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NOTES OF THE WEEK.

What Is Money?

The *Financial Times* of January 2 allows to a Mr. Eric M. Carter several inches of space in its correspondence column to discuss the usage of the term "Money." He points out that it is variously applied to (a) notes and coin, (b) notes, coin and deposits, (c) notes, coin, deposits and short loans, (d) wealth in general. Also the term is used to represent an "abstract idea" in the minds of "academic economists" which "lends itself to treatment by symbols, formulae and algebraic equations and even higher mathematics." He concludes with the opinion that in serious discussions on monetary problems "it is necessary to define the word, or, better still, avoid using it."

* * *

We shall all wish Mr. Carter good luck in his plea for exactitude in definitions, and if he would extend it to cover such terms as "reserve funds," "wealth," "cost," "prosperity," "solvency" and so forth he would expand the usefulness of his campaign enormously. The essence of definition is differentiation. Its proper function is to emphasise un-likenesses between ideas, or facts, or categories of such. Nevertheless it can be made to abuse its function. Over-definition can be as fatal to clear thinking as under-definition. For example, if you enter into a discussion of a proposition in hydraulics you do not need to bring into it the chemist's definition of water as consisting of two atoms of Hydrogen in combination with one of Oxygen. Much less do you need to trouble with the sub-atomic theory as to the structure of these components. For you are here only concerned with the properties of water as such, and only with these so far as they relate to the behaviour of water under compression. In general terms, the value of a definition depends upon its applicability to the frame of reference in which you propose to use it. If, for instance, you are a banker wishing to ascertain the ratio of your cash to your liabilities, you have to be clear about what is "cash" as distinct from other forms of "money," for the practical reason that the people to whom you propose to communicate this ratio are not concerned with any other kind of money than that with which you are under obligation to meet your liabilities, that is your "cash"—a term which, by the way, has a significance very different from the man-in-the-street's idea, for here it includes your balance with the Bank of England as well as your legal-tender currency.

* * *

Coming at once to the "serious discussion of the monetary problem" which concerns readers of this journal (not to speak of the whole population of consumers) it will be seen that narrow and exclusive definitions of money will fog the issue which we want to debate, however well they may illuminate other issues which we are not concerned with. The definition that we require is a very broad one, one which in fact does not differentiate any one kind of money from another, but which, on the other hand, does differentiate *money* from *things*. We are concerned fundamentally with the principle on which costs are calculated. The *kind* of money which we are concerned with is that kind which, when expended by productive organisations, is recorded as a cost. That is to say, we are not concerned with *kinds* of money at all. We should be concerned with *kinds* of money only if someone could point out to us a *kind* of money which registers costs on a different principle from that of other kinds, or which, in the hands of industrialists, registers higher or lower costs than do the others. As things are, it makes no difference whether the business man pays out a golden sovereign, or a one-pound note, or twenty simulation-silver shillings, or a cheque for one pound—the cost registered is one pound in every case. And when conversely he recovers this cost (if he does) it makes not the slightest difference whether he gets it in metal coins or printed stationery. What he pays, and receives, in any of these cases, is *legal tokens of purchasing power*. By this we mean something more than what is called "legal tender." A "legal token"

in our context is any token which the bankers will voluntarily and regularly accept from borrowers in repayment of debt. So all kinds of money that they look kindly on are one kind of money; and this money is acceptable to everybody else for that ultimate reason.

* * *

If Mr. Carter should call this an "abstractionist" idea he commits himself to the proposition that all notations of counting are abstractions. This is manifestly wrong. What we would say is that a *misapplied* notation tends to "abstraction," whether you are counting things or tokens of things, and particularly when you are relating things with tokens of things. For instance, if a farmer were to miscount twenty sheep as twenty-one he would have created an abstract sheep. And if he invoiced twenty-one sheep to a butcher who could count correctly, the butcher would soon point out the mythological nature of the odd animal. As a matter of fact, there can be a lot more abstractionism in irrelevant and superfluous definitions than in broad generalisations. If an untutored farm-labourer were counting things up on his fingers, and someone were to warn him to be careful because each finger was different in size and shape from the others, or because his hand was too big or too small, you would infer that the village idiot was his adviser. And for anyone to-day to say of the money system that we have to call the thumb "gold," the first finger "currency," the third "cheques," and so on before we can count costs correctly is equally stupid—unless, of course, the mentor is counting on confusing us into mis-counting, which is probably what we should do. This does not apply to Mr. Carter, because he doubtless does not include the problem of costing in his picture of "monetary problems," and in that case there is some relevancy in his analysis of money into categories. But since, in our view, all money problems, as such, are derivatives of the costing problem, we must affirm that his immediate relevancy is a measure of his ultimate irrelevancy. To scrutinise closely what doesn't matter infects you with a blind spot for what does matter. Mr. Carter, we are afraid, is an innocent carrier of this infection.

"The Times's" 150th Birthday.

Many of our readers must have derived amusement from the leading article in which *The Times*, on January 1, enumerated its own attributes and applauded its own traditions on the occasion of its 150th anniversary. It is not a case of the present directorate's and staff's presenting themselves with bouquets, but of their trooping colours which symbolise an inheritance from their ancestry. And that inheritance can be shortly described as comprising and reflecting the axioms and policy of high finance. For all those major elements in the attitude of *The Times* on public affairs have been identical with those in the attitude of the money-monopolists. Time is money—and *The Times* has been most worth its money to those who have dealt in money throughout past generations. It is true that in the beginnings of the history surveyed in the article there was no money monopoly such as exists to-day. Sixty years were yet to elapse before the passing of the Bank Charter Act which laid the foundations of the super-governmental edifice which now towers above our Parliamentary institutions. But, on the other hand, two hundred years had elapsed since the famous Fuggers were collecting news on an internationally organised scale for the express purpose of facilitating their financial policies and plans. News is money, just as time is money—in fact the two sayings are one; for although news has money-value on account of its freedom from inaccuracy, it has much more on account of speed in transmission. In only too many cases it is self-evident that the cash value of true tidings accrues to the party who hears them first—after which their truth is left with merely educational value to other parties. The victory at Waterloo enabled Rothschild, who heard of it first, to abstract a respectable sum of money from the pockets of those who heard it second. And, to come to modern times, the investing public would have been a lot better off if they had heard of the South African Government's decision to come off the gold standard as soon as did the bankers and mineowners.

* * *

It will be recognised, in this context, that Mr. Fleetwood-May rendered better public service than he was aware of when he told the Post Office and Telegraph Society that "news-collecting . . . was originally nothing to do with newspapers, but started as an essential part of international finance" and added that: "It began with the Fuggers, financiers, who had correspondents all over Europe." (See the "Notes" in THE NEW AGE of December 27 and a letter in the issue of January 3.) *The Fuggers' News Letters* are preserved in collected editions (The Bodley Head), and those who care to do so may judge for themselves how well the activities of this family paved the way for the coming of the Press. In this frame of reference it can be said that the Walters were descendants of the Fuggers. John Walter and his successor did not so much found a tradition as they developed a policy and technique for perpetuating it. Go through the list of virtues and achievements on which *The Times* dwells so proudly—noticing particularly, by the way, the persons and institutions who have since underwritten this pride with their tributes to the occasions of it—and you will find that each and all of them blend like the colours of the rainbow-bridge over which Wotan and the other gods (and goddesses) strode mightily into their new heavenly abode, Valhalla, built with the gold of the despoiled and wailing Rhinemaidens. Thus *The Times* has always given general support to the Government of the day; it has reprobated extreme views; has ignored "cranks"; has fought against "corruption" in public life; has been the exemplar and inspirer of "honest" and "independent" journalism; its views have been as dispassionate as its news has been accurate; it has fulfilled the function of reconciling conflicting interests; and, in sum, has been the steward of the mysteries of the British Constitution. Measured by the conventional criteria of independence, honesty, incorruption, moderation, consistency, and other attributes, *The Times* undoubtedly deserves the acclamations which herald its anniversary. But these criteria are no longer absolute in the eyes of those who have seen deeper into the springs of political policy, and watched them being fed by financial inspiration. Dirt, it has been said, is clean matter in the wrong place. And it can be just as truly said that virtues, high ideals, or loyalties can become vices, or at least superfluities, outside their proper frame of reference; they can become vehicles of vicious consequences; and they must if they are exercised for conducting a system which is inherently vicious. Moral intentions do not guarantee moral results; nor does efficient workmanship correct faulty designing. So, however highly we rate the intelligence, integrity and competence of the technicians who run *The Times* we have to bear in mind that

their power over policy has diminished to a negligible proportion of that which their ancestry once enjoyed. It may not appear so to them, for it is probable that they are too engrossed with their functional tasks to realise what new potential fields now exist for the extension and exercise of their present independence. The word "independence" means nothing in itself: to give it a meaning you have to inquire: Independence *of what*? In the old days it was independence of profit-hunting groups and ambitious personages who might seek by bribery or intimidation to harness journals to their purpose. That achieved, the newspaper could rightly call itself free, for there existed no further sources of assault on its liberty—at least, no visible ones. But post-war research into credit-theories has disclosed the existence of new sources from which assaults more powerful and insidious are being launched—more powerful because those who launch them can exercise greater coercion; and more insidious both because they need not apply coercion directly and because they are above suspicion as regards profit-hunting or personal aggrandisement. And, over-riding these considerations, is the fact that they are regarded as the rightful and exclusive repositories of the wisdom and knowledge on which their policy is founded. And when you get a group in which are supposed to reside the highest wisdom and the highest selflessness, how should any conscientious editor hesitate to fulfil their purposes irrespective of bribes or intimidation? The Walters, who guarded the infant-paper had only to fight against the flesh and blood of crude corruption, whereas their living descendants are faced by principles of spoliation in high places and innocently reconcile them with the interests of the despoiled. In the "public interest" they lend their talents to anti-public policies. So in boasting of their independence they are really boasting of their absent-minded aloofness from evils which their traditions should oblige them to expose and help to abolish. That would be a task worthy of *The Thunderer*, and would afford scope for something deeper than canned thunder.

Roosevelt's Plans.

President Roosevelt's new plans need to be recorded. *The Times* points out that whereas the provision of work for the unemployed is desirable it will probably be objected to as involving a heavier charge on the Budget than the granting of relief. This means that wage-rates, being higher than relief-rates, the cost to the public would be greater. Two other possible objections are noted later, namely the expansion of the National Debt, and the tendency towards price inflation. What will happen need not concern us for the moment, but one or two comments on what ought to happen can be made. It should be noted that whereas money paid out by the Government on relief ought to be a charge in the Budget, money paid out on employment need not necessarily be regarded as a Budget charge but can be lumped together with other money which must necessarily be spent on the materials and semi-manufactures which the men will use in the course of their jobs—in this case the construction of public works—and the whole charge might be kept out of the Budget as representing a new capital asset. If so it would be cheaper for the taxpayer, for instead of being taxed for the whole amount of relief in the same financial year he would get off with one of only, say, 5 per cent. of the total unemployment expenditure in that year. In that case the Public Works scheme would have to cost over twenty times the alternative Relief scheme before it became a heavier immediate charge. In the same case of course the Public Works would swell the National Debt by their full cost, whereas the Relief (being recovered) would not. Then as to price-inflation, this would affect a wider range of products under the Public Works scheme than under the Relief scheme, which would affect consumable articles only. One presumes that President Roosevelt will be able to prevent gross profiteering at the expense of the Government in respect of materials and at that of the employed in respect of food. He said at the commencement of his presidency that he would run the economic system just as if the United States were at war—in which case precedents exist for price-control, or for levies like the excess profits taxes in this country during the war. Of course the taxing method is worse from the point of view of the people generally, for they would have paid the tax in the higher prices.

* * *

Assuming that the Government are able to buy at fair prices, and similarly the newly employed men, there remains the problem arising from the existence of products behind the markets and mortgaged to the banks for past loans. The building of Public Works cannot go on for ever, and the question arises of how far the stores of material now behind the market will go, how much more work done on them (and at what new cost) will finish them for sale to the Government at the full cost (including old and new costs). For instance, if a contractor has, say, £100 worth of material on which he owes his bank £80 he may have to spend only, say, £20 more on it to get £120 out of the Government. In that case the bank would collect and cancel the £80 leaving him with £40. If that £120 worth was all that was required for the Public Works scheme (for the contractor represents industry as a whole in this illustration) there would now be a gap of £80 between the Government's expenditure and the maximum amount recoverable in taxation. This proposition, and also the figures, are exaggerated, but they illustrate the point that in all Work schemes of this sort a substantial amount of the money spent by a Government can become short-circuited out of circulation without having come into the hands of any citizens, and therefore without having created effective demand in industry.

Investment Capital.

The recent writing off of about £17 millions from the capital of the Royal Mail Steam Packet Company and Elder Dempster and Company will afford a clue to the old conundrum (revived recently, we notice, by the editor of the *Yorkshire Post* in a footnote to a letter from a Social Credit advocate) namely: If the shortage of purchasing power is inherent and progressive, why is it that industry hasn't collapsed long since? Well, the above £17,000,000 is one contribution to the answer. And if you add together all the others of a like nature that have been recorded (if only since 1918) you will get an impressive total of lost capital. In restrospect this lost capital is partly a subsidy to industry, and in prospect it is partly a subsidy to consumers (eventually). Obviously, insofar as industry can receive money gratuitously it can get its fixed capital for nothing and can afford to waive overhead charges without jeopardising its solvency.

Universal Investment.

Bearing upon this *Prosperity* (Payne's Lane, Coventry, price 2½d. post free) in its number for this month reprints an article by the editor of THE NEW AGE, which first appeared on March 19, 1931. It was written

as an "Address to the Unemployed," but dealt not only with the employment question, but the investment question. On the latter question an analysis of the War Loan ramp was given with the object of proving that if every citizen had participated on the same conditions as the investors favoured by the banks (who were putting up the money) there would have been no object in recovering the War Debt, or interest on it. Similarly with Peace Debt, supposing the bankers were to have continued their practice after the War ended. The money would have been handled in the same way by producers and consumers, and the industrial accounting would have been just the same, but in the one case there would be (as there is) a debt, and in the other, no debt. The article explains why; and everyone who accepts the explanation will be able to add further answers to the conundrum set by the *Yorkshire Post*.

* * *

We may add one observation. When we say that there is bound to be a shortage of purchasing power under the rules of the bank-loan-costing-investment system, it is no answer for us to be told that a breach of the rules eliminates or abates the difficulty. It proves our case. There was a small boy once who, on being asked by his teacher what pins were for, answered that they saved people's lives. "How's that?" said the teacher. "By not swallowing them," replied the boy. And if the community are sometimes excused from swallowing the rules of "sound finance" that is a reasonable explanation of their comparative immunity from bankruptcies, suicides, and other disorders.

Music.

Ania Dorfmann, Aeolian, December 7.

This was unquestionably the most attractive piano recital that has been heard during the season up to date.

After hearing some of our alleged keyboard Colossi who, despite their fabulous finger facility, appear to possess the most rudimentary notions of tone production and the feeblest aural sensitivity, it is indeed a pleasure to record that in the case of Mme. Dorfmann one did not hear a single unmusical sound throughout the evening.

Here we are speaking solely of pure tone as such, but over and apart from Mme. Dorfmann's instrumental command (which may not be of the "transcendental" order, but which is nevertheless fully equal to the demands of any music worthy of the name), an acute and alert musical intelligence manifested itself during the playing of each item.

The programme could hardly be described as adventurous, consisting as it did of a Mozart C major Sonata, the Schumann Phantasiestücke, Op. 12, the Chopin F minor Fantasie, three Etudes, and F minor Ballade, some familiar Liszt and a miscellaneous modern group; but Mme. Dorfmann succeeded by virtue of her unfailing musical sense in consistently maintaining one's interest in most of these well-worn works.

The Mozart was delightfully crisp and clear, and the Schumann exemplary in its freedom from exaggerated sentiment, while the Chopin was excellent save for an occasional insufficiency of tone and intensity in moments of climax, notably in the Fantasie and Ballade.

Prokofieff's Prelude, Marche, and Gavotte, Op. 12, were played with considerable charm and precision, and incidentally proved to be quite agreeable pieces and a great improvement on his present mechanised efforts—clearly another case of a composer, as Mr. Newman has it, "with a promising past."

Mme. Dorfmann then gave a very individual but none the less acceptable account of Rachmaninoff's very engaging, exciting, and extremely exacting "Polka": her playing of this differed very much from Rachmaninoff's own conception of it—both on the gramophone and in the concert hall—but apart from one or two rather far fetched rubatos, Mme. Dorfmann's rendering was in its own way quite enchanting.

The programme concluded with Infante's "El Vito" variations, a work of brilliance but of no great interest.

It is a pity London does not hear more of such a genuine (and therefore rare) artist as Mme. Dorfmann.

CLINTON GRAY-FISK.

A + B.

MORE REFLECTIONS ON THE ADAMSON DIAGRAM.

We now get the following theoretical position, namely that as from the fifth period—the first of the consumption-periods—there will be distributed simultaneously as personal incomes in every period

a. Five times £200 on account of clothes = £1,000,
b. A sum of £100 on account of machine maintenance,

and there will be costs created in each of those periods amounting to the sum of the two lots of income, namely £1,100. So there is still no shortage of purchasing power even with the machine-charge included in costs.

But the reason why there is not is that the cost of the unfinished machinery, like that of the unfinished clothes, is held in suspense, in the manner previously described. Consumers are only required to pay charges incurred in each period, and those charges are no higher than the incomes they receive in each period.

This happy situation depends, however, on the assumptions that the money required to finance the operations:

(a) Is the property of the producers, or consumers;
(b) Is available in sufficient amount to ensure the even, unchecked, flow of goods into the consumption market at the maximum rate physically possible;
(c) Is dealt with at the discretion of the producers and consumers;
(d) Is consciously handled by producers and consumers in accordance with their recognition that their *common purpose* is *physical consumption* and that their separate interests as regards money are reciprocal.

But under our present finance economy none of these assumptions is true. Money is created and provided by the bankers: the discretion as to the duration of its use by producers belongs to the bankers; the amount provided is also at their discretion. In regulating the duration and amount the bankers are not concerned (as are the producers and consumers in the hypothetical case we are analysing) to promote an even, unchecked flow of the maximum quantity of goods into the consumption market.

Reconsidering the analysis of machine-costing in the light of these facts, what would happen after the fifth period when the machine began to be worked? Even assuming that the bankers had cumulatively loaned the £2,000 during the pre-consumption periods and £1,000 in the first consumption period to produce the machine (costed at £1,000) and the unfinished machinery (costed at £2,000) they would now require the producers to return them "their" £2,000. They would base their decision mainly on the fact that since the new machine was at work, and was being maintained, there was no prospect of another such machine being required, and that the unfinished machinery was therefore "redundant" and not a proper "security" on which "their" money should remain out on loan.

So the £2,000 would have to be yielded up to the banker. When yielded up it would be cancelled, i.e., retired from circulation. Whether all at once, or gradually does not affect the argument; but to save complication of detail, say that the whole lot is retired. The money is available to do this—for as we have seen, it exists as a consumers' hoard, or as a trust-fund by producers. Suppose then that the £2,000 is called in during the fifth (first consumption-) period.

Remembering that we are keeping the machinery-costing separate from the clothing-costing the situation at the close of the fifth period is as follows:

PRODUCERS' OUTSTANDING COSTS.	
Finished machine	£1,000
Unfinished machinery	£2,000
Finished clothes (sold)	(nil)
Unfinished clothes	£2,000
Total	£5,000

MONEY IN EXISTENCE.	
Accumulated income as yet un-retired by the bank	£3,000

In prospect at this juncture the consumers will thenceforth receive £1,100 every period with which to defray the cost of clothes and maintenance of the finished machine. They hold £3,000 representing the finished machine and the unfinished clothes—for, by assumption the bank has not called this money in. As these costs and the money are equal at £3,000 we may leave them out of view for the moment as not affecting the question of shortage of purchasing power, and confine our attention to the narrow question arising from the fact that the producers have custody of unfinished machinery costing £2,000, while neither they nor the consumers have custody of any money at all representing it. If the producers charge it up in future prices (whether wholly or gradually) then the cost of clothing will exceed the £1,100 per period, and there will be a shortage of purchasing power.

But need they? Well, the answer is No provided that the conditions of our earlier analysis were to prevail where we showed that the £2,000 of money when it existed was at the disposal of consumers who either held it or entrusted it to the producers according to the object of their common purpose. Consumers could pay it in prices if charged; or producers could refrain from charging it if they received it in trust.

But the conditions prevailing in actual industry do not allow of this reciprocal arrangement. Consumers are not a homogeneous body dealing with producers as a homogeneous body, but are divided into two classes—those who have some money to spare after consuming what they want, and those who have none. Those who have some money form the class known as investors, and those it is who hold the "hoard" of £2,000 shown in our analysis. In that situation it is obvious that this class, when they hand their money to producers do not say (as it was implied that the "community" said in our analysis): "Here, take this £2,000 to enable yourselves to distribute clothes in the maximum quantity at the lowest (or "just") price to consumers generally." No; on the contrary, they say: "Here, we will lend you £2,000 on condition that you recover in price from the rest of the community a regular dividend for us while at the same time managing your business so that our £2,000 can be returned to us intact." That, moreover, is their minimum demand. Their maximum demand would be for the producers to set aside "reserves" as quickly as possible out of profits up to (ideally) the £2,000 lent. And in actual business to-day the banks make such a demand effective by applying the rule in lending money that the higher the reserves of a would-be industrial borrower the "safer" he is. So every individual producer is obliged to compete with others in this reserve-building on pain of being put out of business if he lags too far behind the leading competitor in the race for the banks' favourable consideration.

So in regard to the £2,000 in the analysis, the producers must levy a charge on the clothes additional to the £1,100 which we saw would have satisfied the equation under the assumption first made.

And now we need no longer keep separate our analysis of the machinery-finance from that of the clothes-finance; for the banks' rule applies universally, and investments are made in capital and consumption goods alike under the conditions rendered necessary by the banks' rule. Without troubling further about figures we can sum up and say that the conventional costing of consumption goods must inevitably exceed the true costing, and must create within industry minimum prices in corresponding excess of maximum incomes available outside at any given time.

Now directly there is any shortage of purchasing power at all—never mind the size of the deficiency—there is a restriction of production. To refer to our analysis, directly the price of clothes exceeds £1,100 and incomes do not, fewer clothes are delivered for the £1,100. That is the social evil of the situation. It in no wise solves the problem of industry, which is to get *more than* £1,100. Again, the new machine referred to now works at under capacity, thus deferring still farther the prospect of making new machines, and making it the more imperative for the unfinished machines to be charged against consumers' incomes.

We have refrained all this time from inquiring what happened when the new machine got to work. It would certainly have caused a saving in labour. So the community's income would have descended below £1,100 by an amount commensurate with the labour-saving capacity of the machine. We need not elaborate this, as it is familiar ground to every student nowadays.

Broadly speaking, the shortage of purchasing power is caused by the constant pressure to charge for products *behind* the market against incomes *in* that market at any given time. Costs are carried forward in advance of their true time order. It's a bankers' stampeding of the costing process. Again, and fundamentally, this process is equivalent to "winding up" in the bankruptcy sense. When critics say that industrial processes are continuous they beg the question. Under bank rule it may be said that industry is perpetually in the incipient stages of winding up. That is the cause of the phenomenon of "trade cycles."

We said earlier that the true test of the soundness of the financing of industry—and the test of the orthodox belief that there is no inherent shortage of purchasing power—depends upon whether industry could be wound up and pay twenty shillings in the pound; whether industrial assets could be bought at cost with the money belonging at that time to private individuals. We showed, apropos of the diagram, how this could have been done if the farmer, spinner, and weaver had successively gone out of business, because the money representing the cost of their stocks was in existence as a "hoard" of consumers or a deposit with producers. Critics sometimes say: "Oh, yes, there may be a shortage of purchasing-power when trade declines. . . ." The proper assertion is that the shortage of purchasing power *becomes more apparent*. It is there all the time, but shows up more in the decline just because the decline begins to apply the bankruptcy test to the bankers' system of industrial finance.

What Will Remain?

By R. Laugier.

VIII.

Gentle Jesus, meek and mild. As I understand Christianity it interprets strength in the light of a gentle serenity and poise, a sweet reasonableness, patience, forgiveness of enemies, loving kindness. The interpretation of strength ("the will to power") as the possession of opposite and of "tough" qualities, appears to me as an attack upon just those things for which Christianity will always live. It is also my belief that strength is manifested in serene harmony and balance of emotions and intellect; and when these qualities are possessed, their owner is unlikely to be described as "tough"; more likely he will be called "sweet will" and "song-bird." It is notable that Jesus and Shakespeare, both having given expression to the most terrible among human thoughts, are described as "mild" and "sweet." There is no contradiction here. It is the sweet singer who plumbs the very depths of the human soul; it is the mild and meek who brings an Empire to her knees.

When Christianity teaches human, loving kindness it is on the side of culture: when Christianity is used to encourage asceticism; unnatural solitude, breeding intellectual arrogance; violent dogma; contempt or horror of the body, of women, etc., then it works against culture and humanity. There is nothing too sublime or too contemptible for the human soul to compass; and gods and devils are the creations of a similar power of passion, directed one way or the other. To-day, it is important to realise that the servers of despotism and the "men of good will" are both likely to fight with precisely the same battle-cries.

The philosopher, poet, or scientist who has no fault to find with his age, "if it only permits him to do his work undisturbed in his corner," will become willy-nilly, a teacher of some *laissez-faire*, however far-removed in thought such a philosopher may be from Adam Smith. The philosopher content with an anti-cultural age, so long as he can work, has made the common error of divorcing, mentally, "production" and "consumption": in an anti-cultural age, even if the philosopher can produce a fine philosophy it cannot be "consumed." (We see the same thing in a scientific "progress" which threatens us with extinction, because such "progress" is used in anti-cultural fashion.)

Despite his poverty, despite his bluntness, Schopenhauer nevertheless contrived to be a "Man of the World." His brilliantly racy style (a raciness to be found in Nietzsche) alone will show that Schopenhauer obviously observed life at first-hand and avoided the formal note of the school and academy. His "energetic disposition did not suit him for Nirvana"; and he had been influenced by the maxims of La Rochefoucauld.

Now the "Man of the World" of polite society is in impolite society called the "Hard Case"; and the most notable thing about the "Hard Case" is that he is nothing like as tough as he pretends. If he were tough he wouldn't bluster and swagger so much. As it is, he is not much good in a scrap, and no good at all in a dangerous emergency: it is the quiet fellow, the "God-fearing" simple chap who is calm and efficient.

We find much the same thing in belles-lettres, except that, as we are dealing with a more subtle and sophisticated type, the contradiction between words and conduct may not be so obvious. But it is obvious enough. Worshippers of strong men, like Carlyle, Nietzsche, etc., are obviously physical weaklings, dyspeptics, and neurotics, who in a world of strong men would have little chance of survival; in fact, Carlyle and Nietzsche will probably survive as poets rather than prophets. As for the followers of Nietzsche. . . . !

La Rochefoucauld, who influenced Schopenhauer, was a cynic (which means a sentimentalist), and he was shy and awkward in a drawing-room. Stendhal, who influenced Nietzsche, and wrote chiefly about seduction under difficulties, was not much good at seduction under facilities. A worshipper of Napoleon, Stendhal was not such a good soldier as Cervantes, who attacked military chivalry. It is the physically impotent type that possess a feminine, hysterical hero-worship of male strength; the more normal man, and particularly the strong man, never thinks about "strength." It is the little man of letters, in his "silence room," groaning at the cackle of neighbours' chickens, who becomes lyrical about a dull drill-sergeant like Frederick the Great; it is the author rejected by the army who worships the army. (Similarly the last thing with which virtuous men are preoccupied is virtue.)

The "Man of the World," when he is not a genius, becomes the most tiresome snob and bore. He is as much a bluff as the "Hard Case." The ordinary "Man of the World" is exemplified in the *boulevardier* who fancies that he shows his virility by a "conquest" of every woman he meets. It does not occur to him that intensity and quality, not quantity, are the things that count in love, as in other matters. The most egoistic lover of taste usually concentrates his passion and his loyalties. And, in any case, sexual promiscuity demands an eighteenth century Venice, or a South Sea Island, some place or time where amoral standards apply. Commercial civilisations defeat the would-be Casanova by producing a code which all the more intelligent, charming, and beautiful women accept, after which the "Man of the World's" "conquests" are as easy as Joshua's: he has only to blow his trumpet and the walls fall flat.

All this worship of drill-sergeants and "tough" natures necessitated a contempt for the common people, and this contempt alone will lead the philosopher astray. If the common people must always be swine, why write philosophy, and publish books? As a fact, the common people steadily and continually give the lie to their traducers. When a government, wishing the common folk to enlist for a war, speak of "drawing the sword in the sacred cause of loot, oppression, lust, and carnage," then I will believe that the simple man is a scoundrel.

As a counterblast to the ruthless individualist and worshipper of uncreative military conquerors, let us consider Mazzini:—

> *And as it is impossible to dream of the moral and intellectual progress of the people without providing for its physical amelioration—as it is absurd to say, "Instruct yourself," to a man who is working for his daily bread from fourteen to sixteen hours a day, or to tell him to "love" who sees nothing around him but the cold calculations of the speculator and the tyranny of the capitalist legislator—the social question was found inevitably grafted upon the question of political progress.*

Mazzini knew the people. He worked all his life for them, fought with them, suffered with them. If ever there was a practical artist-statesman, he was one. No wise man ever despises his fellow-men.

(*To be continued.*)

London's Galleried Inn.

Good beer is good beer, wherever it is to be found. It is a liquid too rarely sold for anyone of taste to cavil at the architectural vulgarities of the building which may house the celestial barrels containing it. Mock marble and chromium plating may offend the eye; but if by some strange chance they are to be found in conjunction with beer of honest quality, the palate demands that aesthetic considerations should be ignored.

There are not many taverns or hotels in London where draught beer of sound brew is to be had. "When found, make a note of," as Captain Cuttle used to say. The Editor of this journal is acquainted with one of these exceptional houses not a hundred miles from his Holborn office. But there is one inn still standing in this strange metropolis which not only sells good beer but is in itself an unspoilt survival from the past. Its escape from the demons of demolition is almost a miracle, and, speaking of Captain Cuttle, it would require the great brain of Captain Cuttle's nautical friend, who you may remember once modestly confessed that "the point of his observations lay in the application of them," to speculate with proper profundity upon the unlikely presence of this tavern in a busy London thoroughfare.

The street is the Borough High Street; and perhaps the reason why I have already quoted twice from Dickens is that this High Street and its environs are full of Dickensian associations. For here stood the Marshalsea, where the Dorrits lived so long; here still is Lant Street, where Mr. Pickwick had supper with the medical students; and here was once the White Hart, where Sam Weller was the boots, pulled down in 1889, and first mentioned in historical record in 1406. The building which was pulled down, of course, was not fifteenth but seventeenth century, a three-sided galleried inn built round the courtyard where the horses and coaches began and ended their journeys.

A companion hostelry to this famous White Hart was—and is—the George Inn. Yes, it is the George Inn I want to tell you about. Two of its three galleried sides have gone, demolished by the railway company which uses its ancient yard as a station for its horse-van delivery traffic—you see how tradition still lingers there?—but one side still remains, and the first sight of it will astonish you. You might walk along the High Street a dozen times, and ride up and down it a dozen times more on top of an omnibus, and yet without a guide you would probably miss the George, especially at night, when two large wooden doors close the yard, and only a little side door permits entrance to the inn.

Step inside the yard and there you will see the relics of the George, rebuilt in 1672, mentioned in Stow's Chronicle in 1598, the small-squared window-panes of the ground floor almost below the level of the yard, and rising above them the first and second floors, galleried and pilastered with the original seventeenth century timber. Walk inside the inn—if the licensing laws will permit you—and you will find an interior completely unspoilt. There is nothing of the "Ye Olde" about the coffee room. Here is the genuine article. Pew-backed seats, grandfather-clock ticking, copy of *The Times* warming at the fire—the fire, unfortunately, not a coal fire, and often of a cold night unlit, though not at lunch time, when the hop factors and market gardeners of the Borough still come, as of old, for their food and beer.

Unlit! Yes, because the landlady, the Miss Murray, who died last November, was not one to encourage stray customers in the evening. The hop trade—the Hop Exchange is near by—kept her going, and the hop factors were welcomed to her "mid-day ordinary" and supplied with vittles and liquid nourishment worthy of such customers. But at night she received and expected only a few special visitors, who were welcomed into the snug—there is no bar—and who drank in her company.

She would not refuse to let you into the coffee-room during the evening canonical hours, and she would bring you a tankard or two with a smile, and pass you the newspaper. But she never lighted the fire: perhaps she knew that her beer was so good that it kept the cold out in any case.

She never offered to show you the old bedrooms, lit with candles, with their four-poster beds, for she did not encourage tourists or such-like folk. Her legitimate hotel trade had gone, and she did not like the notion of people lying for a night in her four-posters just for the experience. Miss Murray was a character, and she ruled the George with a firm hand. She never provided Sunday lunches, and refused a high political personage who wanted her to make an exception for himself and his friends.

When Miss Murray died we happy few who are acquainted with the George were terribly afraid that the railway company would pull down the remains. But, Heaven be thanked, the building and its traditions are to be preserved, for the present, at any rate. The old lady, who succeeded her mother fifty-six years ago in the care of this ancient coaching inn, left it and £16,000 to her friend and companion, who had for many years been her assistant.

So all is well. This year, as last year, I shall hope to see the geraniums hanging from the galleries; this year as last year I shall hope to sit some evening in a pew-backed seat in the coffee-room and perhaps, as once before, watch through the window a van high loaded with sacks and parcels rumble out of the yard drawn by stout horses, and fancy for a moment that the grandfather clock has stood still, and that outside that yard there are no such things as London Transport omnibuses and hooting taxis.

But before it is too late, I hope that the present landlady will take time by the forelock, and seek interest on behalf of her property with the civic authorities. The George has survived till now by chance; but chance and the demands of commerce may still bring about its fall. It should be guarded in future as an ancient monument, and it is a monument more worthy of preservation than many a ruined tower and battlement; for a castle is the remains of a seat of power and was probably the scene of murder and bloodshed; but an inn of such ancient lineage can boast simply of centuries of good eating, good drinking, and good sleeping. Perish a hundred ancient castles, but save the George!

J. S.

Notice.

All communications concerning THE NEW AGE should be addressed directly to the Editor:

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

The God-Drunken Man.

The ardour of Mr. Laugier's admirable crusade against the Puritan has led him into making statements about Spinoza which are, to say the least, misleading. I am at pains to correct the impression he will have made upon readers who are not familiar with the "Ethics" because I have found in Spinoza the one great philosopher whose system can parallel, and potentially include, the discoveries of Major Douglas. Spinoza's universe is, like Douglas's, a non-moral one—or, rather, that is moral which works best. "We endeavour, wish, desire, or long for nothing because we deem it good; but on the other hand we deem a thing good because we endeavour, wish for, desire, or long for it." We have imposed our own notions of reward and punishment upon a universe which embodies Law only in the scientific sense; and whatever we can't explain by our idea of justice we ascribe to "the will of God, that is, the asylum of ignorance." In his "Theologico-Political Treatise" he attacks what we now call fundamentalism with the most destructive reasonableness. As regards miracles: "Most people think they sufficiently understand a thing when they have ceased to wonder at it." And as for the authority of Holy Writ, are we, he asks, to assent to anything against our reason? "What is denial if it be not reason's refusal to assent? In short, I am astonished that anyone should wish to subject reason, the greatest of gifts and a light from on high, to the dead letter which may have been corrupted by human malice; that it should be thought no crime to speak with contempt of mind, the true handwriting of God's Word, calling it corrupt, blind and lost, while it is considered the greatest of crimes to say the same of the letter, which is merely the reflection and image of God's Word." So far from "merging Man and his universe into a nebulous entity," as Mr. Laugier says, Spinoza is perhaps the most concrete of the great system-makers. "The more we understand individual things," he demonstrates, "the more we understand God." ["Quo magis res singulares intelligimus, eo magis Deum intelligimus."]

As for Spinoza's character, it was gentle and tolerant; for a profoundly religious man he was singularly free from the missionary zeal of

> Such as do build their faith upon
> The holy text of pike and gun;
> Decide all controversies by
> Infallible artillery;
> And prove their doctrine orthodox
> By apostolic blows and knocks;
> Call fire and sword and desolation
> A goodly thorough reformation,
> As if religion were intended
> For nothing else but to be mended.

He lived frugally it is true; so will any wise man unless he lives in a world of accessible plenty—only thus can he be free from degrading and distracting cares; but he was no ascetic.

"Between derision," he writes, "(which we have said to be bad) and laughter [irrisio and risus] I admit there is a great difference. For laughter and also jocularity are merely pleasure; and therefore, provided they are not in excess, they are good in themselves. Nothing, therefore, save gloomy and mirthless superstition prohibits laughter. For why is it more becoming to satisfy hunger and thirst than to disperse melancholy? My reason is this, and I have convinced myself of it: No deity, nor anyone save the envious, is pleased with my want of power or inconvenience, nor imputes to our virtue tears, sobs, fear, and other things of this kind which are significant of a weak man; but, on the contrary, the more we are affected with pleasure, by so much do we pass to a greater perfection, that is we necessarily participate in the divine nature. To make use of things and take delight in them as much as possible (not indeed to satiety, for that is not to take delight) is the part of a wise man. It is, I say, the part of a wise man to feed himself with moderate pleasant food and drink, and to take pleasure in perfumes, in the beauty of growing plants, dress, music, sports, and theatres and other places of this kind which man may use without any hurt to his fellows. . . . This manner of living agrees best with our principles and the general manner of life: wherefore if there be any other, this manner of life is the best, and in all ways to be commended."

As to derivations, it is surely misleading to say "Spinoza begat Schopenhauer"; the latter's philosophy derives at least as much from "The Critique of Pure Reason" and the "Upanishads" as from the "Ethics"; his pessimism is certainly akin to the Oriental. "I sometimes fancy," says Mr. Laugier, "that there has been an eternal struggle between what I call the Greek mind and the Jewish mind." The notion is attractive, of course, and Arnold made great play with it in "Culture and Anarchy," but some of the facts are unaccommodating. Which of the Greek thinkers has had the greatest effect on European thought?—Plato, surely; yet Plato was the greatest and, because the most eloquent, the most dangerous of the Puritans. Spinoza, who despised Platonism, was as we have seen an anti-Puritan, and he was a Jew. On the other hand the "Ethics" certainly owe a great deal, if indirectly, to Plotinus and the Neo-platonist tradition—"amor intellectualis" corresponds to "νοῦς ἐρῶν"—so which, as Heine might have asked, is the Nazarene and which the Hellene?

M. J.

The Films.

A Year's Pictures.

Nineteen Thirty Four was no vintage year of the screen. The American film took several further steps on the road to mediocrity; Hitlerism has for the time being killed the German cinema; and no new Russian picture was publicly shown in this country. On the other hand, English films have begun to show not merely a technical efficiency comparable with that of any studios in the world—and better than that of most—but have at their best also reached a standard of artistic merit that this critic would never have dreamt of prophesying even twelve months ago. Unfortunately, native producers are in the main still blind to the importance of intelligent dialogue, and of casting for leading parts actresses who can act.

My selection of the twelve best films of last year is as follows:—

Best all-round picture, "The Scarlet Pimpernel" (English). Excellent alike for direction, editing, casting, acting, dialogue, photography, and décor. The same standard applied to a theme of more artistic merit would have made it a great film.

Most intelligently directed film, "Catherine the Great" (English.)

Best "documentary," "Ombres sur l'Europe" (French).

Best adaptation, "Of Human Bondage" (American).

Best adaptation of a stage play, "What Every Woman Knows" (American).

Best "musical," "Evergreen" (English).

Best film with music, "One Night of Love" (American).

Most delightful film, "Liebes Kommando" (German).

Best travel film, "Wings Over Everest" (English).

Most light-hearted picture, "The Affairs of Cellini" (American).

Fastest-moving English film, "The Scotland Yard Mystery."

Most amusing film, "100 Per Cent. Pure" (American).

I should, perhaps, add that I have not seen three much-discussed films, "Crime Without Passion," "Jew Süss," and "The Iron Duke," of which the first is American and the others English. Four of the most-boomed pictures of 1934—"Man of Aran," "Blossom Time" (both English), and "Treasure Island" and "The Barretts of Wimpole Street" (American)—find no place on my list. Among noteworthy pictures I would include "Les Miserables," "La Robe Rouge," "Ces Messieurs de la Santé," "La Rue Sans Nom," and "Le Petit Roi" (French); "Anna and Elisabeth" and "The Testament of Dr. Mabuse" (German); "The House of Rothschild," "Fashions of 1934," "The World Changes," "Viva Villa," "Little Man, What Now?" and—but only for the sake of Garbo—"Queen Christina" (American); "Forgotten Men" and "What Happens Then?" (English); and "Reka" (Czecho-Slovakian).

The year's greatest disappointment was Clair's "Le Dernier Milliardaire," a pretentious production of such mediocrity that the best one can say of it is that it was mildly entertaining in parts.

The best work of the year was, of course, again done by Disney, who gave us, among other delights, "The Steeple-chase," "Mickey's Mechanical Man," "Lullaby Land," "Puppy Love," "Giantland," and "Grasshopper and the Ants," each worth any twelve average "feature films."

Obviously, no two people are likely to agree as to the best acting performance of 1934. My personal choice is Leslie Howard in "Of Human Bondage," for the sensitiveness and sincerity of his impersonation, and the fidelity of his interpretation of the character as conceived by Somerset Maugham.

DAVID OCKHAM.

The Theatre.

"The White-Headed Boy." By Lennox Robinson. Produced by Sara Allgood. Embassy.

The magic of the Irish Players rests on the simple fact that they are at home in the roles of simple, everyday people doing everyday actions. Of course, they are marvellously well served by their dramatists, who prefer reality, with its humour, comedy, farce, tragi-comedy, and occasional tragedy, to the polite inanities of West End comedy or the elementary witticisms of the Aldwych School. "The White-Headed Boy" would, no doubt, be an extremely amusing affair if played entirely by English actors and actresses who knew their job, but I should not particularly care to see the production. It takes Irish men and women, who are by nature incomparably more realist than the sentimental Anglo-Saxon, to squeeze all the juice out of such a situation as that of Duffy père, who extracts money and promises of money right and left from the Geoghegan family as the price of not bringing a breach of promise action, while the young couple go off to the village priest and become man and wife.

An immense admiration for both Sara Allgood and Maire O'Neill (who plays Mrs. Geoghegan and Aunt Ellen, respectively) cannot blind me to the fact that the Embassy stage is dominated by Arthur Sinclair—as John Duffy. Here is an actor no longer young, and completely unremarkable as to looks, who need not open his mouth or indulge in the slightest gesture or even facial play for the audience to become aware of him. The dramatic tensity is heightened several degrees as he steps on the stage. The mere act of hanging up his hat is more effective than the whole of a scene in the hands of an ordinary actor, and an evening of Mr. Sinclair is a liberal education in the art of the theatre. What a recruit he would be for the screen, and what a mercy that he has not gone Hollywood.

With such a cast, Lennox Robinson's comedy is the very best entertainment, in the highest sense of that much-abused word. Its run at the Embassy ends on Saturday, and discriminating playgoers will have missed something they cannot afford to miss if they do not make the journey to Swiss Cottage.

VERNON SOMMERFIELD.

"The Dominant Sex." By Michael Egan. Shaftesbury Theatre.

Good plays, perhaps the best, have been written with no moral; on the other hand, promising plays have often suffered from the author's not knowing his own mind, or, what comes to the same thing, from his inability to convey his intention to his audience. In Mr. Egan's play, for instance, which *is* the dominant sex? In deference to Dick, Angela gives up her job and has a baby; Dick, with a very bad grace, plays for safety in business so that the home shall be secure; six of one and half a dozen of the other, so far But the curtain falls on Dick dragging the reluctant Angela to live in the wilds of Dorset because he *needs*—a woman wouldn't understand, of course—he NEEDS the smell of the byre in his nostrils and the good clean country mud on his boots. So the male wins; though by every standard of decency, intelligence, and charm Mrs. Bonella and I were agreed that Angela left her husband standing. What made us both uneasy was the suspicion that Mr. Egan did not dislike his hero quite so much as we did, and that Mr. Richard Bird, who played the part with all his too too solid charm and his more than ever tortured vowels, was meaning to be attractive when to us he was most revolting. These are personal opinions; one can say with more certainty that, whichever side enlists one's sympathies, the play lacks form and direction. It is too light for tragedy and much too tragic for comedy. Still, the amateur of acting will not find the evening ill-spent. Miss Diana Churchill has little support from Mr. Bird or from Miss Ellen Pollock and Mr. Henry Hewitt, who manage the sub-plot, while the two or three good minor performances carry too little weight to help her; but by sheer talent, wit, hard work and beauty she makes something almost human of Angela, and turns an indifferent play into tolerable entertainment. If in years to come Miss Churchill is recognised as one of our greatest actresses I shall say, "I told you so"; if not, she will have thrown away her remarkable equipment for the role.

ANDREW BONELLA.

LETTERS TO THE EDITOR.

FASCISM AND SOCIAL CREDIT.

Sir,—Mr. A. K. Chesterton's original letter of November 29 contended that we do not "strengthen our cause" by referring to Fascist economic policy as "Planned Poverty," and added that in doing so we make "a ludicrous statement."

In our reply of December 6 we defined the basic fallacy of Fascism as (a) that "the State is more important than the individual," and (b) that "labour-time"—i.e., Work—is the only proper title to a share in the common wealth. We then set forth certain facts, and quoted Fascist authorities to show that a policy based upon (a) and (b) must and does result in Planned Poverty.

In reply (December 13) Mr. Chesterton asserted (a) that "the interest of the State as the interest of the totality of its individuals" (but did not say what that "interest" was); and asked (b) "What other title is there to a share in the common wealth except work?"

In our reply of December 20 we pointed out (a) that the interest of the State is to remain in power whatever happens, while the interest of the individual is economic freedom and security, which implies and includes release from all unnecessary human toil; and (b) that in a modern industrialised community the mere fact of being a member of such a community is a proper title to a share in the common wealth. We then showed that a decade of Fascist experiment in Italy had produced effects exhibiting "*a lack of modern machinery*," coupled with "*a maximum amount of work* being given to manual labourers"; and we asked three questions relating to this situation.

In his letter of January 3, Mr. Chesterton refers to

letters from Captain Story and "L.68," but makes no attempt to answer our three questions. Perhaps he is still considering the points raised

. . . .

In the meantime, taking as our text the following words from the speech delivered by Mussolini to the Italian Senate on December 18, 1930:—

"*Fortunately, the Italian people is not yet accustomed to eat several times a day. Its standard of living is so low that it feels scarcity and suffering less,*" —(and noting the words "fortunately," "scarcity," and "suffering" in connection with our phrase "Planned Poverty")—the following facts regarding the economic situation under Fascism in Italy are likely to carry weight with the thinking public as evidence justifying our description of Fascist economic policy as "Planned Poverty," even if they are conveniently brushed aside by Mr. Chesterton and his fellow-Fascists as bearing "no ultimate relation to Fascist economics." The proof of the Fascist pudding is in the eating—and it turns out to be no pudding at all, but very "hard tack" indeed. Accustomed—"fortunately" (?)—to poverty-stricken conditions, the Italian people found themselves in December, 1930 (note the date) enjoying (?) a "standard of living so low" that they "felt scarcity and suffering less." It is impossible to contend that this is not a process that exhibits (1) Unplanned Poverty—i.e., so-called "Economic Liberalism"—followed by (2) Planned Poverty, called "Fascism."

Here are the facts referred to above. They can be checked by reference to the League of Nations' *World Economic Survey* for 1932-33.

Italian national income in 1928 was 94 billion lire.
" " " " 1931 " 60-70 " "

That is a drop of one-third.

In 1932 Italian foreign trade was *less than half* the volume of 1930. The tonnage of goods cleared at the ports in 1932 was actually less than in 1913, when the population was six millions fewer.

Production of pig iron in 1913 was 603,000 tons.
" " " " " 1932 " 461,000 "
Budget deficit in 1930-31 was 504 million lire.
" " " 1932-33 " 3,687 " "
Floating debt in June, 1928, was 1,618 million lire.
" " " " 1933, " 8,912 " "

Bankruptcies in 1931 reached the record in Europe, exceeding 21,000. That is five times the British total.

Total of Italian wage-earners in 1933 was 4,283,000.
Wage-earners wholly unemployed in Jan., 1934, 1,018,000.

In December, 1931, of 982,321 registered unemployed, only 195,454 were receiving benefit.

For forty weeks' contribution only three months' benefit is paid, at a maximum of 3·75 lire, or 11d. a day. There is no transitional benefit.

Total pay-roll of wages and salaries 6,040 mil. lire (1929).
" " " " " " 4,100 " " (1932).

During this period (1929-32) "the purchasing-power of the wage-earners fell by 19 per cent.," says a Report of the Director of the International Labour Office in June, 1933.

Signor Biagi, Secretary of the National Confederation of Fascist Syndicates, in *Corriera della Sera*, March 26, 1932, stated that:—

"Between June, 1927, and December, 1928, wages fell by about 20 per cent. as a result of agreements between masters and men in connection with the stabilisation of the lira. A further drop of approximately 10 per cent. took place in 1929, and in November, 1930, there was a general downward movement, in some cases not exceeding 18 per cent., but in particular instances involving as much as 25 per cent. Moreover, we must not overlook the fact that many other adjustments were made in 1931."

But—"fortunately, the Italian people is not yet accustomed to eat several times a day," and so it "feels scarcity and suffering less."

Here are examples of the percentage cuts in various Italian industries:—

Chemicals	20—25%	Silk Weaving... ...	38%
Rayon	20%	Jute	30%
Glass	30—40%	Metal trades	23%
Cotton	40%	Building	30%
Wool	27%	Mining	30%

This process was still further developed by the extensive all-round wages and salaries reductions enforced by Government Order in April, 1934.

The whole of this process is nothing more or less than Fascist Planned Poverty. Mr. Chesterton's complaint (December 13) that we brought forward "not one scrap of evidence to justify the description of Fascist economic policy as 'Planned Poverty'" did not and does not hold good.

We certainly expect him to deal in a reasoned argument with the evidence set out above—and not to attempt to make a get-away by saying that it "bears no ultimate relation to Fascist economics"; nor by preaching the high "morale"-value of having your wages docked 20 per cent. in order to be "absorbed" into "productive industry"; nor by telling us that "Mussolini and Hitler have not advanced still further along the path of autarchy . . . (because, it would seem, they "must be dependent . . . to some extent, on international finance"), when every scrap of evidence shows that both Italian Fascism and German Nazi-ism have done nothing, and can do nothing, but act as local national implements of the World Autarchy of the Credit monopoly. The reason for this is not far to seek: Fascism aims at autarchy, which is a self-sufficient *State-organisation*, but is not—"fortunately," (for the bankers)—a *financial mechanism* that can ensure the economic freedom and security of the individual.

FRANK GRIFFITHS.
General Secretary,
The Green Shirt Movement for Social Credit.

Dear Sir,—In his letter in the NEW AGE, December 13, Mr. Chesterton says: "Though science to an *ever-increasing extent* helps us with the problem of production, it will always remain true that man's labour *in some degree* will always be required." No Social Creditor could put that more clearly, but I have underlined the more important parts. Then he goes on to say: "The burden of work must patiently be borne by the *entire able-bodied adult inhabitants, no matter how short the working day.*" What can this mean except that the *entire* able-bodied adult population shall share the work, no matter how short the working day? When I point out that this means going to and from business every day to put in our two-minute week, he says it is all very well for me to paint fanciful pictures of a two-minute week, but I have merely taken him at his own word—"no matter how short the working day." How can I say how short the working day will be, and for all I know it may be only one-minute weeks some ages hence. Perhaps he will tell us how long the week will be when the working day is at its shortest.

I do not quite agree when he says there *would be* need for more labour instead of less if "Major Douglas Credit" proposals were to be employed. There *might be*, but we must remember that a great deal of the work being done to-day is unnecessary; in fact, it is simply silly. For instance, men employed on "Eat More Bread" campaigns, taxing and rates offices, insurance work, a large proportion of crime-prevention work, penal work, and supervision to a large degree, advertising, poor law administration, touting, begging, soliciting, and so on. Even with all these silly jobs still in existence there could be a greatly increased output of goods and services, even with fewer men employed upon them, as witness restriction of output, spinning jobs out, and making work go round. I whole-heartedly agree that there is a great deal of very necessary work to be done, but I do not say we could not do it with less labour

than at present, and, again, I am not sure that the people alive to-day should be in such a rush to save posterity the trouble of doing some of it. We have been in the front-line trenches quite long enough without a relief, and we could do with a respite. Witness the suicide figures and the extra 19,516 on poor relief. Let us have more leisure, not more work.

It might also interest Mr. Chesterton to know that the late Lord Leverhulme said that the whole population of these islands could produce all it needed to-day by working one hour per week!

Finally, I would have liked a few words with Mr. Brown, of the Friends of the Soviet Union. I was a hostage in 1920 with the Krasnai General Kajanov's Blackshirt Force, and could give him an eye-witness's account of distribution of production "by some other method than via money," but if he refers to some of the last week-end papers he will read an account of the method employed, though in this particular instance the unenlightened Moslem peasants refused to give grain "of their ability to produce," and a Moskoski polk had the work of paying a visit to the silly peasants and taking "each according to his need" by other methods than via money.

T. H. STORY.

MR. ADAMSON'S ARTICLE.

Dear Sir,—Having now given Mr. J. Adamson's article on A+B the attention it should have received on the first time of printing, I wonder if anyone is still willing to consider comments on the matter.

Unless I misunderstand it, there is shown in this article a constant deficiency by the amount of money expended by producers when they originally laid in their stocks. Certainly, under the rules of sound finance, producers are expected to try to recover this money and maintain the stocks as well, but the deficiency caused is constant; whereas surely different rates of A and A+B should give an increasing deficiency.

Can anyone enlighten me on this point?

M. W. GORDON CUMMING.

"THE NEW AGE" AND THE PRESS.

Sir,—On looking through the files of "U.F.A." (Calgary, Alberta), I am struck by the fact that THE NEW AGE is never mentioned in that journal; and this was particularly impressed upon me by a perusal of the issue for the 30th ult. On the leader page in that issue there is a paragraph headed "Tributes to Social Credit Leader," i.e., the late A. R. Orage. One would have thought that the Orage Obituary Number of THE NEW AGE (15th November), would at least have received a passing notice, or that of November 22, containing Orage's own illuminating reminiscences, particularly as both contained so much Social Credit history, and also in view of the fact that THE NEW AGE, under Orage's editorship, "put Douglas on the map." There seems to have been a deliberate policy in this country never to mention THE NEW AGE; and this policy appears to have been extended to the other side of the Atlantic.

S.B.124.

THE FLEET STREET GHOST.

Sir,—The Fleet Street Ghost is walking again. A certain "London correspondent" has encountered the apparition and has gasped out a message to the *Rhodesia Herald* (Salisbury, Rhodesia). When questioned about the ghost, Fleet Street men are said to cast a fearful look round and hurriedly change the subject. What a story they could tell if they chose! A phantom editor, spectral printers, and ghostly vans conveying a spirit journal to spook subscribers, and an eerie-looking office with a light which never was on land or sea! The phantom editor is a legendary figure, something like the Flying Dutchman; and it is said that just as the ghost of Van der Decken was laid when his curse was lifted, so the phantom editor will at last enter into rest when the black-magic spell of the Money Power has been broken. The story reminds one, in some ways, of the Arthurian legend; and, curiously enough, the ghostly editor was in this life a Cornishman—and his name was Arthur.

"TINTAGEL."

SEMI-NUDITY ON THE STAGE.

Sir,—The reference to this subject made by the Bishop of London on December 9 last represents the considered view of a large section of the community.

Members of this Council who are frequent theatre-goers have, for the last two or three years, reported to the Council their concern at the growing practice of extreme undress on the stage.

The Council's Plays Committee have embodied their views on the subject as follows:—

> Even if it be contended that the diffusion of sex knowledge together with present-day customs have lessened the effect of this development on impressionable minds, the Committee still strongly maintain that there is no legitimate comparison between nudity or semi-nudity in art schools, bathing, sports or normal environment and that which is displayed in the emotional atmosphere of a crowded theatre and sometimes exploited in scenes of sexual interest or association.
>
> In the opinion of the Committee such representations by their lack of modesty and the frequency with which they occur are calculated to excite sensuously impressionable minds and, in the opinion of a number of members, will tend to degrade audiences which include couples of opposite sexes, and particularly those of an age susceptible to sex influences.

It is to be hoped that the protest of the Bishop of London will be effective in securing the elimination of any practice in this particular which may offend many and is not, we venture to think, in the best interests of the theatre itself.

Yours faithfully,

EDITH NEVILLE
(Chairman, Stage Plays Committee and Hon. Director, St. Pancras People's Theatre).
HOWARD M. TYRER
(Secretary, Public Morality Council).

OVER-CONSUMPTION.

Sir,—In view of the fact that there appears to be on foot a national campaign to try and get the community to consume more of the prime foodstuffs such as milk and bread in order, presumably, to bridge the gap as between over-production on the one hand and under-consumption on the other, I think that the public should bear in mind that both bread and milk, when consumed in the human body to excess, act as poisons and tend always to cause clogging and congestion of the tissues. Particularly is this the case in regard to pasteurised milk and white purified flour and its products.

Average individuals suffer considerably from such common complaints as colds and catarrh, and these are chiefly due, not to germs, but to faulty metabolism when the balance of food material ingested and eliminated is upset.

If such producers' agents as the millers and the Milk Board desire to discharge their surfeit supplies upon the home market it would be best for them always to see that the truly impoverished members of society—of which there are plenty to-day—are first provided for.

Children who are well nourished on a balanced dietary at home should not be allowed to have additional milk at school, as excess milk in the human system may break down into fatty acids and is one of the prime causes of lymphatic engorgement, with consequent tonsil and glandular troubles.—Yours very truly,

R. ERNEST WAY.

Pecuniae obediant omnia (All things are obedient to money).—Vulgate—Ecclesiastes 10, 19.

"A man without money is a bow without an arrow." (Old German proverb.)

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Editor pro tem, ARTHUR BRENTON.
Editorial Committee in process of formation.
Collaboration invited.

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2. Names and addresses for the Directory section.
3. Suggestions as to what material (speeches, statistics, historical data, etc.) is best worth placing on permanent record in the Year Book section.
4. Information as to societies and organisations advocating Social Credit or other principles of financial reform. Date of formation: objects: officers: structure: fees, etc., etc.

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