THE INCORPORATING "CREDIT POWER."

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NOTES OF THE WEEK.

What Is a Pound?

We have come across the following extract taken from the Evening Standard of November 6 last year. It is It is worth putting on record.

While the value of the pound soared to a new high level on Wall Street to-day, there was a legal discussion in a case in the House of Lords to decide the question "What is a pound? "

The case raised the question whether the owners of preference stocks registered in England of an Australian company were entitled to have their dividends paid in sterling and no. . and not in the Australian pound.

Mr. Wilfrid Greene, K.C., said the first and oldest meaning of sterling was an English silver penny.

Lord Warrington.—At that time a pound was pound of

Mr. Greene said originally a pound meant a pound weight silver page. of silver pennies. Subsequently a pound meant a pound.

Lord West Subsequently a pound meant 240 pennies. Lord Wright.—On our one pound Bank of England note there is a What does that example. On our one pound Bank of Electric is a promise to pay the bearer one pound. What does that exactly mean?

Mr. Greene.—If your lordship adopted the view expressed y Lord Justice Romer that would mean the Bank of England has has promised to pay you a certain number of ounces

Lord Wright.—But it does not.

Lord Tomlin.—But it does not.
Tomlin.—Isn't there an express statutory provision

you cannot get gold for these notes?

Mr. Greene.—You cannot get gold for these notes? a promise to pay. Lord Atkin.—The Bank does in fact promise to pay. It

might pay you in silver coins.

If will be given by two two ten-shilling notes.

If will be given by two two ten-shilling notes. If will be noticed that two of the judges, Lord Atkin and Lord Warrington to the pudges, Lord Atkin and who heard the Ap-Lord Warrington, were among those who heard the Appeal to the result of the transfer of the result o beal to the House of Lords in the Waterlow case; and it be ranged to the House of Lords in the Waterlow case; and it will be remembered that they arrived at opposite conclusions as the model of the state of the st sions as to the value of a currency note to a bank of us to the value of a currency note to a bank whether face value (Lord Atkin) or printed-statuo other judges tionery value (Lord Atkin) or prince the whether face value (Lord Atkin) or prince the property value (Lord Warrington). Two other judges the property value (Lord Warrington).

and Lord Tomlin, did not figure in the Waterlow case at any stage in its progress.

The point of this is as follows, that it would seem advisable, in cases involving the question of moneyvaluation in a fundamental sense, for them to be heard by as many judges as possible who have already studied the subject. That is to say, the five judges who pronounced judgments in the Lords on the Waterlow case ought to constitute a panel of first-choices for any further Appeals in the same place in similar cases. And so with judges in the lower courts. Thus the complete panel (variously covering the three courts) would have

Mr. Justice Wright. Lord Justice Scrutton.

Lord Justice Greer.

Lord Justice Slesser.

Lord Justice Russell of Killowen.

Lord Justice Warrington of Clyffe.

Lord Justice Macmillan.

Lord Justice Atkin.

Lord Justice Sankey.

And the same principle might apply to counsel who were engaged on either side in the Waterlow case. * *

No doubt there are sound objections and practical obstacles to the rigid applications of the principle; but the nature of the intricacies involved in cases of this sort make it self-evident that procedure would be more expeditious and investigation more thorough if conducted by judicial authorities who had gone through the baptism of the wet towel in the study of monetary postulates, premises, principles, and practices. "What is a pound? "-how simple it looks on the face of itas simple as Pontius Pilate's: " What is truth?" But the question: What is the truth about a pound? that mentioned in the above extract, namely, Lord Wright floors the wiseacres. And wny: Decause the transfer of the wiseacres. definite enough to confer material gain on one litigant at the expense of another. The two parties have risked their pounds on the establishment of the truth about their pounds-and truth must now be brought down to dwell in the flesh as the handmaid of justice. Though systematic search for truth is not a guarantee of finding it (sometimes it catches men unawares) minds accustomed to the landmarks in the realm of research will be more likely to arrive at it than others. You can play " hunt the thimble " in your own room more successfully than can your visitors. And so juridical authorities who are becoming at home with the kind of litigation now under discussion are those to whom one can look with the more confidence for solving the

A Hair, they say, divides the False and True; Yes, and a single Alif were the clue.

Could you but find it-to the Treasurehouse And peradventure to The Master, too.

Kessler on the Economic Problem.

What is it that delays our return to prosperity? Such is the question which The Times (September 5) allows Mr. J. B. A. Kessler to elaborate and answer in a special article running to two issues of that journal. Is it anything to do with the gold-value of currency? Well, says Mr. Kessler, "opinion" is so divided that while in France a high gold-value is held to be necessary to save the country's wealth, in the United States a low gold-value is held to be necessary for exactly the same object. Evidently, he concludes, there is a lack of "proper understanding of cause and effect," and as such an understanding "might" lend to a "homogeneous endeavour " towards economic betterment, he proceeds to submit his own analysis.

He accepts the physical fact connoted by the phrase "poverty amidst plenty," but gives it a twist (probably unconsciously) by relating industry's "huge" capacity of production with the community's "unlimited desire " to consume, thus creating the impression that there is danger of demand keeping ahead of supply if the desires of consumers are made fully effective in terms of purchasing power. There may be, at present, an unlimited desire to consume, but it is rather a desire for unlimited opportunities to consume which, if provided, would as likely destroy the desire to consume as fulfil it. Too often a thing seems desirable simply because it is inaccessible. So Mr. Kessler would have done better to adopt the Social-Credit formulawith which we feel sure he is familiar—which says that whereas production is indefinitely expansible, consumption is not. The dragging in of "desire" confuses the issue. It is not the purpose of the modern economic system to fulfil all desires, but to fulfil such of them as cost money to fulfil. For example, if the economic system provides you with the fare to Killarney and the travelling accommodation to get there, it doesn't matter why you want to go, or how much you desire to. The economic system just puts you there at a price. And the price includes a sight draft on the scenery.

So Mr. Kessler can dismiss the idea (if he entertains it) that the escape from scarcity amidst plenty may lead to a condition of plenty amidst scarcity.

He next asks the question:

What is it that keeps producers and consumers apart and thus creates unemployment and under consumption? "

Is it "a sinister group of politicians or bankers, who thrive on the sufferings, etc., etc." He replies that such an idea is based on unintelligent prejudice. Here we find ourselves in entire agreement with this writer, as will every reader who understands the proof of the Uncompensated Price Theorem and the solution of the Compensated Price Problem. Once it is realised that non-compensation is universal, there is no room for the hypothesis that it is caused by localised over-compensation. If ten men collectively lack the means of thriving, it is nonsense to suggest that any individual or group among them possesses what is lacking. What can be suggested is that one (or some) of them has lost or destroyed the means of thriving. So Profiteering can be bowed out of the field of inquiry with ironical thanks for its past disservices.

Next, we should note that Mr. Kessler, in the passage just quoted, tends to raise a false scent by his tacit assumption that unemployment necessitates under-consumption. It is true that energy-products cannot be provided for consumption without the previous expenditure of energy; but it is not true that such energy need be wholly human energy. As a matter of fact, to-day the contribution of human energy is nearly a vanishing fraction of the whole. Machines generate and apply the rest. Hence, if you suppose only one man is at work where there were once 100, there is no reason why the output of goods should be less than what previously sufficed to feed the 100, and every reason why the output should be very much more. So if the unemployment of the control ment of the 99 is accompanied by under-consumption the reason the reason cannot be that the goods are not produced but that they are but that they are accessible only by the one employed man. This was accessible only by the one employed man. This man might have an "unlimited desire consume, and he might, in theory, be paid an income sufficient to how the sufficient to buy the whole of the production; but he would have a definite to would have a definitely limited capacity to consume.

would be obliged to 1 would be obliged to leave a huge surplus untouched of the one hand, and the the one hand, and his 99 neighbours would be prohibited from touching it from touching it on the other. That prohibition is legal penalty on the legal penalty on them—which is quite another proposition than that it is a second of the second of t tion than that it is the necessary consequence of their non-participation

Again, if the employed man, in the hypothetical city whole whole cumstances, could be supposed to consume the whole production (involving to the consume to the consumer to the consum production (implying that his income was equal to price of the production) price of the production) there would be no economic problem. It is true to problem. It is true that the 99 would die; but that would not jeopardise what Mr. Kessler calls "the country" wealth."

non-participation in production.

The criterion of economic efficiency is definitely not oral. If an economic efficiency is definitely not oral. moral. If an economic system is capable of producing say, 1,000 logical say, 1,000 loaves a day (typifying consumption in the 1,000 loaves shall be say of production of efficiency is the 1,000 loaves shall be say of the 1,000 loaves shal the 1,000 loaves shall be transferred to consumers that rate, in order that rate, in order, not to satisfy needs or make photosupply or to fulfill the satisfy needs or make photosupply or to fulfill the satisfy needs or make photosupply or to fulfill the satisfy needs or make photosupply sort, as happy or to fulfil ethical obligations of any sort, simply to make simply or to fulfil ethical obligations of any solar polytomake room for replacements of loaves day. In this picture the outflow of the loaves to the escape of exposure the cylinders of the cylinders of the cylinders. to the escape of exhaust-steam from the cylinders the reciprocating engine: this at the cylinders the cylinders the cylinders the reciprocating engine: this at the cylinders the cylind feciprocating engine: this steam must be got out of the way as soon as it has produced and the court, or else the court of way as soon as it has pushed the piston out, incoming steam of the piston out, back. incoming steam can't push the piston back. escape " of the loaves is an anti-clogging provision

and so long as they escape it does not matter who gets them. It is the collective rate of consumption that

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But it so happens that a collective rate of consumption is the sum of individual rates, each of which is definitely limited. Hence, in order that the production-system shall evacuate consumption-products at any given collective rate there must be some definite minimum number of persons receiving the products. In the case of the 1,000 loaves, supposing the average maximum consumption-capacity per individual is two loaves, then at least 500 people are required to exhaust the cylinder of the production-engine at each daily stroke of the piston.

Thus far, it will be seen that considerations of technical efficiency coincide with the demands of common humanity; and you get the semi-humorous situation that the 1,000 loaves, which are an evacuant in the view of the production-engineer, are food in the view of the consumer. One machine's poison is many men's meat. Now if, in this illustration, the 500 consumers constituted the whole community, technical efficiency and social health would run hand in hand. But unfortunately there is no parallel in experience to this picture of a whole community drawing the whole potential output of their production-system. What you see is a whole community drawing a small proportion of potential output, and barely keeping pace with a restricted actual output. The machinery of production is paralysed by the retention of that which would energise and content human beings. Principles of efficiency and morality are broken at one and the same time—the consciences of the scientist and the humanist are alike affronted. Yet, to the orthodox banker, this paralysing physical retention appears to be, and is treated by him Wealth." He will lend money on the security of industrial constipation. It is against this background that we constipation. It is against the background that we must view Mr. Kessler's further analysis. He

The right—in the economic sense of the word to consume cannot merely be derived from the desire to consume. To put it very simply, in order to have the right to consume one must have produced or inherited the consume one must have produced or inherited the fruits of past production."

From there on he elaborates an argument based on the catchers. catch-phrases "economic right" (to consume) and honest proof " (of that right)—the " proof " being the possession of a "token" (i.e., money) which is "generally approach token" (i.e., money) which is "generally approach token" token "token" token "token". ally accepted as honest proof that one has that right."

Later be the content of Later he talks of "honest consuming power" based on useful of dishonest money useful production," and later still, of dishonest money what he means in due course, but first let us examine the above. forged money," as he terms it). We shall see the above quotation. If our remarks preceding it have been upol quotation. If our remarks preceding it have been understood it will be seen that the phrase "The right in the economic sense of the word—" involves the crossine economic sense of the word—" the wo the crossing of two frames of reference. The word right, "economic right, belongs to morals and has no "economic belongs to morals and has no to intersense, belongs to morals and has no pret at all in this context, which obliges us to inter-Pret .. at all in this context, which obliges us to the two f. as scientific. We must keep distinct an the one hand. the two frames of reference. There are, on the one hand. conventions of men, which say: "You must "or "You must not " or "House hand, uniformities must not." There are, on the other hand, uniformities of nature. There are, on the other hand, which say: of hature (sometimes loosely called laws) which say: You can '' or "You can not." One is able to disregard a convention (which, when established by Parlia-

ment, we correctly term a law), but one is not able to disregard a uniformity of nature. Shylock found that out when convention laid down the condition on which he might cut his pound of flesh. In regard to the uniformities of nature the question of right or wrong is a question of possible or impossible. And so, "in the economic sense of the word," the "right" to consume is a misnomer, and all you can affirm about consumption is that it is possible, or impossible. Is there anything to consume? If there is, it can be consumed, and by anybody who is there to consume it, irrespectively of whether it has been " produced " by the consumer or anyone else, or provided by nature without human assistance. If there is nothing to consume, or there is something produced but not in a consumable form, there can be no consumption, notwithstanding that there might have been plenty of " production."

But, given the possibility of consumption, it can be regulated by convention, whether on prudential grounds (as in the age of natural scarcity) or on moral grounds (as in this age of plenty). And it is out of such regulations that "rights" first take on any meaning. Now, since nobody claims as a "right" something of which it is impossible to deprive him, we can more usefully discuss the " right to consume" in the reverse sense of the legal denial of access to consumable goods under a certain condition which Mr. Kessler would agree to define as: No work, no pay, no food. Pay is the nexus between work and food. It is also the nexus between moral law and scientific feasibility. Or, to put it in a form expressible in a diagram, pay, or money, belongs inside the area enclosed by the intersection of two circles, the one representing work, and the other, food. This money-area is common to both circles, the moral-workmoney-circle and the science-food-money circle-or the "high-intentions" circle and the "natural-consequences " circle. To explain this let us revert to the reciprocating engine, where it was pointed out that the outflow of steam was as necessary for efficient running as was the inflow, and where a parallel was drawn between that outflow and the evacuation of loaves from industry. With this as a background, consider what nonsense it would be if an engineer, for some reason of conscience, were to slow down the outflow. He would exemplify the case of high morality becoming the cause of low efficiency. So with the makers of the moral convention "No work, no pay." It is all very salutary no doubt; but attached to it is the commercial convention: "No money, no food." Then comes the economic consequence; No food, no work; for "No food" means: no room made for replacements of food, and therefore the clogging up of the machinery of production and the cessation of such labour as may be required to attend

In the second part of Mr. Kessler's quoted remarks he alludes to an alternative basis of the "right" to consume, namely that the consumers shall have " inherited" the fruits of past production. Our analysis applies the same here. In the scientific (physical) frame of reference, does the inheritance exist, and if so is it consumable? If the answer is in the affirmative, then of course your moralist can make and administer a convention endowing the inheritor with the right to consume, and condemning non-inheritors to non-consumption. "Has this man worked, or his parents, that he is found eating?" might be the popular challenge de-

rived from this moralistic convention; and, as those who have received the New Economic Revelation will see, the answer to it may be put in the same form as in the Gospel story of the man who was cured of his blindness, that he was born blind, not because of his own sin, nor because the "sins of the fathers" were visited upon him, but in order that the glory of God should be made manifest in him. He was born with the need for sight in order that he should receive sight. And in the same sense we can now affirm that men are born with the need for food, clothes, and shelter, in order that the works of God may be made manifest in the fulfilment of their need. "As thy need, so shall thy strength be," is a truth henceforth established on a material, no less than a spiritual, foundation. And so, in the profoundest sense, the "right" of mankind to consume is derived from the will of God and the power of Nature to provide the means of consumption. Work, yes. But no longer the fearsome expiatory exercise of serfdom, but the fearless vocational manifestation of freedom. To those who insist that production is the condition of consumption, we answer, not simply that consumption is the condition of production in the plane cycle of physical adaptation, but that consumption is the condition of cultural creation in the spiral of man's ascent to the peak of his high calling.

The deep truths residing in this new concept are being seen, but "in a glass darkly"—in the frosted mirror of old financial concepts. Even observers not yet attuned to the rhythm of the new revelation seem dimly aware that the manifestations of failure, and the obstructions to success in the realm of economic cooperation are rather the product of obscured, distorted reflections than the direct expression of reality. These mirror-gazers seem to have a sensation while poring into the glass, as if Truth were looking over their shoulders and deriding its own reflection. Something inside them seems to tell them to straighten themselves up and turn round. They are not ready to do that yet, but some of them are at least beginning to feel distrust of the glass and to look round for chamois-leather and polish. Well, a spring-clean in the house of finance is better than nothing. As every lady knows, in the process of cleaning up, things are moved about, and things are routed out. And lucky things, too-that ten-shilling note under the stair-carpet—grandpa's long-lost spectacles behind the book-case—and many other surprises which force out of you exclamations beginning with: "Well I never . . .! Would you believe it . . .?"

Very well then. Mr. Kessler is proposing a little spring-cleaning. He wants to scrub the looking-glass. And so long as he doesn't scrub his way through it into a more giddy wonderland than he lives in, the exercise may lead to his enlightenment by the route of some fortuitous circumstance such as his dropping his soap and looking round to find it. Meanwhile, in the mood of contemplative realism, we may observe how he gets on. You will want to know what gave him the notion. Well, the title of his article is "Forged Money"; and that supplies the answer. It is this forged money that frosts the mirror and fogs the gazers. If only we can clean this off the glass we shall see more clearly in it and need not turn round to find a happy issue out of all our troubles. Now, the term "forged money" is so apposite to certain facts brought out in Social-Credit textbooks that one might well believe Mr. Kessler to have read, absorbed and adopted them. But lest any hats

are thrown in the air over a repentant orthodox sinner we must hasten to say that not only is Mr. Kessler's definition narrower than that with which our readers are familiar, but its practical implications lead up a blind

"Forged money" is money expended on production of "no economic value." Money expended on production of economic value he terms "sound" money of "honest" money. Production is of economic value when its owner is assured of selling it. Such production he therefore calls "economic production." He illustrates his meaning thus:

"During the War consumption was enormous with out any, or with but very little, economic production. . . . Economically speaking, this was inproper consumption, and the credits given also economically economically improper. . . When America gave a credit to the Allies for war material, it was, economically speaking, sound enough from the point of the produced and the produce of the producer of the war material. He had produced, and therefore he had the right to give credit, either directly. either directly, or indirectly through his Government. But the products he produced were destroyed, and in the world as a whole were of no lasting economic value. Looking upon the problem from the work economic point of view, such credits were no better than credits that are not based on production.

The purport of this, in its context, is to show (and what follows is our paraphrase of a lengthy thesis) whereas John Smith, by contributing his service in production duction, earns the economic right to consume, and holds tokens which tokens which are generally accepted as honest proof of his economic risk tokens which are generally accepted as honest proof of the pro his economic right to consume, the same John Smith may easily (and a way may easily (and will probably) be in possession of form tokens the tokens, the spending of which on consumable goods involve invo involve improper consumption. That is to say, John honestly acquires an honest right to use dishonest mone for dishonest control of the dishonest c for dishonest consumption. Such is the conclusion moral terms. moral terms. The same conclusion in legalo-economic terms is simply the terms. The same conclusion in legalo-economic terms is simply that John Smith acquires a right to have products which products which cannot be sold to him because they have been destroyed. been destroyed. He can only exercise his right in buy ing available products made by, let us say, his friends Bill Brown. Bill Brown. The two share Bill Brown's goods, so speak: in which speak; in which case, if you assume that Bill works have had the let have had the lot in the absence of John's demand, but can construct as can construct a superficial proof of injustice to Bill, this is irrelevent this is irrelevant to the economic physical fact, while is simply that is simply that these two "producers" consumption that part of their that part of their collective production which was are able. Viewing the able. Viewing them as representing the community pageneral conduction general conclusion is that uneconomic production been compressed. been compensated by restricted consumption. cannot be such a thing as "improper consumption for whatever is for whatever is available to be consumed is proper be consumed, according to Mr. Kessler's own tion, and you cannot be consumed. tion, and you cannot consume "improperly of improperly of consume more than there is to be consumed

"Oh, but yes you can," we can imagine him ing, "You consume improperly, however you in consume, when we have improperly in the consume improperly in the consume improperly. consume, when your consumption involves you penditure involving penditure involving debt which you cannot repair that is so from the That is so from the viewpoint of financial orthod but it only opens but it only opens up the fundamental question of this viewpoint this viewpoint can be reconciled with physical Take John Smith Take John Smith and Bill Jones again. Bill tokens as an "uneconomic" producer: forged "economic" producer. John pools his forged to

(received, let us suppose, for making shells) with Bill's honest tokens, received for making bread. The seller of the bread scoops the pool in return for the bread. According to Mr. Kessler, the two of them are in debt for the shells (that is they represent a community with a war debt to meet in direct and indirect taxation). They must perform a financial act equivalent to putting back the shells. How is this to be reconciled with the physical facts of the situation? Orthodox economists will agree that if the shells had not been produced John Smith could have helped make bread, and doubled the total quantity. In fact, it might reasonably be imagined that he and Bill had been making the double quantity previously to the shell-production. Very well, the physical fact is that by reason of John's making shells, bread equivalent to these shells was deducted from their rations. There is now nothing to put back because nothing was ever taken out. Or, if you like to say that the shells were taken out in the sense that they were destroyed, the answer is that the destruction was cancelled by abstention from consumption. The abstention was enforced by inflation, for the two lots of tokens which would otherwise have bought two lots of bread, now only buy one lot. So you may say that John's forged tokens did not buy anything, and that the crime of the forgery was expiated, and its threatened consequences averted.

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Again, consider the question in relation to the idea of destruction." Suppose John had made fireworks instead of shells. It will be agreed that there is no difference between letting off fireworks for the entertainment of children and firing off shells for the extermination of sold: soldiers. In that case there would have been one lot of fireworks and one lot of bread on the market, and we may suppose that John and Bill pool their tokens as before and buy some of each. Could it be said that lohn, John's tokens were "forged," the production "uneconand the consumption "improper"? That would be to say that all consumption was improper, and that all that all money was forged. And this touches the roots of the of the growing popular curiosity, which Mr. Kessler sets out to satisfy, to know why it is that the huge volume of industrial output during the war is not continued now that there is peace—why it is, so to speak, that we cannot beat our shells into fireworks. According ing to Mr. Kessler's definition, firework-finance would economic," because the fireworks were saleable because the fireworks were sale-ducer, the manufacturer would be a "sound producer, and a "sound debtor." But shells were saleable ducer and a "sound debtor." able during the war; so we have to assume that by the term "saleable" he means:—in more or less effective demand by consumers. If so, the distinction is intelligible ligible, because eventually all production, to be economic, because eventually all production, to be economic. ornic, because eventually all production, to be ornic, must be sold to consumers, for it is from them, and the consumers of the reserver costs. and them only, that industry can finally recover costs.

So let us re-state the case as follows: that fireworkfinance is "economic" because John and Bill like fireworks, which are therefore in immediate effective deanand, which are therefore in immediate encourse because On the other hand, shell-finance is uneconomic therefore because neither of them like shells, which are therefore in no december of them like shells, which are therefore in no demand at all. This is the best we can make of Mr. Ressler's elucidation of his theory; and we are bound to sate the sate of to say that it raises more queries than it settles.

One is this. Since the most economic production is that of which the cost is the most economic production tecovers. recoverable, one would expect shell-production to stand

high in the scale, for the reason that the product is bought in bulk by Governments who can compel the community to pay the cost before buying anything else. Thus John and Bill could be forced to be even more reliable customers as taxpayers than they were as private consumers. So the inquirer, blocked along that line of investigation must turn to another. It is this. In the case of the fireworks. John and Bill buy them and let them off. And that's the finish. (It is to be assumed for the sake of argument that their earnings are sufficient to buy all the fireworks.) Now the same operation takes place with the shells, but with the irrelevant difference that somebody called the Government fires them off on behalf of John and Bill. So far the situation is just the same as if John and Bill had given their fireworks to the Government, and said: "Here, light these and put them through the Kaiser's letter-box for us." In that case they would not proceed to say to the Government: "You owe us the price of the fireworks." And if they did the Government would retort: "Well, I shall have to tax you to pay the debt "—which would finish the argument. Yet, in principle, this is what took place during the war, with the result that the Government, i.e., the community generally is in debt to a certain section thereof in respect of destroyed shells and other war-material. For reasons explained earlier the burden of this debt is not due to the destruction of wealth. It is due to the fact that the community do not possess the money answer-ing to the debt. This is where the term "forged money" comes into the right picture. Securities were "improperly" issued in return for the surrender of "forged money" previously or concurrently distributed, and the Government is now obliged to attempt the impossible task of liquidating the debt with "honest" money. To assert this is no more than to make a debating point against Mr. Kessler. The fact is that there is no element of forgery in the creation and provision of credit for any purpose at all. The forgery consists in the after-process of accounting that credit into

Current Events.

(Dates refer to reports in Press.) Monday, September 3.
Death of Mr. F. C. Goodenough, chairman of Barclays

Bank Strike in U.S.A. textile industry-660,000 called out.

Tuesday, September 4.

Forged letters of allotment in connection with Airspeed (1934) Ltd.'s recent issue. Trades Union Congress meets at Weymouth. Salvation Army—Eva Booth elected General.

Wednesday, September 5.

Road safety-standing council to be appointed. British Association-opening meeting at Aberdeen.

Night noises—no whistling on railways Australia—Duke of Gloucester leaves England on his tour. Canger—Dr. W. von Brehmer (Berlin) claims to have discovered cause. (*Times*, p. 12.)

Thursday, September 6. Munitions industry-U.S. Senate Committee's inquiry-

methods of selling arms in S. America. De Valera passes through London en route for Geneva.

Unemployment in France highest since the War.
Unemployment in U.S.A. estimated at to millions by Mr. E.
Flore, U.S. labour delegate to T.U.C. at Weymouth.

Friday, September 7.

Droitwich broadcast station makes first trial. Nazi rally at Nuremberg—a hint of labour conscription.
Munitions inquiry in U.S. (see above) disclosures—agents'

methods—selling arms to Europe.

Shipping subsidies—Australia and New Zealand agree on reciprocal action to combat foreign subsidised shipping.

Saturday, September 8.

Munitions inquiry in U.S. (see above), further disclosures—
"U.S. cruiser as sales agency." (Times.)
Franco-Italian relations—agreement denied.
Trades Union Congress debate socialisation of iron and steel

Obituary.

GEORGE GALL PEIRCE.

Lately there has passed from our midst a faithful steward of the plan of economic emancipation, George Gall Peirce. A man of contemplative mind, of generous, simple and modest character, Peirce's contribution to the progress of the Movement deserves praise in the same measure as it escaped notice. He was the embodiment of that rare propensity for "doing good by stealth." Not the "doing good" which consists merely in wishing well to everybody in general somewhere and sometime and nobody in particular here and now, but the doing good which consisted in making the wish come true in the lives of the people with whom he was in contact. There was a hint of sadness in his eyes which betokened the man of true heart and quick sympathy-the man whose vision of what will be did not blind him to the anxieties and troubles afflicting his immediate neighbours. The personality of George Peirce disengaged, as it were, the perfume of the benefactions which will be strewn upon humanity when the financial seals on the world's Read Credit are broken.

It is curious that the most helpful people are those who themselves stand most in need of help. In later years the precarious state of Peirce's health would, in many another man, have led to his withdrawing himself from spheres of usefulness and bending his thoughts to his own condition. But not this man. Although he was obliged to expend his energies more circumspectly, he went on expending them. His intimate friends will always remember him in association with that stretch of the river Thames between Twickenham and Kingston, along which he so often took them in his quiet and dainty motor-launch to make lazy progress through smooth waters whose murmurs seemed to call the faithful to musings on the mysteries of life. Here one partook of the sacrament of the Age of Leisure, prepared, as we now realise, for mankind from the foundation of the world.

Conversation was not always on transcendentals. One recalls Peirce's humorous observations in the story (which he sometimes told) of how he planned, and made, a trip in his boat to Oxford and back as a means of getting a cheap holiday; and of how, after the manner of the Prodigal Son, he fell among lock-keepers, and considered himself lucky to be left with enough petrol to escape back home. And, of course, in the company he kept, the telling of this story always let loose a host of Social-Credit morals.

And perhaps it is in the mood of this picture that we can take leave of our friend. He has cleared the Last Lock: he is out of the estuary and on the wide sea. He has vanished over the terrestial horizon; and may the gentle moon and the honest sun light the passage of this man in whom the attributes of gentleness and honesty shone like they.

A. B.

Notice.

All communications concerning The New Age should be addressed directly to the Editor:

> Mr. Arthur Brenton, 20, Rectory Road, Barnes, S.W.13.

Renewals of subscriptions and orders for literature should be sent, as usual, to 70, High Holborn.

What Restriction Means.

[From The New Economics, Melbourne.]

The first phase of the depression was marked by a clamour on the part of those responsible for implementing the policy of the Money Monopoly, for a restriction in the use of money. Governments, they said, could not get so much money as before. Borrowing had to stop. Money became "tight." Public expenditure was rigorously curtailed, and "economy" was made the order of the day.

The financial structure, it was said, could not withstand the demands made upon it for money and consequently those demands had to be cut down. Wages and salaries were reduced, which led to a lower demand for goods, and this in turn brought on widespread unemployment. On the other hand, taxation both direct and indirect was increased. There was, so to speak, a financial squeeze at both ends. There was both a contraction and extraction of money.

Naturally this restriction in money had a vital effect on primary and secondary industry. It meant a reduced money-demand for goods; there was less inducement to produce goods, and generally fewer goods were produced. duced. Secondary industry, as distinct from primary industry, was forced to meet the situation by closing down some plants completely and by working others only part time. Rationalisation in the form of mergers of different productive units was generally adopted, and very often to the stanks. very often took place at the instigation of the banks who held most constant the instigation of the banks. who held mortgages over both units. Bankruptcies writing off of capital at the investors' expense, and business larger ness losses also occurred. Whatever means were taken to bring seconds. to bring secondary industry into line with the altered credit policy of credit policy of the Money Monopolists, however, were financial many financial means, and they proved effective in causing the output of contract the the output of goods to decline in accordance with decline in the covariance with the decline in the quantity of money. No legislation was reacted to enforce enacted to enforce a reduced output. Money was restricted and stricted, and automatically that restriction caused restriction in fact restriction in factory production.

But with primary production.

But with primary production the effect was different Though restriction in money reduced the demand and prices of primary products, farmers generally have completed to produce. The banks could not compel the tinued to produce. The banks could not compel the to restrict their output or to rationalise their industry to restrict their output or to rationalise their industry as manufacturing processes, and even had the possible the difficulties of finding employment for dispossessed farmers were insuperable. There was also that farmers' indebtedness was so extensive and their industry in such a plight, that any arbitrary actions would have been deemed inexpedient as likely to complete collapse.

complete collapse.

On the other hand, with falling prices many farmer considered that the only way to increase their output in quantification one Victorian farmer, for instance, by scient to intensive culture increased his yield of wheat this intensive culture increased his yield of wheat this bushels per acre, and it was argued that this yield bushels per acre, and it was argued that this yield bushels per acre, and it was argued that this customer. So per bushel would return as much as his customer yield of twenty bushels at 4s. per bushel.

Primary production the restriction in money bring about an expansion in production.

Other measures, therefore, were necessary to achieved with primary production what had been achieved secondary production through financial means these measures became all the more imperative

the point of view of the Money Monopolists, for gluts of any commodity are incompatible with a limited supply of money, and threaten the scarcity basis upon which the money system operates. Hence the present proposals for straight-out restriction of primary production.

SEPTEMBER 13, 1934

Now the conclusions to which these observations clearly point are: first, that the origin and cause of our troubles is a shortage of money; second, that when any section of the industrial system fails to conform to conditions imposed by financial policy, direct measures will be taken to enforce that policy; and third—and this is above all important—that in consequence of the progress of this policy a state of centralised control of economic life is rapidly being reached, in which the individual will have no voice in determining conditions of life and will live in subjection to restrictions imposed directly and indirectly through Finance.

It is not suggested that this policy is necessarily and deliberately designed by the Money Monopolists. It may be or not, and whether it is or not doesn't much matter at the moment. What does matter is a realisation that the result is inherent in the policy, and unless the policy is altered that is the state of affairs we shall get. When a policy has for its central fact the existence and maintenance of a shortage of money com-Pared with productivity, then inevitably that policy must make for restriction and subordination of industry and the individual to money; and naturally whoever controls the supply of money will control the activities and well-being of the people. This state will result even if the administrating body were appointed by, say, the Labour Party. Indeed, if we may judge from the utterances of Labour leaders on the necessity of finding "Permanent" work for people, such a policy to them would be eminently suitable for the inauguration and conduct of the Work State, which they appear to visualise as a state of economic emancipation.

It is not merely in the overt proposals for the restriction of primary products, however, that the progress of this policy is to be detected; but in the less suspected practices of taxation, instalment schemes, hospital contributory schemes, insurance for life and progerty, and the arbitrary fixing of prices for goods and appropriate more and more of the individual's income; taxation returns and other sources, it will soon be an outflow and inflow of money so as to leave the indisame time ensure his dependency upon, and allegiance as the prevailing economic policy.

As to the manner in which credit accountancy could inherent accumulation of unrecoverable costs as retecent remarks by Professor Copland. In a public be "a great deal of writing off of farmers' debts, and bank would have to probably an institution forming an intermediate credit of farmers' debts purchase." He further advises the and also of "investment," which means more loans, Governments is not a "menace," but a good thing, and harmful results.

Social Credit students will at once see in these suggestions ideas for a working basis for the credit system, by which the industrial system could be kept going and at the same time the people kept in subjection to centralised Financial Control. Suppose, for example, so much money were created and issued as short and long-term loans in order to keep the unemployed engaged on public works, and that periodically just enough of farmers' indebtedness were written off to keep them on the land, and industry were treated similarly; also that taxation and other contributions as well as wages were so regulated to achieve a desired financial result, and as one means of concealment, that the faking of budget statements, now publicly confessed as a usual practice, were continued, is it not conceivable that the system could be made to operate for an indefinite time?

If anyone doubts that the credit mechanism is, or could be, used in that way, let him consider America, where many unusual practices have been adopted; and also the fact that repayment of war debts has now been virtually suspended. How have these things been done if not through extraordinary manipulations of credit finance? And if credit accountancy can be manipulated for those ends, why not for the purpose of enabling the industrial system to carry on while leaving

the Money Monopolists in control? The idea is not a chimera; it is a dangerous possibility. We stress the point to remove the complacency of those people who think that Social Credit is "inevitable"; who think that it must succeed the present economic dispensation. We ourselves are not so sure about that happening. The only thing which is inevitable about the situation is a change. But for reasons we have already mentioned it might easily be a change for the worse. It is no exaggeration to say that a regimented society formed after the conception of a Servile State, but with Finance at the seat of power instead of the State, is not an unlikely possibility in

Professor Gustav Cassel, the world-renowned economist, was aware of this when he said recently:

"The so-called planned economy, due to the mismanagement of the world's monetary system, threatened to end in economic dictatorships. . . . The Parliamentary system was overworked and was even corrupted by the burden of controlling economic life, hence the dictatorships."

Had Professor Cassel said "subjecting" instead of "controlling" he would have been nearer the truth. And had he gone behind the "dictatorships" he would have found the demands of the Financial Hierarchy as the over-riding dictators. His remarks, nevertheless, indicate the process that is going on; and, unless this process is checked, it will surely lead to some form of "planned" production, in which effective financial control of the community will be exercised through the banker-ridden producer to the detriment and subjection of both producer and consumer.

A planned economy is certainly essential, but we have reached a stage when, as Major Douglas says in "Credit Power and Democracy," in reference to the visit controls in economic life of credit issue and price

"The real struggle is going to take place, not as to the necessity of these controls, but as to whether they shall be in the hands of the producer or the consumer."

On the outcome of that struggle will depend whether the community will emerge into the light of a Social Credit system, or go down further into the darkness of Centralised Financial Control. All Social Creditors should make themselves acquainted with the issues at stake, and bring to bear whatever pressure they can upon those responsible for the determination of these issues.

A Social-Credit Victorian.

Richard Jefferies completed his book, The Story of My Heart, in 1883. The following passages, taken from it, show him to have been a man of profound judgment and penetrating insight. Written half a century ago, they challenge comparison with the choicest passages which could be found in Social-Credit literature to-day on the moral implications of our neglected potentialities of production for use and service. Jefferies saw that, as we now say, production is indefinitely expansible, is held back by the distributive system, and not because of selfishness, but of absentminded subservience to supertask-masters. Jew-baiters might fancy that he had been inspired here by the Protocols of Zion, but he was ten years too early to have had the opportunity to consult that work; hence he must be credited with the purely intuitive perception of " principles of wickedness in high places." Again he saw that food, clothes, and shelter were the right of every living being; that money was the obstacle and that the gift of leisure would simply change the aims of human activity from material to

It would be difficult to find, within such short compass as is covered by these passages, so much of the truth that is moving the minds of men at this day. Coming from Jefferies, and at the time they did, their citation by Social Credit propagandists will produce a maximum effect because he had nothing to gain by recording these ideas-the gain was for those who recognised them as potential implements of what he described as the remission of slavery. To-day, knowledge of financial technique has given those ideas a coherent form and purpose which they lacked before, and has made actual their dynamic potentialities in the hands of those who understand the art of using them.

Richard Jefferies on Present Evils.

"This our earth this day produces sufficient for our existence. This our earth produces not only a sufficiency, but a superabundance, and pours a cornucopia of good things down upon us. Further, it produces sufficient for stores and granaries to be filled to the roof-tree for years ahead. I verily believe that the earth in one year produces enough food to last for thirty. Why, then, have we not enough? Why do people die of starvation, or lead a miserable existence on the verge of it? Why have millions upon millions to toil from morning to evening just to gain a mere crust of bread? Because of the absolute lack of organisation by which such labour should produce its effect, the absolute lack of distribution, the absolute lack even of the very idea that such things are possible. Nay, even to mention such things, to say that they are possible, is criminal with many. Madness could hardly go farther.

"That selfishness has all to do with it I entirely deny. The human race for ages upon ages has been enslaved by ignorance and by interested persons whose object it has been to confine the minds of men, thereby doing more injury than if with infected hands they purposely imposed disease on the heads of the people. Almost worse than these, and at the present day as injurious, are those persons incessantly declaring, teaching, and impressing upon all that to work is man's highest condition. . . . It is a falsehood propagated for the doubtful benefit of two or three out of ten thousand. It is the lie of a morality founded on money only, and utterly outside and having no association whatever with the human being in itself. Many superstitions have been

got rid of in these days; time it is that this, the last and worst, were eradicated.

". . . Each human being, by mere birth, has a birthright in this earth and all its productions; and if they do not receive it, then it is they who are injured, and it is not the "pauper"—oh, inexpressibly wicked word it is the well-to-do, who are the criminal classes. Food and drink, roof and clothes, are the inalienable right of every child born into the light. If the world does not provide it freely . . . then is the world mad. But the world is not mad, only in ignorance—an interested in the state of the s ested ignorance, kept up by the strenuous exertions, from which infernal darkness it will, in course of time emerge, marvelling at the past as a man wonders at and glories in the light who has escaped from blindnes.

. . I maintain that a tenth, nay, a hundredth, par of the labour and slavery now gone through will be sufficient and that in the course of time, as organisation perfects in the course of time perfect in the course of time perfects in the course of time perfects in the course of time perfect in the course of ti tion perfects itself and discoveries advance, even that part will diminish. . . . Is ideal man, then, to be ideal answer that I answer that, if so, I see no wrong, but a great good. I deny altogether that idleness is an evil, or that it produces evil and a second control of the second contro duces evil, and I am well aware why the interested are so hitter con I am well aware why the interested are so bitter against idleness—namely, because it gives time for thought time for thought, and if men had time to think there reign would reign would come to an end. Idleness that is, absence of the necessity to work for subsistence is great good. . . . They shall not work for subsistence—their souls. I am willing to divide and share all I shall ever have for this great good. ever have for this purpose, though I think that the end will be gained at the same and share all I share share all end will be gained rather by organisation than by sharing alone. ing alone. . . Let me exhort every one to do the utmost to think outside and beyond our present circle of ideas. For every ideas, of ideas. For every idea gained is a hundred years slavery remitted.

The New Art of Love. By George Ryley Scott. [John ale, Sons, and Dapielleen Prince of the Prince of

Woman in this age is becoming sex-conscious, and there fore she and her partner need a technique of physical love. Such books as this of Mr. Ryley Scott's set out to give it her.

But what a blessed work is this technique for the model hey must here. They must have a technique for eating, a technique sleeping, and now a technique for coitus. One wonders all this cult of the technique how the state of th all this cult of the technique how they manage to find time live. In the course of a poem by M. Sully André Peyre on the subject of carnal love the following line occurs:

"Que cela soit une chose simplement faite."

Que cela soit une chose simplement faite, "Que cela soit une chose simplement faite. That is what it seems to me the moderns have but the control of the Technique is no doubt necessary in all actions, but are some whose whole meaning dies if subjected to meaning the subjected to meaning the subjected to meaning the subjected to meaning the subjected the art of the subjected to meaning the subjected the art of the subjected the subj this conscious technique, and the action called the art is first among these. The fact is that the intellectual ledge necessary for the fact is that the intellectual of love is is first among these. The fact is that the intellectual ledge necessary for the successful pursuit of love communicated on the back of a post card—which does mean that love is an easy "technique" to accupy is simply that one must learn by practice rather than both is colleagues were wasting their time, but perhaps cult of the technique demands satisfaction at all costs, cult of the technique demands satisfaction the control of the technique demands and are determined it is a second or control of the technique demands and are determined in the control of the technique demands active the control of the technique demands are determined in the control of the technique demands are determined in the control of the technique demands and are determined in the control of the technique demands are determined in the control of the technique demands are determined in the control of the technique demands are determined in the control of the technique demands are determined in the control of the technique demands are determined in the control of the technique demands are determined in the control of the technique demands are determined in the control of the technique demands are determined in the control of the technique demands are determined in the control of the technique demands are determined in the control of the technique demands are determined in the control of the technique demands are determined in the control of the technique demands are determined in the control of the technique demands are determined in the control of the technique demands are determined in the control of the technique demands are determined in the control of the technique demands are demands are demanded in the technique demanded in the technique demanded in the technique demanded in the technique demanded in the techniq

perhaps such writers realise this and are determined to give the best work. to give the best technique available. In this case it is that in a work apparently meant for popular consultant. Scott should express himself in such difficult is terms.

His Majesty's Bank of Issue!

"A Scotland Yard inspector's visit to a roc

"A Scotland Yard inspector's visit to a room the said was 'a regular forger's workshop, containing the process of engraving and printing Bank of England as was described at Greenwich Police Court to day. "Leonard Henry Gaul (24), seaman, whose given as Clinton House, New King Street, Depton remanded charged with 'feloniously engraving bing lates words, letters, figures, and marks resembly on his Majesty's Bank of England notes. "Leonard dard, September 6th, 1934" dard, September 6th, 1934-

The Point of the Pen.

By R. Laugier.

No. 11.—" THOUGHTS ON REMY DE GOURMONT.

Let us not allow the tradition of free minds to perish.

Scholar, artist, and man of talent, Rémy de Gourmont lived exclusively for letters, and did so with that intensity of concentrated passion so typical of the frivolous "Frenchman. Child of his age, his soul had also adventured largely amid the books and treatises of other epochs. He possessed erudition. He could discover unexpurgated MSS of Cyrano de Bergerac; he could expound to you the views of the Jesuits upon abortion; he could expose the name of sacraments to the different rites of Mithraic initiation: but he did not comprehend Money. "The world is full of mysteries," he writes. And financial mysteries are the most obscure."

No: we do not go from the sublime to the ridiculous; rather the contrary. Money is access to life, and not to apprehend its functions is the most profound of tragedies. Money is the root of all loveliness and joy, quite as much, potentially, as it is the root of evil. When the modern, authentic artist does not understand Money he is bewildered, frustrated, led frequently into bitterness and defeatism. He forgets that his fellow-humans are the sole material upon which, and with which, he can work: he turns from humanity; he thinks himself betrayed, not by the few, but by all. And despair follows upon this

From stupidity, from vanity, from incapacity for thinking, above all from the necessity for food, civilised humanity works far too much, and its dignity is not increased thereby; on the contrary."

The "necessity for food"—a little vague and ambiguous—still there is yet hope in this quotation; I can see none in the following: "Leisure, so useful to superior men, is fatal to the people."

Those poor people! By their villainous taste, their indifference or their hate, they have doomed to obscurity not only the artist himself but his beloved work. But, gently, you poets, scholars, painters, musicians, there is one fact. one factor in life that, with all your research and meditation tation, You have barely considered, and its name is Money. Money. You have barely considered, and its func-tions. Examine this; explore its nature and its functions, and you will find that you are not betrayed by the people—by the "masses"—or even by a large tha people by the "masses" or even to an algority; you are thrust into suffering, poverty, and obscurity by an organised few; your works are ignored, rejected rejected, or maltreated by the so-called "experts," the charlatans, middle-men, publishers, and sinners whose Very Positions have been gained under the pretence of serving.

serving you and the public by your financial exploitation. You live for truth and beauty, and the people will ave be truth and beauty, and the people will be you die have none of you: at the best they will let you die before recognising your work. Meanwhile, you grow old. Wow. Money; but you you could so easily have made Money; but you something better to do with your energies and talents. You wished, not to make a fortune, but to create leave from the comcreate loveliness; you desired, not to take from the community, but to bestow—to give joy. And the fools will be you discovered to be let you die, alone, in your poor room, monkish in dress and habit. and habits, despite your fierce passions. "Success"—at fifty 56 despite your fierce passions. at fifty, fifty-five, sixty—does it mean anything? Did to comforty five, sixty—does it mean anything? it connfort Ruskin or Meredith? "Better, I think, be nothing. nothing than become too late what one has dreamed of

Yes, this choice of serving God or Mammon can be

as bitter as it is absurd. But it is not the people who have imposed such a choice upon the artist. It is not the people who have exalted the mediocre servitors of Mammon into positions where they may judge works of art and condemn the beautiful, the true, and the dangerous. Mediocrity-itself sublimely ignorant of the fact-is there, "in the saddle," because it serves Finance. Because Finance, with its grotesquely false values, cannot and dare not contemplate the true values of Art, mediocrity, or worse, tastes the intoxication of power, and rides, a triumphant ass into Jerusalem.

There may be comfort in this knowledge, Rémy de Gourmont. The "middle-man"—mediocrity—is your persecutor, and for the most part he knows not what he does. Seldom is he there because he hates talent; he has his position because he wishes to make money out of things that were not created for any such purpose. Mediocrity is ignorant more than malicious. He hates talent because he cannot "see money in it."

And so it costs Finance-the masters of mediocrity and of all slaves-a steady stream of countless millions to see to it that the people are deceived and debased. It is these millions Rémy de Gourmont, Ruskin, Meredith, that separate you and your work from the people who will rejoice in that work so soon as it can conquer the enemy "barrage" of hired criticism and publicity.

"To become too late what one has dreamed of too long." But essentially you have always been what you dreamed of, and you know this in all your more normal stronger moments. To be forced into accepting poverty when you neither desire it, nor believe in it, is hard. To have an expansive, convivial soul, and to be obliged to live as solitary as a leper is unpleasant. It is ridiculous. Too much solitude is bad, almost as bad as too little. But, if you look back upon your life, contemplate those things you have dreamed of, and those others that you have refused to dream of, then you know that, as well as you were able, you chose wisely. So you would choose again, in another life, and that is the test.

The community, as a whole, did not force poverty and obscurity upon you; this was accomplished by financier, mediocrity, puritan-in short, all the conscious and unconscious servants of Finance-working upon the emotions, and often the most generous impulses, of the community. You have suffered, you artist who would give joy, but you can never suffer more than those communities who have rejected you, and your works.

Forthcoming Meetings.

The New Age Club.

[Open to visitors on Wednesdays from 6 to 9 p.m. at the Lincoln's Inn Restaurant (downstairs), 305, High Holborn, W.C. (south side), opposite the First Avenue Hotel and near to Chancery-lane and Holborn tube stations.]

Green Shirt Movement.

A lecture on Green Shirt Movement.

A lecture on Green Shirt Cultural Directives by John Hargrave, at National Headquarters, 44, Little Britain, E.C.1, on Wednesday, September 12th, 1934, at 8 p.m. Note.—The Green Shirt Leader will also lecture at National Headquarters on Wednesdays, October 10th, November 14th, and December 12th. Full particulars will be announced later.

London Social Credit Club.

On Friday nights, 5—11 p.m., Blewcoat Room, Caxton Street, S.W. Arrangements for September, 1934. 14th, 7-45 p.m. Discussion of A + B Theorem, introduced by Mr. Ewart Purves, 21st, 7-45 p.m. Address by Mr. Scrutton of "Prosperity." 28th, 7-45 p.m. The Social Principles of Social Credit, by Mr. W. T. Symons.

Visitors are welcome.

Hon. Secretary: Dr. J. C. B. Mitchell, 2, Bromley Common, Kent.

The Theatre.

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"Napoleon." By Alfred Sangster. Produced by André van Gyseghem. Embassy.

Episodic plays tend either to be on the dull side or to caricature history after the fashion of Alexander Korda, and if a dramatist must show us the career of Napoleon from the obscure lieutenant of 1793 to the Last Phase, he should either paint a recognisable portrait, or make his departure from the original convincing. Mr. Sangster's conception is for the greater part that of an hysterical and woman-ridden careerist, who might conceivably have fired the whiff of grapeshot under orders, but would certainly not have been responsible for a "coup d'etat." In the last scene, where the author relies largely on recorded conversations, the Little Corsican comes to life; here is a flash of the authentic Boney, who once bestrode the world as a Colossus, and is now rebuked by his gaoler for shooting at a goat.

The play is far too long. The first scene, in which Napoleon tells of his ambitions to a prostitute who accosts him with the French equivalent of "Coming home with me, dearie?," is both silly and irrelevant, and should be eliminated. Much of the scene covering the period from 1805 to Waterloo should also be cut, if that has not already been done; is is unduly repetitive, and the silhouettes of a half dozen wounded soldiers and stretcher-bearers appear slightly ridiculous to a generation familiar with the lavishness of

Mr. Sangster writes good, easy dialogue, and the last two scenes, each of which would make an excellent one act play, make ample amends for all that has gone before. Save in the last scene, when he rises to dignified sincerity, Edward Chapman's impersonation of the title role is unconvincing, but he has presumably cut his coat in accordance with Mr. Sangster's cloth. Margaret Rawlings is marvellously miscast as Josephine, but the subsidiary characters are admirable; I would specially mention Gabriel Toyne, Barbara Couper, Violet Farebrother, Aubrey Dexter, and Earle André van Gyseghem has, as usual, made a sound job of the production, and the Embassy management is to be congratulated on having got in first on the current Napoleon boom; three more variations on the same theme are announced for presentation in the West End in the immediate

VERNON SOMMERFIELD.

"The Executor's Year."

[From The Times, September 1. Our italics.]

Sir,-Those who have claims against the estate of a deceased, whether they are creditors or legatees, very quickly learn that an executor is allowed the period of twelve months within which to satisfy them, so that he may dispose of the assets at a moment favourable to the estate and may administer them in a way most convenient for the beneficiaries under the will. His Majesty's Judges have commended the principle as a wise protection of the interests of the family of the deceased at a time of bereavement and financial strain.

Yet the principle has been violated and the privilege has been nearly useless for forty years because there is now one claimant who must be paid before the executor can do one single thing. The doctor, the nurses, the tradesmen may be kept waiting, but His Majesty's Treasury must have their estate duty before the executor can be put into the saddle by the grant of probate. One year for the raising of £200, it may be, but £,10,000, perhaps, at once.

This state of the law and the violence done by it to the pre-existing principle would be amended by a logical people as soon as it was realised by one little clause in the Finance Act. Lawyers know better than most men how crushing is the burden of the death duties, and they would welcome a clause allowing the executor his year for the payment of all death duties as for the satisfaction of other creditors. Can any fair objection to it be made? The Treasury officials, I am told, would be very hostile and very powerful. Are there not Ministers above them?

LINCOLN'S INN.

B.B.C. NEWS EDITOR.

" Mr. John Coatman, Professor of Economic Relations in the University of London, has been appointed news editor of the B.B.C."-The Scotsman, August 15, 1934.

The Films.

" Hide Out." Empire.

The Metro-Goldwyn-Mayer studios, after a sufficiently lengthy period of mediocrity, are again giving us really good pictures. "Men in White" and "100 per cent. Pure" have already been praised by me, and although "Hide Out is not up to their standard, it is distinctly entertaining. One has the impression that the first part was made before the beginning of the so-called "Clean Films" campaign; there is a moral as well as the control of the so-called the so-ca is a moral as well as a geographical difference between the racketeer, "Lucky" Wilson, in New York, and the sand gentleman's farmhouse idyll in Connecticut, ending on a change of heart and the promise that his girl will still be change of heart and the promise that his girl will waiting for him when he has emerged from the Big House

The dialogue is better than the picture itself. It is amusing, with no straining after wisecracks, but a few flashes of characteristic Appring flashes of characteristic American humour, such as the description of the country description of the principal character as "a business efficiency expert; he fixes partnerships." As "Lucky," Robert Mont-gomery has often been seen to better advantage; on the other hand Maureen O'Spilling to the start advantage; on the other long ago, this young woman made her debut as Tarans hand Maureen O'Sullivan has never been so good. mate, and she is to-day a very pleasing actress. Edward admirable character studies are contributed by Arnold (whose name will soon mean much to lilm fans). Whitefard Lorentze and the contributed by Edward Whitefard Lorentze and Edward Patterson. Whitford Kane, Harold Huber, and Elizabeth Patterson The last is an actress of individuality, with a hint of Athera Seyler in serious vein. There is also Mickey Honney, most remarkable how notes, who has a second on the screen most remarkable boy actor who has appeared on the screen since Jackie Cooper. W. S. van Dyke directed.

Current Circus.

Cricket and Politics.

In The Times of September 8 appears the first instead of the september 8 appears the septembe ment of a special article by J. W. Trumble entitled "cricket".

To-day," This deals To-day." This deals with the influence of the pitch of batting and bowling methods.

The Exchange Equalisation Fund gets one of its notices in a leading article in The Times of September This Fund, it is said, has recently been used to prevent pound being "forced up" to an "artificial figure, would have been "highly embarrassing" to the trade this country. On other occasions it has been used to vent the pound being forced down to an artificial Apparently the policy of the controllers is to keep the policy of the policy of the controllers is to keep the policy of the policy of the controllers is to keep the policy of the policy still, and the problem for them is to know whereabout pound is to be told to keep still. However, we can all comfort in the sound of the term stable whe ling," and leave it to our betters to decide white it is stable when it is it is stable when it's still or still when it's Another point in the article is that however ent we are to for ent we are to financial authority in this we cannot be sure of a reward for our virtue exchange may be a financial authority of British exchange may be upset through no fault of British fin Quite so; and one could take matters further and the less faulty our finance the less stable it will be last analysis the fruits of impeccable finance in this should be our unacceptation. should be our unassailable supremacy in the world's for such is the banker for such is the one concrete result that the banke that they are aiming at on our behalf. It's a piture, this, of saining at on our behalf. ture, this, of saints capturing sinners' markets; but sumes that sinners won't resort to tricks to keep to out. If only sinners would be saints enough to saints visit on them the penalty of their saintliness—well then wall perhaps saintliness—well then—well, perhaps stability be stilled or stillness stabilised. But for goodness' sake fidget to know which fidget to know which.

Emigration.

Mr. Malcolm MacDonald, having presided over more in the fifty meetings of the Interdepartmental Committee on it is in Policy, has left for Australia. Perhaps his object in the kind of puzzle posed in the question: being do flies go in the winter-time? "That is as it made on the Times (September 1) assest he congratulated only of the congratulation. do flies go in the winter-time? "That is as it may tact in coupling Mr. MacDonald's temporary end with the main finding of the Committee which is with the really valuable migration is the spontane of the really valuable migration is the spontane of the committee with the really valuable migration is the spontane of the circumstances or those of their children.

circumstances or those of their children one would this is only a weak little joke. A better one sent imagine British emigrants packed in ships and sent

the high seas where the captains would be directed by wireless from the various financial capitals how the exchanges

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Seeing that trade and employment are at the mercy of the winds of monetary fluctuation, emigration ought to be in the nature of a mystery voyage like the hikers' arraway trips in the nature of a mystery voyage like the hikers' arraway. trips in the summer. And in this age of scientific marvels there seems no reason why the ship should not be steered directly from the board rooms of the central banks. Ships full of oranges have been known to tramp the round of the East Coast knocking at the doors of the ports until the oranges rotted and were dumped in the sea. So why not hawk men round the world in the same manner, and chance the round the world in the same manner, and chance the round the world in the same manner. the result? At any rate, there would be the fascination of the unknown to hearten the dispirited emigrants.

LETTERS TO THE EDITOR.

FARMERS AND FINANCIAL THEORY.

Sir, There never was a time in all history when those in power, in politics or finance, were held by old and young in such absolute contempt as now; never in the history of journalism has a newspaper article had so little influence as how; yet how to deal with such a situation is not getting the attention it should. A couple of years ago, discussing business with the advertising manager of a large concern whose name is a household word, I asked him what he thought was the chief cause of the prevailing depression, he was the chief cause of the prevailing depression, and was unable to answer but stated that " all the politicians and financiers wanted shoving down a sewer." That is quoted as an one good deed as an example of the general contempt, it is one good deed we can ascribe to Viscount Snowden—he has done more to bring that about than any other one man.

Turning now from the townsman to the open country which is more in my line, I have always found when talking to face. Ing to farmers, introducing figures, perhaps, culled from The $E_{conomiss}$, introducing figures, perhaps, culled from TheEconomist, or quoting one or two of Stamp's wisecracks, I have have always met with the rejoinder, "It's no use, Mr. they doant know." To a real countryman there are three distinct classes (or shall I say, were?) in this country, the landed gentleman, the city snob, and the labourery, the landed gentleman, the city snob, and the labourer between whom there exists no bond of sympathy with pathy whatever. To a countryman again a strong dividing line is drawn to be a countryman again a strong dividing is drawn to be a countryman again as the country and knowledge; line is drawn between what he calls brains and knowledge; and when t and when brains enter in at the door knowledge flies out of the window. the window. That is why the countryman always appears reticent to ... Many years ago teticent to a townsman—even to silliness. Many years ago a very old landowner, a gentleman of wonderful insight and vast experience. Past experience, said to me, "A man might think he could not be pay 24 per case, said to me, "A man might think he could work day and night pay 2½ per cent. on borrowed money and work day and night to do it, but he will surely fail." To have asked that old gentleman how he arrived at this conclusion would have an improve he arrived at the conclusion would have been an impertinence, would have branded me at once as a anob of the anob of the something for nothing crew, trying to get other peoples know the something for nothing crew, trying to get other peoples know the something for nothing crew, trying to get other peoples know the something for nothing crew, trying to get other peoples know the something for nothing crew, trying to get other peoples know the something for nothing crew, trying to get other peoples know the something crew that the something crew the something crew that the something crew th oples knowledge on the cheap. To my idea it is the farmcommunity that is ready to take up social credit once handed to them in suitable shape in due regard to superior knowledge, and not forgetting that they are engaged in the most highly skilled enterprise there is. The truer will tell us—that is, if we get behind his reserve—the only of the party the only theory of government known is for the party berately to teliberately to impoverish its own followers; and he quies Labone p Labour Party as his example. No doubt a few of those power are aware that history has taught them that the obedient population is the one that has been reduced economic impotence, but all the rest stick to the theory ause they are incapable of absorbing any other. For my will find half a dozen hard headed old ploughmen

orgether will possess more knowledge and much more pable of governing than any thousand men taken as they re was a country family who had been farmers for alions

was a country family who had been farmers and at the beginning their own farms; and at the beginning to contain the second to all his century there was not enough land to go round to all one; and ons; so the youngest was landless. He came to London to a look a lock a job, he earned so much money for his employers the other carried luxury to such an extent that he always washed his face in champagne. The young countryman started in business for himself on borrowed money, paid off his debt by thousands every year, and in 1912 said to me, "It is my ambition to farm 2,000 acres and be a master of hounds; for one thing it is my duty to provide food for the people because one day there will be famine and I do not want to see my wife and children starve." There is knowledge for you with a vengeance.

Now, what are we going to do about it? The searching contributions of Mr. R. Laugier are refreshing fruit, but his advocating the emotional appeal, though ever so true, still scents of the study. With food tickets in the offing and famine just below the horizon we must look upon the men producing our food as the most important members of the community. I handed a copy of the Christchurch Oration to a farmer; he read it slowly and attentively, and he said, "What a brain-this man must have a super brain, but it's no good, it will come to nothing. Don't you understand, what has brought us all into this terrible condition is brains; and what is this man's brains among all the million other brains? Soon after the war the best men in Germany tried to solve the same problem, but it killed them before they were half through, it was the cause of the death of poor old Bonar Law. No, Mr. ---, brains will not solve our difficulties; what you want is knowledge. Can they grow a cabbage? "

Since writing the above Mr. Hargrave has come on the scene with his "Frustrated Culture," which proves the case before I could suggest reading these notes in conjunction with that excellent lecture on Psychology that appeared a few weeks ago in these columns. Man has a finite mind and can only interpret phenomena in terms of his own experience, consequently if that experience is lacking in length and breadth and is not founded on natural conditions it is clear that much of the "culture" that exists (or, in the farmers word, "brains,") is abortive. Economics and allied subjects are quite suited to a man acting in a secretarial capacity, but have little interest for the man who is ' getting a living." The agricultural community is ready for a lead, and as I have endeavoured to outline its temperament the problem is how to make the approach.

SCOTLAND AND SOCIAL CREDIT.

Sir,—
"There is one point on which I should like the opinion of a Scottish Nationalist, who is also a Social Creditor. He would surely agree with me that political separation from England, without Social Credit, is useless. Now I am inclined to think that if Scotland had Social Credit, then political separation from England would be needless. Would the Scottish Nationalist argue, perhaps, that separation is a necessary first step to the achievement of Social Credit? It is a point upon which I am open to conviction, but if it can be demonstrated, I shall be henceforth a wholehearted Scottish Nationalist."—(From a review of *The Modern Scot*, by Mr. Neil McEachran Montgomery, in The New Age, 26/7/34-)

In case Mr. Neil McEachran Montgomery is still waiting for a reply, I should like to assure him that no Scottish Nationalist cares a docken whether he becomes a Scottish Nationalist or not. For his attitude is identical with that of the Tory, the Liberal, the Socialist, the Communist, or the Banker. All of these, along with Mr. Neil McEachran Montgomery, are prepared to support Scottish Nationalism -provided the Scottish people bind themselves in advance to maintain, or adopt, their pet economic doctrine. To be a Scottish Nationalist one must be prepared to trust the Scottish people's choice.

No Scottish Social Creditor could claim that self-government is a necessary first step to the introduction of Social Credit in Scotland. But anyone with even a rudimentary knowledge of the history of the British Isles can confidently expect the Scots to be readier than the English to adopt a radically different economic system-if they were free to do

Sir Robert Horne, like Mr. Neil McEachran Montgomery, a Scot, admitted quite openly that his opposition to selfgovernment for Scotland was due to his certainty that Scotland would immediately adopt a different form of government from that of England. And he and his fellow-Directors are wise in their generation to realise this so clearly.

"Political separation," without Social Credit, is certainly not "useless "-unless one considers the Scots (only those foolish enough to stay in Scotland, of course) much inferior to the English in intelligence and determination.

Surely, as a Social Creditor, Mr. Montgomery would agree with Major Douglas that Centralisation is one of the chief evils of the present system; that, through Centralisation, the wishes of the people are made nugatory; and that "financial power" becomes more and more absolute. Is not decentralisation the obvious method to adopt in fighting this menace? Is not self-government the obvious method for Scotland to de-centralise?

As regards Mr. Montgomery's "review" of The Modern Scot, little can be said here. He doesn't appear even to have skimmed through the copy sent him. His qualifications as a literary critic are not obvious; as a historian, they are he shows a complete ignorance of all recent studies of the Union of the Parliaments, the '15 and the '45 and their economic consequences. His remarks on the "needless exaggeration" of Scottish Nationalists would be more effective if he had shown any knowledge of their case or any ability to refute their contentions. ability to refute their contentions.

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