is an excellent record of an expedition to a little-known part of the Soudan, of which the main object was to photograph animals and birds in their natural surroundings. There are some delightful and intimate shots of the extraordinary collection of pets domesticated by Mrs. Court Treatt, who parted with her protégés with regret, together with the more conventional jungle pictures and photographs of drinking pools. The spectator is also shown exactly how this type of picture is made; some of the "hides" built to conceal the sight and sound of the camera from the "sitters" are extremely ingenious.

There is no attempt to graft an unnecessary story on to the film, but the narrative of the expedition is supposed to be told in a London night club, where the opening shots are taken, and to which the picture reverts at intervals. This conception of contrast is good, but it is not worked out so effectively as it might be, and some of the London scenes could be cut with advantage. Very effective is, however, the sequence in which the narrator first explains that in Africa his party sometimes listened in to the very dance orchestra playing at the moment, after which we see the camp wireless being tuned in and hear it playing the melody which has just been played in the club. This is intelligent use of sound.

"Stark Nature" has not yet been publicly shown, and arrangements for its exhibition at a leading London theatre have just been cancelled for reasons connected with the internal politics of Wardour Street. I am unable therefore to do more than recommend it as a film to be seen when it becomes available.

The High Road (Empire).

I found this film of unusual interest; while the fact of its adaptation from Frederick Lonsdale's play of the same name suggested that it would primarily be a photoplay, as was the case with "The Last of Mrs. Cheyney," Sidney Franklin, the director, has achieved a distinctly cinematic fluidity. The result is a successful union of stage and film technique, which, while, in my opinion, represents a combination that will never make a great film, can make a good one. "The High Road" is a good film, much better than most of the talkies which Hollywood has sent us during the past six months.

The acting level is remarkably good, but I cannot rank myself among the impassioned admirers of Ruth Chatterton, who has the principal woman's part. In the big moments of this production she is something more than competent, but considerably less than inspired, and her methods during the first half of the film convey the impression that she was not sufficiently interested in her role to try to get under its skin. Possibly, she was miscast; her impersonation certainly fails to carry conviction, and one feels that the injection of such a guest, whether actress or not, into one of the Stately Homes of England, would not be received with enthusiasm, although Lonsdale evidently intended that the charm or the personality of his heroine should break down prejudice.

The film is dominated by that sterling artist, Frederick Kerr, whose performance reminds one of a vintage port, even if his role be hardly suave. Incidentally, "The High Road" continues the screen tradition of depicting the British aristocracy as mainly composed of either morons or cads, when not both.

DAVID OCKHAM.

LETTERS TO THE EDITOR.

PRODUCTION AND DISTRIBUTION.

Sir,—My attention has been drawn to your Editorial Notes on June 5, 1930, where practically two columns were devoted to an examination of a review * written by me in "Nature" of May 31. I am not now a regular reader of your journal, so that nearly a fortnight has elapsed since publication before the matter came to my notice.

As far as I can judge from your extensive attack your ire seems to arise from three sources:—

(1) That I confuse two entirely different problems as one. "The scientific problem of finding a solution, and the psychological problem of getting it adopted." The reference is to the distribution of the goods produced by the community. If the editor will read my review again, and if he is a reasonable man, he will see that I recognise both these problems; but what I deny, as, I hope, a practical man, is that they are entirely distinct. To argue, as he does, that because scientists have succeeded in "solving" the production problem, they can necessarily "solve" the distribution problem in as light-hearted a fashion is, to my mind, evidence simply that he does not appreciate the vital distinction between the two, gauged as scientific questions. Scientists have not solved the production problem. They have provided means for intensifying productivity, and those who control the means of production have seen fit to adopt them. To invent methods of distribution is easy, but that is only the preamble to the story. I should think it was clear to every reader of that review, other than the editor of the *NEW AGE*, that no solution of this aspect of the question can be regarded as such which does not *ipso facto* commend itself to the people who could prevent its introduction. The armchair solution on a world scale is, in fact, of no use at all unless there is with it a solution of the problem of how to achieve it.

(2) That I definitely stated that we are yet ignorant of the historical and racial prejudices we have to overthrow before we can examine with scientific detachment the problem of world production and distribution. The great part of his criticism centres round a very peculiar interpretation he has placed on my phrase "historical and racial prejudices." I should have thought in these days where so much attention has been devoted to the early study of mankind the phrase here used would have conveyed the meaning it must convey to every cultured man—namely, that we are dealing with the prejudices at present natural to human kind as a result of his ascent in history, and not with the prejudices that may or may not exist between races.

(3) That there is only one reference to money, and that not mine but the author's. This, of course, is the raw spot. I dared to omit all reference to the Douglas scheme. I can assure the editor that this did not arise on my part from any prejudice against "Scotchmen," as he calls them. On the contrary, I have never met any; I was born and bred North of the Tweed, and number among my best friends many *Scotsmen*. The fact is, the book I was reviewing covers such a wide field of suggested revolutions and reforms that the question of banking could find no place in my discussion. This nevertheless does not prevent the Editor of the *NEW AGE* from deducing from this omission all sorts of interesting information about my attitude to the banking system, to currency, and to armaments, and proceeding on the assumption that I hold these views to attach miscellaneous labels to me. I am too old a hand at propaganda to be taken in by this. I refuse to become an excuse for a Douglas scheme discussion!—Yours faithfully,

H. LEVY.

SUPERANNUATE MR. NORMAN!

Sir,—Major Douglas's article, "The Abomination Which Maketh Desolate," in your issue of June 26, reminds me of an extract from a rather remarkable book, "The Valour of Ignorance," written some twenty years ago by an American general, Homer Lee. I quote from memory: "The most promiscuous murderer in the world is the ignorant military officer. He kills his men by neglect, by disease, by lack of ability; he saps their morale, he makes cowards of them. The dead shall be hecatombs of his ignorance, the survivors grisly spectres of his incompetence."

Mr. Montagu Norman has now been Commander-in-Chief of the forces of Great Britain, Ltd., for ten years in the economic war with Nature. His position is analogous to that of a military general who insists on his army carrying on a war armed with "Brown Bess" and the tactics of the 18th Century against an enemy provided with 20th Century appliances. It is obviously quite time he withdrew to that Valhalla reserved for outworn financial warriors.

C. G. M.

* "The Time Journey of Dr. Barton." By John Hodgson.

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