# NEWAGE

INCORPORATING "CREDIT POWER."

A WEEKLY REVIEW OF POLITICS, LITERATURE AND ART

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## NOTES OF THE WEEK.

No

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In the days of our youth we belonged, by parental compulsion, to the Wesleyan Church. Every year we got a little relief from the more or less familiar sermonising of our own minister; for, under the auspices of the local Free Church Council there was set apart a certain Sunday when there would be a kind of general post or musical chairs, resulting in all the local Nonconformist ministers changing Pulpits. Thus, one year, we might see a Presbyterian minister walk up the stairs of the Wesleyan pulpit; and, another, a Baptist minister; and similarly larly all round, each church planting its own minister on on some other congregation. Since the inception of this of this plan it had never been known that any pulpit caught fire, or that any service was marred by brawling; so the the sign of that any service was mart that this exchange of pulpits was pleasing to the Almighty as signifying what was held out to be the "essential unity", unity, of Nonconformity. We remember that we were were a wee bit disappointed by the evidence of this unity wee bit disappointed by the evidence of the visiting unity appearing in the sermons of the visiting ininistence and although ministers. All children like a change; and although we We got a thrill of sorts when the strange face and hands appeared over the pulpit, the sensation was soon stifled by the familiarity of their owner's sentito fall to gestures. It was too dull: and we had to fall back as always for our edification on the feadings from the Bible (because we could tell when they have for the Bible (because we could tell when they have for the Bible (because we could tell when they have for the Bible (because we could tell when they have for the Bible (because we could tell when they have because they have because we could tell when they have because the have because they have because they ha they would finish) and the singing of hymns (because we could finish) and the singing of hymns (because would finish) and the singing of hymns (because we could finish). thought (idea a bit of music). "If only," we thought, "the fellow would say something to upset chapel w. But not a bit of it. Look round the chapel where we would (and we did a lot of that) elder sign of displeasure, but on the face of every an expression of benignant toleration, and Onetimes active assent. How indeed could it have en otherwise? For the theme of the discourse was hyariably an indefinite exhortation to cultivate indefinite virtues. It amounted—to parody Kingsley (wasn't it?)—to saying:

Be good sweet Nons, and let who will be Baptists, Do Christian deeds, not dream them all day long.

Very beautiful: but why change pulpits to say it?—
in fact why have different pulpits?

The Press to-day is showing signs of developing the same policy as did the Free Church Council. Last week Mr. Lansbury was invited to occupy the News-Chronicle pulpit. This Socialist minister gave his Liberal congregation an unctious address on the application of Christian principles to political policy. We concede that this did produce a more lively effect than used to happen in our chapel; for the News-Chronicle offered the same hospitality of its pulpit to Lord Brentford the next day—at any rate it made a prominent feature of his reply to Mr. Lansbury. Much obliged, says his Lordship in effect, to Mr. Lansbury for his uplifting exhortation, but I am as good a Christian as he is, and I don't propose to lie down and have Socialistic legislation foisted on me as an exclusive embodiment of Christianity—I would remind him: "He that will not work neither shall he eat," and I repudiate the suggestion that Christian principles oblige me to encourage people to live in idleness

"Mr. Lansbury writes largely because he is distressed beyond words by the condition of affairs in the mines of our land. So am I, Mr. Editor. But I am distressed because of the mental condition of the miner. . . for gotten. . . need for work. I have searched the Bible in vain to find any support for the limitation of work to seven and a half hours a day."

(News-Chronicle, January 15.)

We will not take sides in this dispute. Our purpose in referring to the controversy is to illustrate the tendency of traditionally Party newspapers to become transmitters of other-Party views. The necessary consequence of this is to suggest to the public the "essential unity" of all Parties—or at least of all the Party organs of opinion. The Brentford-Lansbury controversy may suggest disunity, but the point is that each of them disowns any Party motive in saying what he does. And even were it

otherwise, the mere fact that each Party newspaper in turn offers a platform for the discussion of the views of other Parties, must necessarily foster the idea among the public that every Party now considers the others to have something really important to say: in a single phrase, that there is an all-Party common denominator of economic emancipation, if it can only be found. The moral of this (though, of course, no newspaper is frank enough to proclaim it) is that, if everybody with a grievance will stop quarrelling, the bankers will find the common de-nominator and put everything right. Mr. Lansbury has registered "distress." Lord Brentford registers sympathy for Mr. Lansbury's distress, for he himself is distressed. And the News-Chronicle has registered its own distress. It has sent a special Correspondent to South Wales to survey and report on the hardships of the miners so that its readers will register distress. As comes out in the controversy, the immediate cause of Lord Brentford's distress is very different from that of Mr. Lansbury's distress; and probably there are other immediate causes of other people's distresses. But this diversity, of course, only serves to emphasise the unity enshrined in the effect. What do reasons matter if we are all weeping into one pocket-handkerchief?

An exceptionally interesting pamphlet has come into our hands. It was originally issued by a Mr. C. Pownall in 1921, the printers being the Malvern News. It is not priced. With the exception of a short introduction it consists almost wholly of extracts from a book called The Life of Francis Place, written by Graham Wallas, and published by George Allen and Unwin, Ltd. Briefly the extracts are an account of how Francis Place organised a campaign which defeated the Duke of Wellington plans to stop the passing of the Second Reform Act (1832). stop the passing of the Second Reform Act (1032). Place and his associates—consisting of merchants, bankers, traders and Members of Parliament—published and circulated a poster bearing the words: "TO STOP THE DUKE, GO FOR GOLD." That is to say, they deliberately inspired a run on the banks, telling the public that if the Duke succeeded in forming an Administration there would be ceeded in forming an Administration there would be a general panic which would result in the closing of all the banks and the stoppage of the circulation of Bank of England Notes. Their policy, to quote Place's words, was:

"To call upon the people to take care of themselves by collecting all the hard money they could, and keeping it," so as to cause "such a run on the Bank as may either intimidate the Duke, and induce him to give up the attempt to form an administration, or *prevent* him from having the means of aggression if he persists in the attempt." (Our

The plan's success is described in extracts from Place's own writings reproduced from Chapter XI. of the book cited, which is headed "The Second Reform Campaign."

Place appears to have been a sincere, and, as readers of this journal will recognise, an unsophisticated man. For example, when describing how the plan originated in his committee he said:

Among the persons present were two bankers, and although they were likely to be inconvenienced greatly, and perhaps to be considerable losers, they entered very heartily into the business. (Our

We do not doubt it at all—in fact we would wager that it was they who proposed the plan or procured its proposition by some member of the committee whom they had in their pocket. Another example of Place's innocence is his reflection on the episode:

" I always doubted the courage of the people, as well as the judgment to do . . . the thing

which might be most requisite to produce the greatest amount of good on any great emergency . This was indeed the first time they ever conbined of their own free will for a really national purpose, and this it is which marks the era as of more importance than of any former proceeding. (Our italics.)

oseph Hume said of Place, who died in 1854, that he was the "most disinterested reformer he ever knew," a man who "never thought of himself, who sought no honours, but "preferred assiduous and private services which he rendered of his own zeal and defrayed out of his own wealth." In fact a catspaw day are the services to use a catspaw par excellence for the astute bankers to use in a chestnut-ramp—which is what all "reform legislation has been from then until the present day.

Mr. Pownall, who issued the pamphlet, has also misinterpreted the inner significance of the story. He draws the moral that "owing to gold coin being in circulation the people were enabled without any bloodshed to protect themselves against tyranny is bloodshed to protect themselves against tyranny of the worst kind." (His italics.) That is true enough but we have seen during the last twelve months a sequence of bloodless ("crosses from tyranny") sequence of bloodless "escapes from tyranny they were represented) in Latin America brought about after this precedent without there being any gold accessible to the people who successfully deposed the "tyrant."

Quite as important as the story itself is a state ment made by Mr. Pownall that the facts narrated have been deliberately suppressed by successive Governments.

"Standing orders have been given to the permanent officials in the Government Departer the to take the utmost precautions by means of real Government Secret Service that none of Second facts connected with the passing of the History Reform Act shall ever be published in any the same or book of Historical Reference, whether the sis intended for schoolboys, university students or professional historians.

professional historians.

"This is confirmed by the fact that a search through many Histories and Encyclipaedias has failed to discover any mention at all of them; "these, and the name of Francis have been absolutely obliterated.

"A recent admission in Parliament also closed the fact that there is actually a permandial of the search admission in Parliament also closed the fact that there is actually a permandial of the search admission in Parliament also closed the fact that there is actually a permandial of the search admission in Parliament also closed the fact that there is actually a permandial of the search admission in Parliament also closed the fact that there is actually a permandial of the search admission in Parliament also closed the fact that there is actually a permandial of the search admission in Parliament also closed the fact that there is actually a permandial of the search admission in Parliament also closed the fact that there is actually a permandial of the search actually and the search actually a permandial of the search actually a pe

A recent admission in Parliament also denoted the fact that there is actually a per first per annum and pension, known as 'Historical duty viser,' and whose miserable and degrading day consist. per annum and pension, known as 'Historica dut' viser,' and whose miserable and degrading day consists in advising the Government of the the how to evade and suppress historical truth to interest of the professional politician, and terrible disadvantage of the rest of the people terrible disadvantage of the rest of the people of the admission to which he refers is in a football.

The admission to which he refers is in a footnot itself a quotation from The Times Parliamental reports: it reads:

Foreign Affairs (Luton C.L.)—The Historical Viser is Mr. J. W. Headlam-Morley.

man, hitherto on the staff of the Education ord, ment, and a scholar of distinguished for many years past made a special study of the constant for many years past made a special study of torical questions, and is the author of a the author of able number of works. able number of works of importance of the Historical Adviser is necessarily interior, and it would be neither in the public list. of the Historical Adviser is necessarily confidential, and it would be neither in the public discontinuous in accordance with precedent publicly the individual services of the public Service establishment.—The Civil Service establishment.—The John ordinary person will accordance that Mr. powers that Mr. pent is the province of the person will accord that Mr. pent is the province of the province

Any ordinary person will agree that Parliament in terpretation of this statement in collateral evidence apart from any collateral evidence.

but it will be seen as practically a demonstration when considered in relation to the barely concealed system of suppression, distortion, and deception which marks high-political strategy under the direction of high-financial interests. Lord Hewart's indictment of administrative lawlessness against Permanent of manent Officials comes immediately to mind; as does the statement published by us once (and not, to our knowledge, denied) that certain volumes of Hansard covering part of the debates connected with Bank Charter Act are missing, or incomplete; also as does the suggestion quoted in these pages also as does the suggestion quoted in these pages that the Press-Gallery reports are liable to censorship before distribution to the newspapers who send ship before distribution to the newspapers who send reporters there.

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Those who have adopted Social-Credit standards Those who have adopted Social-Credit standards of historical analysis, especially with reference to the break-up of the land-system, will now perceive clear evidence that the bankers were at their games in 1832—and how much long before that we shall only gradually learn as and when watchful people like Mr. Pownall make further finds in the wastepaper baskets of old historians and diarists. The paper baskets of old historians and diarists. The only coherent and consistent interpretation of the history of any great country during at least the last century is the financial interpretation; and if any ambitious historian wants to make a name for himself and deserve well of his own and future genhimself and deserve well of his own and future generations. erations he will concentrate exclusively on searching and sixt ing and sifting financial material which was scattered about in the old days when financial intriguers were able were about in the old days when financial intrigues themselves to fit it together even if they stumbled to Major Douglas's discovery of the way in which the money-system is countried and utilised to money-system is constructed and utilised to achieve private, autocratic ends through public and ostensibly democratic, means. Thousands of observers the emocratic, means. servers, through this discovery, will know, of every new fact, exactly where to place it immediately should any upon its discovery. As an example, should any nived at operar that the financial classes had connived at operar that the financial classes of hived at, or perhaps inspired, the enclosures of commons by landed proprietors, the significance of afoot to "enclose" these proprietors' complete esand, commons and all, in their turn—not by fences fiscatory taxes. The bankers alone realised at that time by taxes. ine that there is no power whatsoever in the owner-lief of land, but all power in the control of money.

I strategy was allowed to begin by allowing the heir strategy was obvious; to begin by allowing the andlords thereby incur landlords to add field to field and thereby incur popular hostility, and then later to exploit this hostility against them by inspiring "reformist" legwere, under which the dispossessed multitudes of power inherent in the possession of land passed in the power inherent in the possession of land passed in the possession of land p power inherent in the possession of land passed visibly interest in the possession of land passed or power the franchise, while the possession of land passed invisibly into the keeping of the bankers to use or they have all but strangled agricultural activities in prescription—to procure a robbery, and later to under the power of the procure a robbery. prescription—to procure a robbery, and later to their enjoyment of the robbed, who, in would enjoyment of the spectacle of his expiation, proceeds of trouble to enquire what became of the why the Historical Advisers of British Governments have kept Machiavelli out of the schools.)

May 13th, 1832, bills bearing these words were clad towns on the next day." Thus Mr. Pownall's towns on the proceeds:

The Duke of Wellington had surrounded with troops and was about to form a

ministry by force, with himself as Prime Minister. to resist the Second Reform Act, which Earl Grey was endeavouring to pass through the House of Lords. . . The result [of the bill-posting] was completely successful. The people (!) all fetched their gold (!) from the banks. The Bank of England sent word to the King and the Duke that disaster was impending. The troops were at once withdrawn from London, all opposition to the Bill was given up the Duke relinquished any further was given up, the Duke relinquished any further attempts to form a ministry in opposition to the national will (!) and Earl Grey was restored to office with the power he desired." (Our notes of admiration!)

A footnote in the pamphlet quotes from John Francis's History of the Bank of England, vol. ii.,

"For a week the Corporation sustained a run on its specie which was reduced to £4,919,000. In one day £307,000 were paid. It soon became very questionable whether the run for gold would not drain every banker in the Kingdom, and the writing on the wall spoke to those having authority with a power exceeding the most brilliant oratory.

Lord Lyndhurst found it impossible to form a ministry; and Earl Grey was recalled." (Our italics.)

When this author speaks of the gold-run as "draining every banker" he ought to have said "draining every bank?"—for although it is conceivable that ordinary citizens called and fetched gold out of the bank, it is very probable that the bankers themselves and their chosen associates impounded it without moving it—that they "drew it out" by writing it out of the stock of bullion or specie. Since they were in possession of the bank premises and vaults, this method of transference was practically the same as taking the gold to their several homes. It should be realised that a true run on gold is limited by the fact that gold is a physical substance of which one of the properties is weight. For instance, to remove £300,000 in sovereigns, it would take 84 gentlemen, each carrying away half-a-hundredweight, to remove it. It could be done of course; but is it likely that it was done, when the professional custodians of the gold possessed between them (as they certainly did) sufficient claim on gold as private depositors to have sufficient claim on gold as private depositors to have drained it all away without the assistance of the ordinary public? According to the account in the pamphlet, neither the King, nor the Duke, nor the public sought, or received, proof that the gold had gone. The mere statement of the Bank of England to this effect sufficed. Our suggestion is that the gold, or most of it, was "in hand" or at least "at call or short notice" all the time, and that the drain-scare was a game of bank-man's bluff—a game like blind—man's buff except that all the players are blind blind-man's buff except that all the players are blind-folded but the banker. In confirmation of this hypothesis we need only refer to an event of a year or so ago when the French public discovered that a or so ago when the French public discovered that a parcel of gold of the value of £20,000,000 which had ostensibly been in the vaults of the Bank of France had some years previously been transferred to the Bank of England where it had remained up to that date. Who can trust what bankers say? Their decited ceitfulness and callousness mark them as the prime creation of Old Nick; and it is not in the least surprising that, under their influence, the B.B.C. boycotts the Gospels.

Again, even supposing every little citizen in the country had stolen into a bank, stood on tipfoe to receive his mite of gold, and trotted home with it, the stability of the banks would have been unaffected. It would not have appeared so then, but after the experiences of the World War this statement needs no argument. Now that we know the

secret of all the tricks that can be performed with bullion and credit, and realise, as we must, how simple and how obvious they are, we should be paying the banking hierarchy a poor compliment if we supposed it to have been less aware in 1832 of what these tricks were and of their power to perform them than they are in the year 1931. The power of the banks to dominate Government policy is greater to-day, when the legal right of the citizen to draw gold has been withdrawn, than it was then. It will be noticed, too, that notwithstanding the fact of inconvertibility, the banks are still as well able -even better able-to raise a scare about dangers to their stability as they were then. To-day they have inverted their story. In 1832 they said to the Duke of Wellington in effect: "Do you realise that the citizens of this country can upset the whole fabric of Government finance by calling on the banks for gold?" In 1921 their warning to Mr. Lloyd George through the Financial Times (September 20 of that year) was:

"Does he, and do his colleagues, realise that half-a-dozen men at the top of the Big Five Banks could upset the whole fabric of Government finance by refraining from renewing Treasury

It is not clear what Mr. Lloyd George was up to at that time, but it is clear that whatever it was he stopped. It no more occurred to him than it did to the Duke of Wellington to take any steps to call the bluff instead of throwing in his hand. This weakness was excusable in the case of the Duke, because, in form, he was flouting the electorate, and, in form, the banks were simply warning him that his resort to direct military action would evoke popular resort to direct financial action—the people would spike guns with gold. Mr. Lloyd George, the foremost exponent of democracy in this generation, had no excuse for climbing down, or, at least, no excuse for letting nine years go by without attempting to climb up again. It is safe to say that, given any issue to-day which the bankers would unite to decide one way by direct action, the great majority of the electorate would unite to decide the other way—and also by direct action if necessary -when once the nature and implication of the issue were made clear. This is because the specific grievance of every class and every interest in the country is demonstrably ascribable to the policy of the banking class and the financial interests which are in immediate association with them. The true function of the democratic politician is to appeal from financial coercion to public opinion, and incidentally to instruct public opinion on the merits of the issue. It is easy to talk about the ignorance of the public, but this ignorance is very largely the inability to comprehend the meaning of incomprehensible exposition. Feed them with facts instead of phrases, and generally they will know what conclusions to draw and what mandate to give Parliament. If it be held that on the true facts they might yet give an unsound and dangerous mandate, then let them not be consulted at all, and let there be an open Autocracy which will take full responsibility for its own policy.

Australian statesmen will note that the "whole fabric" of Commonwealth finance is being upset by men at the top of the Big Five." Their procedure is to hammer the Australian exchange-rate, and thus exercise a blockade on that country not less effective than the Allies' naval blockade of Germany. The latest blow at the exchange has produced a situation in which, in order to pay £100 in England the remitter in Australia has to part with £125; or conversely, where an Australian company declares a dividend of, say, £100 payable in Australia, the shareholder to whom it is payable, if

he resides in England, will get only £75. In a London newspaper last week some instances of hardship approaching destitution were given in respect of retired Australian citizens in this country whose dividends and pensions had been diminished in this manner. The Bank of New South Wales appears to have taken the initiative in this fresh turning of the screw—which is quite appropriate considering that the electors of that State had put their fingers to their nose at Sir Otto Niemeyer. The financial has a single sign of the side of the financial burden imposed by its action, and that of all the other banks there and in England, is of course held out to be the necessary consequence of Australia's delay in applying the Niemeyer policy, a delay which the Federal Government had no choice but to all choice but to allow when New South Wales returned Mr. Lang the "inflationist" with a thumping majority majority.

A significant sign of the temper of the Federal Cabinet—let alone the New South Wales Government and the Federal ment and the Federal Labour Caucus—was revealed on the day when Mr. on the day when Mr. Scullin addressed an election gathering in Ashfield where a contest is now proceeding. ceeding. Mr. Scullin, in contrast with his "bravery" when telephoning defiance of the tremists from (probable) across board-room in tremists from (probably) some bank board-room in the City, was your labely the City, was very chary of announcing a definite policy. He had been sure of his policy when London, and no doubt he will be sure again City's he gets to Canberra, or wherever else the him observers in Australia are assembled to advise him. observers in Australia are assembled to advise him but just there on the transfer and un in his but just there, on that day, he got mixed up in his spelling, and talked blots where letters should have been. Neverthely been. Nevertheless the blots took on an orthothat financial shape. After saying, quite correctly, the neither inflation nor deflation was a remedy for the present depression, he anywheel this formula was present depression, he smudged this formula with the meaningless continued with the meaning with the me the meaningless sentiment that the remedy Here to "restore confidence and stabilise credit."

"There was no easy road by which, etc., the ... Did they think he would refuse to take in easy road if it existed? There was dangeduce printing notes, and wild inflation would promise general suffering. Any expansion of credit its be subject to strict non-political control. For was suggested that £20,000,000 be provided public works by printing notes; that was justifiable as a temporary expedient till arrange ments could be made for a loan.

The Times Correspondent states that after Mr. Beasley, a Federal Minister, addressed the cathering saving: Minister, addressed the gathering, saying:

was now forcing thousands to starvation policy food rotted in the fields. Mr. Scullin had spot of the obligations to bondholders: he agreed, the of the obligations to bondholders: had spentile there was also an obligation to the except workers. At present all were suffering bondholders; they should share the sacrifice, they should be suffering to the sacrifice, bondholders; they should share the sacrifice, they should share the sacrifice.

if he could bring it about, they would. The significance of these two speeches is were both delivered by Labour Ministers in electron of a Labour candidate in the course of an electron contest. In such circumstances it is practice in the course of an electron contest. contest. In such circumstances it is practically invariable rule for speakers to exhibit unity is face of the enemy. But not so here. face of the enemy. But not so here, the speed mistaking the difference in tone between the reasons and no resisting the difference in tone between the reasons. and no resisting the feeling that only reasons etiquette were holding Mr. Beasley back In plicit repudiation of Mr. Scullin's policy or the may have said more than the above repaired tions, for *The Times*, referring to this meeting like the specific of the second sec tions, for *The Times*, referring to this meeting leading article in the same issue says: leading article in the same issue says:

"But it is disconcerting to hear that, when [Mr. Scullin] had left the meeting,

ber of the Cabinet, one of the three who made so much trouble for Mr. Lyons over the Conversion Loan, proceeded to make a ranting inflationist speech on the same lines as others which have already done so much harm to Australian credit."

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Then follows a warning to Mr. Scullin that if he is to lead the country to a "united national effort" he will have to "put national above party considerations" and "impose his authority on the unruly members of his party."

We have remarked at times how persistently speakers and writers on finance use formulae which suggest that financial consequences follow causes without human intervention. Says Mr. Scullin: the printing of notes creates "danger"—the expansion of note-issue produces wild "inflation" [why wild, ing "case?] and wild inflation produces "suffering" [an assertion which is the content of the co [an assertion which is directly negatived by the notoriously piping times we people in England enjoyed during the war]. Again, according to *The Times* leader-writer, an inflationist speech "does harm," to Australian credit. Then, to come to Mr. Scullin's parrot-phrase: "restore confidence and stabilise credit"; there is the same avoidance of mention of any human agency. Who does the restoration of any human agency. Who does the restoration? Whose confidence is restored? Whose credit is stak!! is stabilised? All economic suffering is presented as having been brought upon the victims through the working been brought upon the victims through the a working of superhuman forces. It is as if when a Government prints a currency note, some emanation proceeds out of the machine into the Altogether and lets loose out of the machine into the price-tickets lets loose an Influence which alters all the price-tickets in the cl. in the shop windows and removes slices of meat off your dinner-plate. It won't do. When a label on you untouched by hand, you do not believe that it ness. And when you read that at one of Ford's And when you read that at one of Ford's factories you can see raw material carried in automatically and come out in three days' time as farm tractors under their own power: you do not say that because the because they were made without human hands they were made without human hands and were made without human plans. Very well: and the apparently supernatural Altogether which distributes tributes economic rewards and punishments is just as surely a machine designed by man as were Lyle's The whole of and Ford's factories so designed. The whole of the bankers' high falutin talk means nothing other than that the than that they can deprive you of money if they your breakfast." is their policy. One answer is that they will do their job by intelligible and sound the nobody will want to sneak their job. And methods nobody will want to sneak their job. And the other nobody will want to sneak their job. the other answer is that if pushed to it by their incompetence petence, any Government is now potentially able to take on the job and dispense larger breakfasts by doing it. It's a long worm that has no turning—and even it's a long worm that has no turning even a politician is a man of sorts under his

Most Social Copportunely the Australian supporters of written by Mr. W. H. Rhys under the title Real sive and Financial Poverty.\* It is comprehensections where the "esoteric" content of the Social Spiring features of the pamphlet is the apt selection the Real was a supported. One of the most interest of the pamphlet is the apt selection the Real was a supported to interest the support of the Supposition of th

ine Real Wealth and Financial Poverty: A Synopsis of Published by Social Credit Proposals. By W. H. Rhys. Busensland the author, "Ryecroft," Kenmore, Brisbane, Booksend Book Co. Store, George Street, Sydney; Davis's Bookshop, 201, Bourke Street, Melbourne; Raison's Bookshop, 185, Exhibition Street, Melbourne; Secretary, J. Rett, Perth; Barker, and other book stores, Brisbane; and McKellar, 6, Ormsby Grove, Toorak, S.E.2, Victoria.

of quotations from the great writers of the past-Milton, Whittier, Emerson, Bunyan, Huxley-which the author introduces under his several sectionheadings. One of these particularly strikes us: it is this short sentence from Emerson:

" An everlasting now reigns."

What can this apply to? Well, it has to do with what Mr. Rhys is expounding about the ticklish A + B Theorem, and appears below his section-heading: "Always 'Now' In Every Industry." He has just described what happens in an example of chain-production where a hide worth £1 ultimately becomes a trunk worth £10. On the figures he has assumed he has shown that when the trunk was put on the market there was only £5 of income available to buy it. He now proceeds:

"In the course of the manufacture . . . each process, bear in mind, was financed by overdrafts, and in each case when repaid would mean the cancellation of that much money. At no period of the different processes, then, could the purchasing power distributed to individuals buy the product. And, if we call any period 'now,' then from the point of view of the relation of prices to purchasing power, it is always 'NOW' in every factory and trading firm, and therefore consumers have never enough money to purchase the goods produced."

"An everlasting now reigns." How beautifully this dynamic expression of a universal principle is here conjoined with the equally dynamic discovery of its operation in economics. Hardly less stimulating is another quotation which Mr. Rhys brings in to introduce the section where he is speaking of the community's heritage of scientific knowledge and inventions throughout the ages. Listen. It is Emerson

" All men have a right to all that all men have achieved.'

May we not claim Ralph Waldo Emerson as a prophet of Social Credit in both its ethical and its technical aspects? Here are one or two more quotations which we are constrained to record:

"I accept reality, and dare not question it."-

'Nothing surprises so much as common sense."

-Emerson.
"We have followed precedents; now we must make precedents for ages to come."—O. W.

The concluding section of the work opens with a quotation from Milton, which the author adopts as the expression of his own hope: "I trust I shall have spoken persuasion to abundance of sensible and ingenuous men." Wherever such men exist Mr. Rhys's work will strike twelve in their souls.

The latest fashion in economic teaching is to talk up spending. It is perfectly orthodox doetrine and has been expressed times and times again by strict financial authorities in the formula: thrift is wise spending." This belongs to the "not too'' category of exposition. Whatever goes wrong in economics the explanation is that there has been too much or too little of the right thing done. Thus there must not be too much currency or credit in circulation; nor must prices go too high nor fall too low; nor must wages be too high or low. And, as in this latest case, you must not save or spend too much or little. The master-formula of all such advice could be expressed as: "Stabilise your practices at the happy mean." What the "mean" is, and how to hit it are never revealed. All you are told is that you have not hit it when something hits you and the information is superfluous. Keynes, on the wireless, and J. A. Hobson, in the

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Manchester Guardian, have been running this spend-more talk during the last week, and it will be noticed cropping up in numerous articles and speeches elsewhere. Last Sunday's Express, for instance, was calling on housewives to spend more, and suggesting that they could thereby solve the unemployment problem. We choose Mr. Hobson for notice because the *Manchester Guardian* features him in its issue of January 9, devoting more than a column of comment calling attention to his views published elsewhere in the same issue. His article is an adaptation of Foster and Catchings' thesis but lacking its definiteness of analysis. thesis but lacking its definiteness of analysis. He says in effect that if money is put into industry too fast there is a sort of slack which cannot be taken up at once, and so there is a time-lag during which this surplus money is sort-of held lifted out of con-sumption and not yet causing production. What practical hint the public can get out of this analysis we are not certain; it would seem to suggest that you should spend your investment-funds on consumable goods while waiting to invest them. This is an excellent piece of advice if only you could use money twice over. How nice to take your savings and buy groceries this week, and then go next week and get your savings back from the grocer when the speaker on the wireless announced that industry was ready to use them next week. How beautiful if you could get the retailers to supply you with food as interest on the money you let them handle. This, of course, misrepresents Mr. Hobson's idea, for he would be the first to say that you cannot spend the same money on goods and on shares. But he neglects to forestall misrepresentation by clear representation. No popular economist does. Yet, because he is "popular," his audience is of the mental calibre which needs tips to act upon, and not ideas to reflect upon. It is not our business to advise people what to do in order to patch the present system up, but we could

alternate their spending and saving. We might propound this for example: When the shops are empty, while the shopkeepers are turning away money—Save.
When the shops are full and shopkeepers are

searching for money-Spend.

at least give a clear indication of how they should

That is plausible enough, isn't it? And there is no person so unobservant as not to know which of the two policies is indicated by the present appearance of the shopping areas and the demeanour of the shopkeepers. When the seller is polite, buy. When he is rude, save. Isn't it easy now you've been told?!

The Manchester Guardian, in commenting on Mr. Hobson's article, says:

The savings, he thinks, produce goods which come down in a swollen stream (a much less swollen stream, of course, than it would be if all our facstream, or course, than it would be if all our factories—the results of saving—were in full spate) and there is not a sufficient take-off at the consuming end to carry away the flood. Consequently there is a jam. The actual facts of experience conform to that view very readily. That is what a trade slump feels like."

But the difficulty, the writer proceeds, is this:

"To say that we could find the cure . . . not by a more virtuous asceticism but by more riotous living seems an outrage on morality as well as upon common sense. But morality can have nothing to do with what is at bottom a statement of mathematical fact. And common sense would say that the statement of th say that at least one certain way of finding work for all would be to start another world war.

The article concludes on a note of interrogation—Mr. Hobson "may be wrong," but the "assumption" that he is wrong "has been based rather upon

natural prejudice and neglect than upon close economic reasoning."

Yes, yes—and then? What's to be done? "Leave It To P'Smith"?

"How this paradox—excess capacity to produce and deficiency of capacity to consume—has become one of the accepted facts of experience

is not understood. . . . for the exchange "In some way the machinery for the exchange polytity, got of goods has, with increasing complexity, got tangled up in itself. But how, where?" (Our

It is all to the good that public attention should be focussed on this paradox, but we hope that the Manchester Guardian is not depending on the public to resolve it. It is not their job. The "how and the "where" belong to the function of the technician. If we may interpret the appearance of this article as a sign of honest enquiry and concentrated thinking going on behind the scenes, we welcome it. thinking going on behind the scenes, we welcome it. If not, it is of less import than the game of Charades which structurally it resembles.

Several members of the Social Credit Movement accepted invitations to attend the recent annual Feast of the Kibba Victorian accepted invitations to attend the recent annual research is Feast of the Kibbo Kift. Mr. Hargrave's speech is printed verbation. printed verbatim elsewhere. A rule governing the speeches made on that occasion was that they had to be written the speeches made on that occasion was that they had to be written out beforehand, and then read. The Press were invited to attend—and did attend. The reporters took notes during the speeches, and were also given the full typescript text of Mr. Were grave's speech. The promoters of the Feast were "too strong" for publication. No report of daily or weekly papers. The company of the Kinsfolk and friends numbered about 150. We need hardly say that the Kibbo Kift is an entirely independent. and friends numbered about 150. We need hardly say that the Kibbo Kift is an entirely independent body with its own policy and strategy, for neither own membership asked to be responsible. The and nection between the Social Credit Movement the Kibbo Kift consists in the fact that the dopped have unequivocally and explicitly adopted body have unequivocally and explicitly of the major Douglas's proposals as the objective of what economic policy. Views, of course, differ as to with plans, and what forms of organisation are shorted get the Douglas Scheme into operation in the shorted time. This in our opinion is inevitable that the present stage of the company o get the Douglas Scheme into operation in the snot the time. This in our opinion is inevitable at the present stage of developments, which are such that of prospecting. We are all, in our ways, that of prospecting. We are all, in our ways, in the tell-tale nugget; and the present dispersion of effort, which some of our readers regret, and the present of the prospection of our readers regret. of effort, which some of our readers regret, and phase of our activities which may change at moment.

The "NEW AGE" DINNER.

This has been fixed for Saturday, March is at Frascati's Restaurant.

Further particulars due course.

"Sweeping changes in the New York State banking had are recommended in the annual report made to-day. One recommendation would the to-day. One recommendation would the to-sell to fa New York supreme court justice might agree bank to another without action of the stockholder. "Other recommendations would give fice and department the power to remove found guilty of unsound banking provide for an elimination of so-called thrift accounts and place restrictions on is, ment of thrift funds."—New York Herald, January Son to the stockholder of so-called thrift accounts and place restrictions on is, ment of thrift funds."—New York Herald, January Son to the stockholder of the st

## Current Political Economy.

The B.B.C. continues its etheric course of political education for the million. Last week's contribution to the symposium on Unemployment was by Mr. J. M. Keynes. As things are, of course, while Professor Clay, who talked so much balderdash the week before, is President of the Unemployment Commission for reducing the purchasing-power of the mission for reducing the purchasing-power of the unemployed, Mr. Keynes is merely a critic with sensibility who at least knows that he, his country, and the world are on a dilemma; and if his country and the world were less persistent in their stupidity. and the world are on a dilemma; and it in scould and the world were less persistent in their stupidity, Mr. Keynes would probably offer a better solution than the several suggestions he has made up to now. But Mr. Keynes would probably offer a better solution than the several suggestions he has made up to now. But Mr. Keynes, in his real anxiety to get a little something done, is treading on very thin ice. As the community as such continues to cram production into the wide end of the funnel and to draw it out of the narrow end, Mr. Keynes boldly, quixotically, calls on the housewives as individuals to become conscientious objectors to the financial values of their age.

"Oh, patriotic housewives, sally out to-morrow and go to the wonderful sales. . and have the added joy that you are increasing employment."

Five of the company day's

that you are increasing employment."
Five shillings expenditure provides a man a day's work." Really, we hope not; if a crown over the counter buys a day's labour, the worker's cross is too heavy for him to bear. Still, it is something that somebody, not a lunatic or fool, but a man of intelligence and learning, a prophet, indeed, has been allowed to tell the world that the prodigal son received the fatted calf, not in mercy, but on his merits, have been seriously misread. Let a statue be set up harliament Square to the people who live beyond their their income for their country's good, a pile of magnificence and splendour, a worthy token of atonement with them for having so long persecuted them.

A penny spent is a present a gained. The vaga-A penny spent is a pennyworth gained. The vaga-bond should be seized and locked up unless he prove that he had for that he had first exhausted his credit, in which case he should he manuscred his credit, in which case the should be honoured with a knighthood, a mansion, and a substantial Civil Pension; and those who refused him consumer-credit be incarcerated in the us make Aleistar Crowley in recognition of his squandary. ower or the vaults of the Bank of England. Let us make Aleister Crowley, in recognition of his squandering a heritage of ten thousand pounds, Archthe first shall be last, and clogs to clogs be the whole duty of man duty of man.

Even wisdom may run a little to excesses at first.

Mr. Keynes has given advice calculated to dig the community out of a hole by getting individuals to keep the individual out of a hole, got the community into one. There is no reason in earth searched in vain for support of the seven-and-a-half hour day—why the individual should not both spend and by the individual should not both spend searched in vain for support of the seven-and-a-half hour day—why the individual should not both spend and be secure. There are plenty more goods to be where the last came from; and, seeing that all, the money came from there was nothing at tent of the goods producible. Nevertheless, we can cism as far as it goes a rough time if the house-with a secure of the secure of the secure of the sound of the secure of the sound of the secure of the sound of the secure cism se Mr. Keynes, much as we like his quixely wives as far as it goes, a rough time if the house-catch him in the local pub doing his bit. The worst free is that their nuives having been a little purseof it is that, their wives having been a little purse-lim, the thirsty husbands would have to wait for outside. The husbands would have the househim outside. There is a way of enabling the housewives to spend gaily without their later having to Still on the mercy of a thrift system of morality. Start, let us have the midsummer madness for a change from the mercy of a thrift system of morality. change from the midwinter madness we have had.

The B.B.C. must have had an idea what was coming from Mr. Keynes for it to exercise the foresight of having him contradicted by the great Professor Clay the week before; and twice over in the same week-by the scientists and teachers, not by other suspect prophets. Mr. Vernon Bartlett, asking "What of 1931?" reveals that THE NEW AGE has at least put over one fact. Everywhere it is repeated, if the implications are not perceived, that it is a strange world in which farmers starve, and everybody is poor because all produce too much.

Mr. Bartlett repeats the fact almost in New
Age language. Then he offers, not the advice to
go, then, and spend all that thou hast, but—a spot

. Because things are bad they will get better. . . . Let the workers chant in unison: "Because our wages are low they will be higher"; let the doctor tell his tuberculosis patients: because my lungs are burning themselves out they will be cured. Mr. Bartlett goes even so far as almost to say that because the world, America in particular, is talking about the next war as the way to start consumption, there will not be any next war. No wonder he finishes with a peroration of optimism, the outstanding note of which is that:

"The League of Nations is holding no fewer than thirteen meetings of one sort and another in January

Of course it is. That is how its members gain access to purchasing power. Mr. Bartlett is hereby advised to try turning out the light and solemnly saying ninety-nine exactly ninety-nine times. The effect, which resembles the cancer germ in that it cannot be shown to anybody, is, if you will believe testimony, just simply marvellous.

Mr. Bartlett's ally is Mr. Dennis Robertson, who instructs the world and his wife and children in "World Finance," only No. 1 of the series having yet been delivered. Mr. Robertson is what might fairly be called a whitewasher—of the banks. The banks, he tells his pupils in a scientific, come-let-us-reason-together, affable way, are honest brokers. They lend only what they borrow. Only the money in deposit accounts is available for overdrafts, underwriting, bill discounts, etc., etc. Well, life is short, and contradiction eternal. There are the facts, history, and the testimony of Mr. McKenna on one side; and on the other the unsupported assertions of tory, and the testimony of Mr. McKenna on one side; and on the other the unsupported assertions of the scientific economists and Mr. Robertson. You take your choice, and have no money to pay, either way; and console yourself with the child's game of looking into shop windows and choosing what you

looking into shop windows and choosing what you would buy if money was as plentiful as goods:

"Finance is only the handmaid of commerce and industry..."

"If lenders and borrowers had not often dovetailed in together reasonably well, the headparlourmaid (the promotion was made in the same paragraph as the first quotation) would never have been able to make the house of industry so tidy and comfortable as, on the whole, she has."

How gentle, temperate, scientific considerate are

How gentle, temperate, scientific, considerate, are such phrases as "on the whole." They allow one to say a piece of nonsense without taking the responsibility for having said it. Let us sympathise with Mr. Keynes on his having to keep such company; and with all those celebrities of the future, the entries in respect of whom in "Who's Who" will betray how their confusion of mind and obsolete ideas came

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There is no comic picture in Punch this week. Perhaps the Censor is at work, or perhaps it is a sign, at long last, of the return to "normalcy." BEN WILSON.

#### Drama.

#### Folly to be Wise: Piccadilly.

For one who usually sees plays immediately after their first presentation, it is a treat to see one which has already been performed for a week or two. That all the symptoms of dress-rehearsal have been eradicated is almost enough in itself to give the impression that the show is a good one. The chorus in the Piccadilly revue moves with a certitude supremely professional, reminding one of the difference between territorials and regulars. Apart from the enjoyable experience of a rehearsed chorus, however, "Folly to be Wise" is a good revue, as good as anything in that medium except Cochran's, and in some of its contents up to the highest Cochran standard. Any person who has paid his dues to the serious theatre by visiting a fair proportion of its efforts has the right to an evening's relaxation at the Piccadilly Theatre, where I promise him that he will be one of a big, happy, laughing, audience. As Cochran has demonstrated that revue can be made fit for intelligent people, it is good that he is not alone in ability to use the medium.

There has not yet, of course, been a perfect revue, not even by Cochran. Fine setting, artistic stage-colouring, magnificent lighting, great wit, fun, and humour, have all been forthcoming along with excellent dancing at times, and both excellent and original chorus manœuvres. The standard of all these in "Folly to be Wise" is high. In Cochran's revues as in nearly all, and in musical comedy as well, the tunes of the "lyrics" are wretched and the words, if possible, worse. In "Folly to be Wise " both are well above the average. Some are good. But many lack in originality what they gain in quality. Music can be both original and good without necessarily being highbrow. All mankind love a good tune, the more the more simple; and, since the personnel is forthcoming to make more difficult things of good quality, if producers could trust their audience, good lyrics could be made. But all this applies even more to revue in general than to "Folly to be Wise" in particular, in which the most serious fault is the failure to attain the Cochran degree of command over time and rhythm. The rhythm of the music is swift. The playing of the items is swift. But in spite of everything nearly all the items are a little too long. The intervals between them are too long. The instant the audience has sucked the juice out of a revue item it should be removed. A single minute more reminds one of a hore explaining appelld isles.

one of a bore explaining an old joke.

The contributions of Nelson Keys and Cicely Courtneidge, enjoyable as both of them are, are too large. The latter is especially hard-worked, and, as all will agree, she does not spend her energy in metered pennyworths. Her rendering of "The South is the Place for Me" (to celebrate her rendering of the place for Me") is the place for Me. moval from Highbury to Tooting) is magnificent, and her combination with Nelson Keys in "All the King's Horses," a perfect revue item, exquisitely done, has already made the tune London's most popular. Nelson Keys, of course, exploits his quick changes, and I enjoyed his impersonations, especially of Philip Snowden and James Arliss, immensely. I thought the acrobats less funny than did the audience round about me. I should have cut both them and the drummer out altogether. "Road Tests for Pedestrians " is funnier than I thought it could be, and is one of the few items not too long. Mary Eaton's dancing adds nothing new to the art, but

her lightness, her zephyr-spirit movements, are very delightful. The fourth and last broad back is that of James Albert Trahan, whose work seems to me very unequal. He has the qualities of a clown, but he cannot be content to exploit them. In consequence his best piece of work, "A Recital" (clowning at the piano) is as unequal as his work as a whole. One essential of successful clowning is that only naïveté should be manifest. Cleverness should be indden, and be apparent only on reflection. tion. Mr. Trahan's cleverness is displayed in the shop-window. It accordingly introduces too many moods; complexity, in fact, where simplicity is fundamental.

#### Gordon Craig.

On many occasions I have had cause to refer in passing to Gordon Craig. That, in fact, is the worst of it; one has to refer to him in passing. So far as his native country is concerned, although his mother, Ellen Terry, was somewhat of a queen, Craig has been practically an exile. That has been worse for him worse for his country than for him or the world; since he has not not the world; since he has not only seen from inside the best the world can do be had a best the world can do be had a best the under world can do, he has contributed to it, both under Reinhardt and Cr Reinhardt and Stanislavsky. Craig has been accused of "temperament," in the artistic sense. He has some excuse for it. He has also been accused of incoherence are the has also been accused to incoherence are the has also been accused by the has also been accused to the has als of incoherence, or at least indefiniteness in regard to his projects. The reply to that is the proverb about there being about there being none so blind. Craig is, it has to be admitted to be admitted, possibly incoherent to many people soaked in present-day business-methods. So are the economics of Tax Manuel So matter of the economics of The New Age. In the matter of dramatic production dramatic production Craig does not want to pre-pare a fool-proof scheme. It would be as if the gen-erals refused to the land of the scheme and the scheme are the scheme. erals refused to think beyond the army instructions in strategy once the war had begun. Craig's demand is the strategy once the war had begun. mand is that trust should be placed in a man, ex in a system; in the man on the strength of his experience. In short Con the strength of his experience. perience. In short, Craig asks for a permanent serious theatre where the business-man would be servant, and the artist in companions. servant, and the artist in command. It once looked as if London would have a chance of seeing later work, at first by his acceptance of hospitality, later by co-operation with Cochean whose theatre by co-operation with Cochran, whose theatre-record, in view of the age and economics in which he lives, is one of London's few crowning glories. A current definition of A current definition of a gentleman, if accurate ight be one who described a gentleman of a gent

might be one who does not disclose the anti-social motives of his set to members of any other outly does not affect Craig inasmuch as his set outly outly does not include health. ously does not include bankers. Otherwise, surely he would have had his vive he would have had his theatre. As to why has no theatre, as to why a theatre genius practically no country, let us quote Craig himself.

"The modern these to the second process of the second process

"The modern theatrical businessman is rather fed by the artists. One never knows what he may not the he is so rash. The ordinary businessman of the theatre will also become a terror if he should form habit of acting as a certain bank-manager is said to done on hearing of my projected association with good.

"It is reco."

Mr. Cochran.

"It is reported that Mr. Cochran was called to as to phone and told that if he did anything so silly as to ver for me and my theatre he should have no further when draft. The practical man (so-called) kills all art great he is in control; the artist creates.

That is the great difference."

Gordon Craig, God be praised, is an artist, not an economist. His response to an economic cloud the head, the motive of which he does not former understand, is rather childlike. Thinking, has interest of men rather than systems, he regard tively got fairly right the antithesis as roduces. personnel. He sees the artist creators, and consumers on the one side, and the other moralisers, deflators, and savers on the other. moralisers, deflators, and savers on paul BANKS.

#### The Films.

JANUARY 22, 1931

#### Cape Forlorn: Regal.

Although there is no similarity between the methods of the two directors, Mr. Dupont has certain characteristics in common with Mr. Hitchcock; both men irritate by their mannerisms, and neither seems to be capable of making a film in which the good is not flavoured with mediocrity. If Messrs. Dupont and Hitchcock were just makers of pictures which are made because programmes have to be filled up somehow, this would not matter, but they are men of ideas and imagination from whom one is constantly expecting that great picture which never materialises.

In "Cape Forlorn" Mr. Dupont exhibits both his best and his worst. His symbolism would be admirable of the symbolism would be admirable of the symbol. mirable if it were not overdone—which is not complimentary to the intelligence of the spectator—his rhythm is in parts a little too obvious, and he overdoes the alternating close-up and camera angle shots of shots of winding staircases which would be more effective if there were not so many of them. Also he cannot get away from his curious complex of photographing through transparent swaying curtains. Yet, with all these defects, and despite a certain heaviness of direction, which is, however, not unsuited to the sombreness of the theme, there

is much that one desires to praise. The film is an adaptation of the play by Frank Harvey, who plays the part of the lighthouse keeper. seeper. His impersonation is convincing, as is that of Ian Hunter as Gordon Kingsley, but Edmund Willard Willard, as the overbearing and unscrupulous Cass, domina, as the overbearing and unscrupulous Cass, dominates the picture. Fay Compton is disappointing as the wife; she is badly miscast for a role which she is not big enough to fill, and has not yet grasped the immense difference between stage and screen the immense difference between stage and screen

Cape Forlorn " has one very strong point in its favour; it is not a photo play, although it has the characteristic English defect of taking the dialogue much too slowly

This film is the reducio ad absurdum of the star Jenny Lind: Empire. system. The star concerned is Grace Moore, who is an one of the star concerned is Grace Moore, who

is an operatic favourite in New York and Chicago, and is heratic favourite in New York and the and is being introduced to the British public as the possessor of a "vivid new personality" and "one of the most glorious voices in the world," as well as being "the loveliest and most beautiful stage and opera star in the world." As to the last, I hope I shall not be thought ungallant if I remark that Miss Moore is excelled in pulchritude by quite a number of film actresses. To assess her voice a number of film actresses. To assess her vocal abilities is a task for which I am unfitted; her voice is magnificant task for which I am unfitted; her voice is magnificently trained, but appears to me lacking warmth in warmth, while I find it difficult to be enthusiastic numbers from Wormth, while I find it difficult to be enthusias.

Norma, and "The Daughter of the Regiment."

A remarkable cast has been assembled in this film, including Paginal Days Wallace Beery, Johns Including Reginald Denny, Wallace Beery, Jobyna Rosing, George Marion, Paul Porcasi, Bodil Including, and Karl Dane, the last of whom is not even the control of the contro hentioned in the programme. almost complete subordination to Miss Moore; Mr. cery complete subordination to Miss in this cusomary as Barnum, shows not a trace of mithout strong beeriness (if I may apply the word without the total and trace to make the control of the strong trace to the strong trace trace trace trace to the strong trace offence beeriness (if I may apply the word who beeriness (if I may apply the word who blave to a citizen of a dry country); Mr. Marion, who blave distributes the stage and screen who played Anna's father in the stage and screen of an innkeeper; and Paul Porcasi, the cabaret in the stage and screen of an innkeeper; and Paul Porcasi, the cabaret in the stage and screen versions of innkeeper. proprietor in the stage and screen versions of safely have been entrusted to almost any actor of perience who could make up to look old enough. therience who could make up to look old enough.

a tole of which he makes much, and his impersona-

tion is the most interesting thing in the film: hitherto this English actor has consistently been cast as an impudent and somewhat offensive young man, while in "Jenny Lind" he is allowed to show that he has the makings of a good jeune premier. But with this exception, the characters are throughout kept down to a minor key which prevents them doing

justice to their talents.

"Romance," which came from the same stable, and also dealt with a prima donna's love story, was directed on similar lines, but here the best of the players were subordinated to a much greater screen personality than that of Miss Moore. "Romance" also had a better story; that of "Jenny Lind" is definitely dull, and although every attempt seems to have been made to reproduce the atmosphere of Sweden in the eighteen-forties, the effect is largely spoilt by the dialogue being shot through with Americanisms, including many which were not current in the United States eighty years ago. Altogether, "Jenny Lind" fails artistically, while I cannot commend it as good entertainment for low-

#### The Position at the Moment.

#### The Full Text of a Speech by John Hargrave,

Founder and Head Man of the Kibbo Kift.

[Delivered at the Annual Dinner—Kin Feast—of The Kindred, January 3rd, 1931.]

Kinsfolk and friends of The Kindred: It is not my practice to read a prepared speech, but on this occasion I want to be sure that what is said is quite deliberate, and also it seems useful to have a written record as a safeguard against any misunderstanding, whether due to the fleeting nature of the spoken word or to some other accidental or intentional misinterpretation.

It may be helpful to take in general review the economic,

social and political situation existing at this moment in these islands of Britain, and to follow that by stating our attitude towards these problems, and the general line of action that is necessary as the first step towards their

Beginning, then, with the economic situation: The steady decline of British industry and agriculture since the peak-year of 1920, the alarming increase of unemployment, the inevitable dwindling and shrinking—in some cases the total to the control of the control inevitable dwindling and shrinking—in some cases the total fading-out—of our export markets, the parlous state of the home market in being unable to function effectively, the crushing burden of taxation laid upon the country, these, and all the other interacting ramifications arising from the present economic system, show that there is something very

We hear people speak of a coming crisis, of some economic catastrophe ahead of us. We are, at this moment, in the throes of that crisis; we are, if not in the midst, certainly in the midst of the first phase of economic collapse. We are not drifting towards economic collapse; economically this country has drifted upon, and is now sinking in, the quick-

No practical man of affairs, no business man of any standing, no responsible thinker of whatever school of sands of international finance.

standing, no responsible thinker of whatever school of thought, no one of any judgment, can be found to-day to deny the perilous position facing this country.

Since the passing of the Bank Charter Act of 1844, this country has fallen, year by year, under the control of foreign financial manipulators; of men whose one and only policy has been and is now, a college of scarcity amidst stunendous financial manipulators; of men whose one and only policy has been, and is now, a policy of scarcity amidst stupendous real wealth; a policy cunningly camouflaged as "Thrift," which imposes upon us a purely artificial poverty.

The cause of our industrial depression, a depression now overtaking the whole industrialised world, is due to the fact that we have unknowingly, and in common with all others.

that we have, unknowingly, and in common with all other nations, put ourselves and all that we have in pawn; and cannot redeem ourselves without borrowing the wherewithal from the pawnbroker.

We are now in the hands of the moneylenders—we are at

the mercy of the Banks.

No tyranny imposed by the most iron heeled despot, no yoke of oppression ever laid upon the weak by the strong is so iniquitous in its effects upon the well-being of the individuals composing a State as this subtle, invisible financial domination under which we are suffering.

The economic condition of this country is seen to be a creeping paralysis. We are, as a nation, being systemati-

cally done to death by means of a financial tourniquet applied to the main arteries of the economic circulatory system. The life-blood of industry, of trade, of all social and cultural activity is financial credit.

Turning to consider the social life of the country (in which I include all activities not directly concerned with economic and political action), we find, in the first place, a complete breakdown in standards of judgment, and, as a consequence, confusion in action. It is a confusion in which the individual is restless and, at the same time, bored to distraction. There is no pivot, no hub, no central point everything seems to be in flux-everything seems to be merely relative to something else that is equally relative to

merely relative to something else that is equally relative to it and every other thing.

The individual finds himself lost in a vast crowd of psychologically isolated individuals, each equally vague, and bored, and restless.

Such a state of affairs can be seen in every department of our social life, in all the arts, in all branches of science, in all ethical, moral, and religious teachings and codes, in all cultural and educational efforts, and in all social functions,

amusements, and entertainments, whether private or public.
This social boredom and general aimlessness and confusion is the inevitable result of an economic system in which the individual is frustrated and forced to seek every kind of feeble make-believe as an escape and as compensation. The unutterable dullness and hopelessness of the daily task of trying to snatch purchasing-power one from another is bound to have such an effect.

Within this confusion we find the creation of a whole new social class of some 2,000,000 men and women who suffer an enforced leisure, but who cannot make full use of it for lack of purchasing-power.

The Unemployed are a social as well as an economic fact. They are, indeed, the only outstanding feature of importance to be found within the bemused and bewildered groupings of the social structure.

These people are the "untouchables" of our economic system. They are the Odd Men Out—the throw-outs. They are organised in such a way, and by such special machinery of financial assistance, as to cut them off and isolate them —more especially in the mining areas of the North of England and of South Wales—from the social life of the rest of the community. The attempt has been made to brand the brand to brand the social life or the community. them with the caste-mark of economic shame. The caste-mark is a word—the "Dole." The Bishop of Durham, in a public speech last June, went further. He deliberately set them apart as the British Lazzaroni—the scum, the "lowest class in peoples," and we had occasion at the time to make a public reply to his ill-considered and mischievous remarks.

Socially this country is in the condition of a man who has taken to drink or drugs in order to escape from his everyday economic misery into a bright, all-jazz, all-singing, all-talking dream-world of thrilling, but fantastically impossible happenings.

The political situation shows the same bewilderment and confusion.

From our point of view, dealing as we must with the problem of economic adjustment, the political confusion, apathy, and inability are by far the most important indications of the possible and probable trend of events.

A few years ago we had in this country the Conservative, Liberal, and Labour Parties; a three-party system in which the Liberals were doomed. A three-party system must always fog the issue.

But, not content with that, during the last year we witnessed the strange antics of two newspaper peers, Lords Beaverbrook and Rothermere, in their attempt to foist upon us an Empire Fron Tool Period us an Empire Free Trade Party.

That would have been a still further confusion, giving us

At the outset, however, this double-headed giant made of wood-pulp came unstuck—so that now we have two Empire Parties: the Empire Crusaders, led by Lord Beaverbrook, and the United Empire Party, under Lord Rothermere—both squabbling for first place, both supporting each other one moment and leaving each other in the lurch the next, both delivering compous manifestoes, proclamations, and ultimadelivering pompous manifestoes, proclamations, and ultimatums to a perfectly befogged, partly amused, and partly disgusted newspaper-reading public. We have, therefore, at the moment, the Conservative, Liberal, Labour, the conservative of the process of the conservative of the conserva United Empire, Empire Crusader, and Communist parties.

That is, six political groupings, all in utter confusion all claiming to be able to do what we all know they cannot do and each doing its best to queer the pitch of the other

That is the present state of political chaos in these islands of Britain, and the only important political activity is the attempt by the two newspaper peers to make the political confusion worse confounded.

The fact that they have done so shows the degree of disorganisation within the ranks of the three chief parties-Conservative, Liberal, Labour.

The fact that Empire Free Trade (that is, of course, Empire Protection) was still-born from the very first day and is now as dead as a dead rat, shows us that even when practically every organ of the popular Press is turned on and tuned-in to play one tune and one only, day in and day out for twelve months on end, it does not necessarily call forth any wholehearted and spontaneous response from the nation.

In giving us an actual demonstration of this the Press has revealed its powerlessness. The Press cannot generate nublic antipublic enthusiasm for something too far away and too unknown and unvisited to engender any true emotional re-

The ordinary man in this country is much too harassed and bothered about his own immediate struggle. Whatever the reason, it is now a plain political fact (after more than a year of the most intensive Press campaign ever concentrated and carried out in this country) that the ordinary British citizen of whatever class on tree does not respond British citizen of whatever class or type does not respond to the newspaper Empire Crusade.

What the ordinary control of the country that the ordinary control of the newspaper Empire Crusade.

What the ordinary man wants is a policy that puts this ountry—the Mathematical wants is a policy that puts alone! country—the Mother Country—first. Ourselves alone!

That is what he wants. And this is no selfish nor short-sighted policy—for if this country—state of the British sighted policy—for if this country collapses the British

Empire collapses with it.

The Imperial Conference of 1930 revealed an Empire, the The Imperial Conference of 1930 revealed an Empire, the units of which have grown up, each having its own life to live. The Imperial Conference was a failure. It began most unwisely, with a fanfare of trumpets, and died out in a damp fizzle. It did nothing and could do nothing, for it had no sound economic analysis by which to arrive at a workable policy.

The only outstanding fact to be found in all this political printersness, confusion and to be found in all this political formlessness, confusion, and lack of leadership, is this: the formlessness, confusion, and lack of leadership, is this: the beginning of the breakdown of our present parliamentary system. The parliamentary system is face to face with an economic enigma, and it is this economic enigma which is breaking it down. Everyone to day knows can see clearly breaking it down. Everyone to-day knows—can see clearly which party politics are useless; that it makes no difference which party happens to be returned to the House what to mons, since none of them has the remotest idea what are mons, since none of them has the remotest idea what to do to solve the unemplantation bring peace do to solve the unemployment problem and to bring peace and prosperity to Great Brissian

and prosperity to Great Britain.

Five years ago we foretold and explained the "passing of Party Politics." The leading article in The Times for December 2, 1930, commenting on a letter from Major, General Seely, under the heading "A National says:—

says:—
"Party conflict is no longer a healthy energy in the State, but a peril."

We agree with *The Times*. Again it says:

. . . It is true that the party system is largely impotent

and speaks of "a dead-locked Parliament."

". . . The system," says The Times, "is dislocated and unbalanced";

and unbalanced ";
and again,
"The emergency is grave and will be graver.
party system, ditched and out of gear, is incompetent."
We have also had, during the past year, grave was the so from such authoritative bodies and individuals as the so is ciated Chambers of Commerce, the Textile Industries the Midlands, the National Farmers' Union, the Coal, ional and Steel Manufacturers, Sir William Morris's National and Steel Manufacturers, Sir William Morris's National Council of Industry and Commerce, the Engineers' Council of Industry and Commerce, the Engineers' many others, not forgetting Sir Oswald Mosley's manifest calling for changes in the political mechanism.

These are all indications—straws that show which the wind blows.

the wind blows.

Each Government in turn is seen to be merely a jack-ing the-box that jumps up with a great splutter of electioneand to apply a gabble, and then stands there waggling the loplessly fro, until the next General Election puts the lid on the order to come of an economic policy, a Bankers' policy, over the parliamentary system has no control.

We are witnessing the passing of party politics, how his long it may linger, and every patriotic citizen will do not hasten the end of a sham democracy that has no become a danger to the State.

become a danger to the State.

In considering this, the beginning of the most far reaching political adjustment since the days of Cromwell, fer memind ourselves of Macaulay's lines:

and let us move without fear and without wards the building up of an efficient up-to-date government.

mental technique which can establish and maintain economic well-being and security in place of this ramshackle wreckage of party conflict and the political game of snakesand-ladders.

We have now stated in no uncertain terms: (1) That the dangerous economic condition of this country is due to artificial poverty enforced upon us by foreign financial domina-tion; (2) that the social condition of this country is a state of psychological frustration and is the logical outcome of economic frustration and is the logical outcome of economic frustration, and (3) that our present parliamentary system is recognised as futile and dangerous, and that the political parties cadging for votes are worse than useless, and must pass into the limbo of unworkable and worn-out political parachemeter. political paraphernalia.

Our attitude towards these vital national problems must be just as clearly stated: (1) the financial stranglehold endangering the very existence of the British people can and must be broken, and the economic security of the individual can and must be established and maintained by the proper application of the Scientific Price.

In speaking of the Scientific Price.

In speaking of the Scientific Price Calculus I must digress for a moment. Would it not seem strange to you if everywhere one heard of the Evolutionary Theory, but the name of Darwin was never mentioned? Would it not seem strange to hear talk of the Theory of Relativity, and yet never to hear the name Finstein? never to hear the name Einstein?

To day on all sides we hear of the economic problem, of edit not a country concredit power, of credit restriction, of the need to equate consumption to production, and even a hint here and there of the need for the introduction of the Scientific Price. But never a little production of the Scientific Price work has never a mention of the name of the man whose work has given to the conomic given to the world the mathematical key to the economic enigma of our age. I do not know why that name should be so carefull. be so carefully ignored.

Therefore, in speaking of the Scientific Price, and the economic adjustment that it makes possible, I think it right and proper to couple with it the name of Major C. H. Douglas.

But for his researches and discovery, we should not be able to see our way clearly towards a mathematically sound economic system.

We know that it is essential to break into the social confusion and formlessness, and to show in contrast to it a strict organisational form, under willing discipline and direct leadership, giving a lead away from democratic entended in the contract of all the co feeblement by going direct to the nation for a mandate on a fighting programme," and, with the backing of all classes, programme," and, with the backing of all classes, programme," and, with the backing of all classes, to take whatever action may be necessary to sweep isside the whole brokendown political mechanism, and to equation of consumption to production. equation of consumption to production.

Now in all this you must feel that we are a very small dinsignife. and in all this you must feel that we are a very task insignificant grouping to embark upon such a gigantic

But that is an attitude of mind that exposes you to defeat before you begin. It engenders a helplessness that saps energy and effort, and, if you allow it to take root, it, rather accomplish.

Remove the difficulties of the task, can evaporate the will to Remove the difficulties of the task, can evaporate the will to the difficulties of the task, can evaporate the will to the task.

Remember this: that if you who are assembled here this renning und evening understand your objective and carry out your in-structions, you can and will act as a focus-point upon which by whelm structis understand your objective structis understand your objective structions, you can and will act as a focus-point of Everything a truly nation-wide awakening. Every beginning must be small.

Now, as never before, we must form and re-form ourselves chaps of the present system.

What began as a small Kindred can, if you will it and ork for it with a present system.

What began as a small Kindred can, if you will it and kindred it with energy and determination, become one great bolitical of the British People—an economic, social, and daries, and in kinship with its own bountell you not only that this can be so, but that it will be that religious, that military devotion to duty without which serent cause was ever yet brought to a successful issue. no great cause was ever yet brought to a successful issue.

#### LECTURE NOTICE.

GLASGOW SOCIAL CREDIT MOVEMENT. Public lecture, entitled "An Introduction to the Douglas ocial Credit Proposals and Scheme of Scientific Financial form, "edit Proposals and Scheme of Scientific Bothwell reet, Ci will be given in the Christian Institute, Bothwell Struct, Glasgow, on Tuesday evening, February 3, at 7.45 p.m., Glasgow, on Tuesday evening, February 3, at 775, general a member of the Glasgow Group. Questions and general discussion.

#### Reviews.

How We Live. By J. A. R. Marriott. (Oxford University Press. 2s. 6d.)

Sir John Marriott writes in his preface:-

THE NEW AGE

this little book would not have been written were I not profoundly convinced that a firm grip upon Economic truth is, to-day more than ever, vital to our wellbeing, nay our existence, as a nation and an Empire.'

It is a textbook of elementary orthodox economics. It is so amusing, and even amazing in parts, that one is tempted to quote from it here and there. It is explained that during the World War of 1914-18, Governments "needed every ounce of gold they could get hold of to carry on the war. No gold was allowed to get into private hands. Gold as a medium of exchange disappeared as if by magic." Gold to carry on the war! . . . or was it to carry on a bank-rupt Banking System? However, the result is that:—

"People have got so used to a common currency that they cannot get on without it; if they cannot get gold they must get something to take its place.'

Strange, but there it is. Economic truth will out. Grip it firmly, for it appears that:—

"In the war they got paper—paper issued, no doubt, by the authority of the Government and in the form of Treasury Notes, but still essentially nothing but paper. And the marvellous thing was that this almost worthless paper began to circulate just as freely as gold had circulated."

Have you gripped that? Right. Hold it. Here's some

"But was it 'worthless'? The worth of a thing is, as we have seen, just what it will fetch.

"The test of 'good money' is acceptability.

So long as people will freely take it in exchange for goods it is money."

Good. We all agree. Treasury notes could not be exchanged for gold. The Treasury notes constituted, in fact, a huge piece of bluff on the part of the Government. What would have happened if the traders of the country had refused, as a body, to 'play up' to the Government it is difficult to say.

Happily no such crisis occurred. The English are a well-disciplined loweshiding and above all a patriotic people. disciplined, law-abiding, and above all a patriotic people. The Government issued bits of paper which they said were worth £1 each, and the people took them at their face value and made the best of it."

Rule, Britannia! . . . Britons never—never—NEVER—We come now to the section on the "Functions of a Bank," in which we read :-

"Bankers then are primarily moneylenders, but that business they can develop only in proportion as people en-trust them with their money for safe custody."

No bluff about this part of the business, you see?—not like those "almost worthless" Treasury notes. Bank moneylending is as straight as a die (for printing Bank of England notes: I Promise to pay the Bearer on Demand the sum of . . .). As Sir John Marriott says:—

"Some fortunate people think of a bank only as a place where they can go and get all the money they want." He wisely does not tell us what the unfortunate people think of a bank.

Little drops of Eyewash,

Little grains of Gold,
Make a Mighty Mare's Nest,
Like the Myths of old. S. R.

Sex and Religion. By George Whitehead. (The Pioneer Press, 61, Farringdon Street, E.C.4. 9d.)

This little book starts by summarising the principles of Psycho-Analysis and by applying them shows the intimate connection between Sex and Religion. The book is full of quotations from well-known authorities on the subject, all of which show that attempts to suppress the narrows. of which show that attempts to suppress the normal sex life of the individual leads to disaster by producing religious fanatics who practise "awful sadism and masochism so that the history of religion drips with blood." He points out that religion—if believed in subjectively and not objectively—would prove an inspiration for people to follow. Thus, he says, "The legend of the Garden of Eden may have some value as a symbol as the price to be paid for knowledge . . . this conceived as imagery may be good. But to compel people to believe it as objective fact, what at most is only subjectively true is to crucify Truth on a cross higher than any erected at Golgotha." R. G.

A consecutive introductory reading course in Social Credit is provided by the following sets of pamphlets:-

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## The Social Credit Movement.

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

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

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