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NOTES OF THE WEEK.

Last week we reminded our readers that the official date of the transfer of the King's Currency to the Bank of England was November 22. On the morning of that date the Press came out with the disquieting news of the King's illness. To say that the two events are directly related would mark us as belonging to the same category as those economists who have occasionally explained trade slumps with sun-spots. So we will not say it. We accept it as a coincidence—rather an unfortunate one for the Bank.

* * *

There are other coincidences, however, attaching to the new currency notes, which are by no means inexplicable. In design their likeness to what we expected them to be is so close that when we saw the first specimens a day or two ago we found it hard to resist a hearty laugh, as at a rich joke. Let us quote the *Daily Mail*. In a leading article headed "Green and Brown," it remarks:—

> "The new green £1 and brown 10s. notes have a curiously foreign aspect. They look as if they had been designed and printed in the United States; and they have certainly not that distinctively British air which belonged to the old £1 and 10s. Treasury notes.
>
> "The old Treasury notes were not particularly artistic productions, but they did not produce this impression of foreign provenance. The King's head and the design of St. George killing the dragon stood out plainly on the front, and the Houses of Parliament equally plainly on the back. On the new £1 Bank of England note Pistrucci's design has been used for St. George and the dragon, but that emblem has been relegated to the back (where it appears twice) and has been reduced to an exiguous size. The elevation of the old Bank of England, which replaces the Houses of Parliament, is so small that its identity will escape the attention of most people.
>
> "The middle-aged lady of somewhat stout proportions, who has for generations appeared on Bank of England notes of £5 and upwards, is repeated on the front of the new issue of notes. She is presumably the tutelary goddess of banking, though what she is doing with a spear has never been explained. She can hardly be Britannia or she would surely be equipped with the trident."

In the *Morning Post* the weapon that Britannia is holding is taken to be, not a spear, but an olive branch. This paper, in a leading article says:—

> "The first impression on the mind is that the design—perhaps in token of our debt to America—has been modelled on that of the Greenback, and that if the denomination had been expressed in dollars instead of in sterling, the effect would have been more complete."

It goes on to refer to features missing from the new one pound note.

> "Which shows only a seated Britannia holding an olive branch—a very subdued lady, contrasted with the figure on the old Ten-shilling Note, of a Britannia grasping her trident and facing undismayed 'the four quarters of the world in arms.' Has Britannia turned pacifist since the Kellogg Pact?"

While the Sovereigns of Britain are the head of all branches of our armed forces, our present King is associated more closely, in the popular idea, with our naval forces. The trident is an emblem of the British Navy. America declares that the British Navy has no longer the right to "rule the waves." She insists that there must be disarmament, or, if not, that she is going to have a navy as strong as Britain's. Therefore American monetary interests, if they had been formally asked to design our new currency notes, would have been even more keen on eliminating the trident than on eliminating the King's head. It seems as though they have been informally co-opted as advisers; and the probability is that the trident was removed at the instance of the Federal Reserve Board, and the King's head at the instance of the Bank of England. The Houses of Parliament disappeared as a matter of course; there was no need to talk about that: did not the Mansion House meeting itself abolish Parliament last week? So now there is left a picture of the Bank of England (and even that is a very little picture—presumably because the name of the Bank sounds English) and a Britannia which we shall have to regard as The Old Lady of Threadneedle Street. It is a pity she is not sitting on a ledger and wielding a pen.

There are accumulating evidences that the implications of the Anglo-American Financial Pact are being realised in more and more influential quarters. They were discreetly indicated by Mr. McKenna in his speech on January 24 last to the Midland Bank shareholders, but they are now being rubbed into the general public with less discretion by journalists. In the *Sunday Express* of November 18, Viscount Castlerosse took a hand in this publicity. He edits a feature called "A Londoner's Log," and one of his paragraphs in that issue was as follows:—

> "Now let us turn to those we can congratulate.
>
> "The court and directors of the Bank of England have agreed to recommend to the proprietors in April next that the Right Hon. Montagu Collet Norman be re-elected governor.
>
> "Mr. Norman will then have held that post for a decade, and he can look back on the period of his office and say without fear of contradiction that during his term of governorship America has experienced ten years of unexampled prosperity."

This effective piece of sarcasm reminds us that we have something to add to our comments on the Mansion House meeting of last week. Naturally we had to examine the speeches delivered there, and equally naturally we could not help the appearance of attaching the responsibility for them to the persons who delivered them. But it must be remembered that it is a principle among financiers that the real initiators of high-financial policy shall not publicly sponsor it. They use spokesmen much in the same way as hunters of other big game use beaters. Sir Hugh Bell, Sir Ernest Benn, Mr. Runciman, and even Mr. McKenna himself, are, relatively speaking—and without intended offence—merely opinion-beaters. With the probable exception of Mr. McKenna it is unlikely that they fully realise to what ultimate end their arguments are directed. So it will be wise for our readers not to stabilise their trust—or distrust—in any of these people. Their speeches are ephemeral: and sufficient unto the day is the wisdom—or foolishness—thereof. For instance, there was present at the Mansion House meeting Mr. Bernard Franklin. He is connected, by membership with an international financial house operating in England, with Kuhn Loeb, in New York. He did not speak (at least, his name is not in the report we received), but there is no doubt that the interests whom he represented had a great deal to do with the policy foreshadowed and supported by those who did speak. It was appropriate that he should be there, firstly because, as Mr. McKenna has said, the world is "now on a dollar standard," and secondly because one of the items of the Mansion House policy was purely pro-American. This item was the demand for a general lowering of *European* tariffs. Nothing was said as to the advisability of a reduction in the United States tariff. One recalls Mr. Montague Tigg's description of Chevy Slyme, Esq., to Mr. Pecksniff.

> "Every man of true genius has his peculiarity. Sir, the peculiarity of my friend, Slyme, is that he is always waiting round the corner. He is perpetually round the corner, Sir. He is round the corner at this instant. . . . I desire my friend Slyme to be present at the remainder of this conference."

But the Chevy Slymes at the Mansion House, and at similar conferences, never are present—so far as the platform is concerned.

* * *

Senator Borah has signified his intention not to oppose the American Navy Bill. This decision follows President Coolidge's speech on Armistice Day to the American Legion at Washington. The President announced on that occasion the terms on which America would assist in the further progress of Europe. If the United States could secure, among other things, such limitation of armaments as would be commensurate with the treaty renouncing war, America would, he said, recover confidence. The result of this "confidence" would, we presume, be expressed in further dollar-loans to European countries. Among the "other things" just referred to was "the final liquidation of our foreign debts." As usual, this speech competely inverts the realities of the situation. The people of Europe do not *need* dollar-loans. On the other hand, the people of America do not *need* Europe to liquidate America's "foreign debts." If the two peoples *want* these things it is simply because they are told that they will suffer if they do not get them. They are taught to think they want them. The reason is that the Central Banks of Europe have connived with, or taken instructions from, the Federal Reserve Board, to pretend that they, as Central Banks, are powerless to put right the trade stagnation in their respective countries while debts are unpaid and armaments exist. The truth is that armaments exist because America refuses to receive payment of debts. It is the old tale of the wolf and the lamb all over again: whether Europe be up-stream or down-stream, she is held to be contaminating the waters where America drinks.

* * *

Although Mr. Coolidge is complaining that Europe will not pay, or cannot pay, he is promising, if she disarms, to lend her more. But if a disarmed Europe borrows more dollars, America will be able all the more effectively to prevent her repaying the old dollars. It might truly be said that the use of armed force by any nation is to compel its creditors to receive *effective* payment of debt—that is to absorb imports of manufactures to the value of the debt. American financial interests, far from needing to be coaxed into extending their loans to Europe, are itching to extend them; and the reason is that American industries are in jeopardy, and can only be kept solvent by expanding exports. The American financiers are in a quandary. If they "assist" Europe with goods they thereby empower her to develop armaments. If they refuse to assist her, they thereby condemn American industries to insolvency. So they naturally want, if they can, to make sure beforehand that their loans will be applied to "peace-production"—i.e., production that will earn a revenue for American bond-holders. They will not succeed. And even if they did, the interest on the new loans would be ploughed into Europe again, because American industries cannot afford to receive imports. Lastly, President Coolidge declares that America, far from profiting by the war, has incurred a loss which looks like amounting to no less than £20,000 millions. We are not going to contradict him if he means that American citizens will have lost that sum: but if he suggests that its non-recovery is due to anything Europe is doing, he is telling a falsehood. If American citizens miss their dollars, those dollars have been destroyed by the Federal Reserve system. They never came to Europe. In every country where there is a shortage of aggregated incomes as measured against aggregated industrial costs, it is offset by reserves concealed by its Central Bank. Those reserves must be invested with visibility and utility in the form of financial credit, and returned to the citizens who lost it—namely the whole native population. When that is done, armaments will disappear by common international consent, and the problem of settling debts by transfer of goods will settle itself.

* * *

Evidence of nervousness about American trade prospects is apparent in Mr. Hoover's latest proposal. He wishes to create an "insurance fund" for the purpose—as Governor Ralph Brewster of Maine expresses it—of "stabilising the prosperity of the United States." Mr. Hoover's suggestion is to raise a fund of £600,000,000, while conditions are flourishing; such fund to be utilised for carrying out needful public works during times of over-production and unemployment. The manner of raising the fund is not yet suggested; but the *Evening Standard's* editor of "The Londoner's Diary" supposes that employers and employees will be compelled to contribute, and that the State will add a subsidy. He adds that the experiment will be watched "with keen interest." It will. If done that way, it will amount to a drastic act of deflation, and will precipitate the very difficulty that it has been improvised to overcome. Its objective would be defeated even if the money were intended for doles, as is the case with our unemployment insurance scheme here; because it would take as much money out of the consumption market now as it could put back later on. But to apply the £600 millions to providing jobs is to create that amount in new costs which will thereafter become due for collection from the earnings of the community. It is really a scheme of compulsory investment in new capital or its equivalent, and will have the effect on the purchasing-power of American citizens that has been so lucidly described in the books published by Messrs. Foster and Catchings.

* * *

The proverb says that the road to hell is paved with good intentions. Well, whatever it be paved with, any observed unevenness in the paving would not seem worth fussing about unless one's intention was to arrive at that destination more quickly. The bearing of this is that the people in control of financial policy seem to have evolved a scheme for laying the paving-stones evenly. An admirable idea, this, if only the road went to somewhere pleasant, for then we would all wish to avoid the danger of tripping up on the way. But as things are, the more frequently we trip up the longer we take to reach the abyss. A good many newspapers are saying what a good thing it would be for industry if Mr. Cook and Mr. Maxton could be cemented down level with Mr. J. H. Thomas and Lord Melchett. It would not. The oily smoothness of the "conciliators" would send us sliding to hell, whereas at present we can secure, at any rate, a temporary foothold on the rough irreconcilability of the "obstructionists." We once pointed out that the economic system only works at all while being obstructed. That is to say that if every worker today were peacefully to accept the wages which the bank auditors who now manage our industries decided it was financially "safe" to offer them, the consumption market would dry up, and trade would crumble to dust. Close observers will notice that all the practical policies now being recommended by financial authorities for acceptance by employers and employed belong to the "road-repairing" category. Never once is anyone allowed to think of the fundamental question of where he wants the road to lead him. It is the same in international politics. Free Trade, for instance, would merely alter the relative incidence of bankruptcy and unemployment among the nations which abolished their tariffs; and its effects would be the more cruel because they would create the necessity for wholesale emigration from the less "efficient" countries. To return to Mr. Cook. In one sense he is a Conservative and a Protectionist. He is against new industrial policies that dissipate the miners' heritage, just as the landed interests resisted the dissipation of theirs. He insists on protecting the right of the miners to live in security and comfort in the place of their birth or choice. If he attacks the mine-owners he does so simply because the original source of the trouble is carefully kept out of popular controversy. His clients need money, and he must perforce agitate at the particular door of the industrial system where money is supposed to be paid out. Show him a door in the banking system where he can get what he wants and he will stop agitating. As a matter of history, it was the shutting of the bank door and the withdrawal of the subsidy that caused the agitation.

* * *

Ernest Benn, Ltd., are running a series of sixpenny publications under the serial title of *Self and Society Booklets*. A foreword to each volume states that:—

> "Most discussions of social questions pay regard to industry rather than the needs which industry exists to supply, and to work and the worker rather than to the consumer, who is every one of us. The present series looks at social and economic problems from a different point of view, showing their interest for the consuming public, and how for each and all they relate self to society."

Anyone who expects, from this well-sounding introduction, to see entirely fresh bearings taken, will be disappointed. Mr. Snowden, Dr. Jacks, Mrs. Webb, Professor Laski, Sir Ernest Benn, Evelyn Sharp, Mr. Citrine, Dr. Hewlett Johnson, Miss Bondfield, Leonard Woolf, Professor Clay, and last and foremost, Sir George Paish—all these road-menders—are chatting away, connecting the consumer in a more or less diffused manner with their respective subjects. Dr. Hewlett Johnson's name seemed to promise something more like a definite consumer-policy than could have been expected of the others, but as we could not imagine Sir Ernest Benn standing sponsor for an independent analysis of the credit problem, we did not expect Dr. Hewlett Johnson to say anything useful. Nor does he. Greed of gain is his text, "Production with a single eye to profit is a prime cause of the 'boom and slump' of industry." There was a time when the Doctor would have traced the cause further back. Since then his economic memory has gone rusty. The title of his contribution is "Religion Interferes." Perhaps—but not with the bankers.

* * *

Sir George Paish writes on "Ought We to Save?"—a curious question to raise on behalf of the consumer unless you propose to answer it in the negative, or at least to propose giving him extra money to enable him to save without reducing his standard of consumption, which Sir George certainly does not do. He glorifies the savers of pre-war days whose example he fears is being ignored by the present generation. "By their energy and *self-denial* they caused the world to produce and exchange the foodstuffs and materials they needed *for their own support*." What this means precisely could only be elucidated by heckling. On the surface it is self-contradictory. If these people denied themselves they did not get all they needed for their support. If they got all they needed they did not deny themselves. Sir George is talking of theory as though it were fact; and the theory, interpreted through the fact, amounts to the proposition that the more you deny yourself on Monday, the more you can get on Tuesday so long as you deny yourself of it until Wednesday, and so on until Doomsday, when you will be thrilled at the immensity of the quantity of things that are yours for the asking provided you do not accept them. That this proposition has an "interest for the consuming public" we do not deny, but we imagine that the interest will not last long. Perhaps that is why you can buy the booklet for sixpence. Sir George Paish points out that poverty is not due to "any deficiency of *power* to produce" all the needful things which the people "of this and every other land" require. Nature has been "not only generous, but prodigal." The trouble is caused by a deficiency of *will* to produce. (Author's italics.) Later on this obstacle is interpreted as the unwillingness of nations to exchange their products freely. Then he adds another obstacle, which is "lack of adequate savings." The rest of the book is devoted mainly to an enumeration

of the wonderful feats of Overseas capitalisation carried out by the use of British savings during the last century. He has no space to reveal the sequel. Its nature and extent are to be found in the preface to a text-book published by Jordan and Sons, Ltd., called *How to Form a Company*. It appears that from 1862 to 1915 (when the book was published) the number of companies registered under the "Companies Act" was 156,374, the aggregate nominal capital of which was £8,032,946,837. But more than half of the companies have "gone over to the majority" and the number of the "survivors now on the Register" is (i.e. 1915) approximately 67,500, the paid-up capital being about £3,210,000,000 ("the *nominal* capital must be considerably larger, but the figure is not available.") We may spare ourselves further comment at present because H.M.M. in his admirable *Outline of Social Credit* elsewhere in this issue has commenced his task of exposing the falsity of accepted financial theory yet once more.

* * *

A few days ago Mr. Hore-Belisha asked Mr. Churchill in the House of Commons:—

> "Is reparation settlement bound up with the question of the evacuation of Rhine territory?"

Mr. Churchill's reply was:—

> "No. That is an entirely separate matter, and it is also a desirable object."

The writer of "The Londoner's Diary" in the *Evening Standard* of November 24, says:—

> "This passage was reported in the newspapers, but *not* in Hansard. Naturally, the question was asked why? Had it been deliberately excised because of any possible undesirable consequence elsewhere? Suspicions are easily aroused and jealousy of the verbatim accuracy of the official report of the House of Commons just as readily stirred."

He later says that the authorities have explained that the omission was accidental, and assures Mr. Hore-Belisha that it will be rectified in the bound volume of Hansard. He concludes:—

> "The bound volume of Hansard is the real authentic report of Parliament, and one expects that this, and not the daily copies, is the medium through which foreign Governments learn of the detailed proceedings in Parliament."

We have heard it stated that Press Gallery reports are sometimes edited before being passed out to the newspapers, but always supposed that the daily Hansard was complete and authentic. But the writer in the *Evening Standard* says that it is in effect only a proof, which members may correct by alteration and addition. So now it is a bit of a gamble to decide which to buy, the daily issue or the bound volume (if you can afford it). It looks as though one must take both—the daily issue to see what the reporters heard said, or thought they heard; and the bound volume to see what the members really said, or thought they said, or wished they had said—or, on the other hand, to detect what they had said but were advised by the authorities that they ought not to have said.

"The direction of employment is slowly downward. The U.S. Department of Labour index is 3 per cent. less than a year ago. Payrolls are 2 per cent. lower. This situation may seem strange in view of the fact that we are having fairly active business. But this downward trend in employment is not due fundamentally to the condition of business. New inventions, labour-saving devices, improved technical processes, and other short-cut methods, are putting workers out of jobs. These developments have actually taken care of bigger volume of business with fewer workers. Unemployment has hit practically all lines of industry. The present pinch comes in great measure from the fact that new jobs are growing less and the number of seekers is increasing. This is the inevitable temporary penalty of efficiency. We are in what might be called a period of 'workless prosperity.'"—*Commercial and Financial Chronicle*, September 22.

An Outline of Social Credit.

By H. M. M.

II.

As Major Douglas's discovery that the aggregate of prices is always greater than the aggregate of incomes is a matter of prime importance, let us study it a little more closely.

If all the costs of production were traced back to their original source, it would be found that they consist of payments made to somebody or other for services rendered, real or imaginary; so, at a first glance, it might seem obvious that, no matter what the cost of production may be, there is always bound to be sufficient money in the community's hands to buy the whole product. That is far from being the case.

What is overlooked is that the various items appearing in costs to-day represent payments made over a long period of time. Some were made last week, some last month, some last year, some many years ago; but to be effective as purchasing power *now*—as they would have to be in order to buy to-day's products—every penny of those payments would have had to be saved. We know, however, that most of the money was spent as it was received—had to be spent by the recipients in order to live—and no longer exists as purchasing power; for, as we shall see later, money, or purchasing power, is extinguished in buying goods for final use or consumption.

Take any business you like, and analyse its costs, and you will find that they can be divided into two groups—inside and outside payments. Inside payments are the wages, salaries, commissions, dividends, and directors' fees, etc., paid to, or received by all the individuals associated with that business, employers and employed, and constitute their income. Outside payments are payments made to other firms for plant and machinery, raw materials, etc., and these payments are obviously not income so far as the paying firm is concerned, yet the selling price of its products is the sum of the inside and outside payments. It follows, therefore, that the people in that business cannot buy all they produce—assuming that they wanted to do so. Receiving an income representing the inside payments alone, they clearly cannot pay prices made up of both inside and outside payments. That is true of any single business, therefore it is true of all businesses collectively.

It follows, then, that the income of the community is insufficient to buy all the goods it produces. This statement remains true even if all profits and interest are eliminated. Prices would still be the sum of inside and outside payments, while incomes would be the inside payments alone. This destroys the Socialist contention that Profit is the root of economic evils, and Professor Soddy's contention that it is Interest which occupies that position.

A statement of Professor Bowley's confirms the truth of the Douglas analysis. In an article contributed to the *Glasgow Herald* in 1921 he wrote: "National income is equal to the total value of goods and services produced or rendered in the United Kingdom, together with interest, etc., from abroad (less payments), the expense of maintaining capital being deducted." Leaving out payments from and to abroad as merely complicating factors, the statement can be re-written: National income is equal to the total value of goods and services produced or rendered in the United Kingdom, *the expense of maintaining capital being deducted*. But as prices *include* the expense of maintaining capital it is evident that the nation's total income is insufficient to buy the nation's total product.

III.

This difference between total prices and total incomes has far-reaching consequences. It means that there is always a surplus of goods which cannot be bought with the people's income. The goods forming the surplus must, therefore, either be goods for capital development or goods for export; and the banks must create credits, additional to the people's income, to carry them, otherwise production will slow down, spreading bankruptcy and unemployment in an ever-widening circle until the surplus can be absorbed.

Capital development has the effect of displacing labour. If it does not do so it represents wasted effort. Two quotations, one from a speech by Mr. James John Davis, American Secretary of Labour, and the other from a statement by Mr. Ethelbert Stewart, Commissioner of Labour Statistics at Washington, illustrate this effect. Mr. Davis said:—

> "You can make all the boots and shoes needed annually in America in about six months, and you can blow all the window-glass needed in America in seventeen days. You can dig all the coal necessary in six months with the men now in the industry. Because of the increase in population in the last eight or ten years it now should take 140 men to supply the needs of the country where 100 could do so. Instead of that, and in spite of our having 20,000,000 more people, the needs of the country are fully supplied with 7 per cent. fewer workers than in 1919.

Mr. Stewart said:—

> "Every machine that is built to do the work of four men throws three out of work. Of course, new industries are created and production increased to absorb part of the surplus labour, but sooner or later we will reach saturation point. Whether we have reached that point now will be determined by the middle of April, and if we have reached it, there is only one solution, shorter working hours. Anything else will be suicidal."

Displacing labour means less money distributed as wages, and therefore a lessened demand for goods in the home market. A home market which thus tends constantly to contract, by reason of this displacement of labour, combined with an output which tends constantly to increase, as the direct result of capital development, are conditions which are guaranteed to convert the most inoffensive and peace-loving nation into an aggressive seeker of foreign markets.

Now, the "foreign" markets of the world are just *home markets looked at from a different angle*: they are not additional markets. France, Germany, and America are foreign markets to us in Britain; but to their own inhabitants they are home markets and we are a foreign market. So if the world's home markets cannot absorb all the goods produced—and we have seen that they cannot—neither can its foreign markets, since they are the same markets. None of the nations now jostling each other in the attempt to capture trade realises that yet. All they are aware of is that they must get markets by hook or crook, or go under. To that fact can be traced most of the international antagonisms, imperial expansions, colony-grabbing, concession-hunting, exploitation of native races, etc. Economic compulsion, and not abnormal wickedness or greed, is the driving force behind all these activities. Foreign policy is simply an extension of home policy, and is concerned with the securing of markets abroad in order to provide employment at home.

As things are, one nation can only expand its foreign market at the expense of other nations; and, as an expanding market is a matter of life and death for all of them, the end of the scramble is, clearly, war.

War, in our day, whatever it may have been due to in times past, is an outcome of the efforts of industrial nations to avert excessive unemployment; since that endangers their existence.

In earlier times the object of war was to deprive the foreigner of his wealth; nowadays it is to force wealth on him—by way of sale, of course. The impulse is not a generous one: nations have not yet become so altruistic as all that. It is only that their sense of real values has been perverted by a faulty financial system. So perverted is it that the more they give away (exports), and the less they get (imports), they call a favourable balance of trade!

War is forced on the nations by economic conditions. Their peoples must live; and to live they must find employment, since, as things are, incomes are only distributed in return for, or in connection with, work done. If men are unemployed they are cut off from the means to live; and, if they are unemployed long, their thoughts turn inevitably to revolution.

To prevent revolution and the disruption of the State, industrial nations must perforce pursue the search for markets, even at the risk of war. Whether war does result in the capture of new markets or not, it does solve the unemployment problem, very thoroughly, if only temporarily. So, when a nation is faced with the alternatives, revolution or war, it of necessity chooses the latter—if it has a choice—as the lesser evil.

War cures unemployment by providing millions of men with jobs in the army and navy; and the rest of the nation is kept busy supplying them with munitions. Credit may be difficult to get in peace time; but in time of war it flows like water, ensuring plenty of money to spend. Plenty of money to spend means a ready sale for goods, and rising prices; and what is not sold for peaceful consumption is blown into the air or otherwise destroyed. Production is at a maximum; but the market never becomes overstocked.

Industrial nations can imagine no higher state of bliss than that—a country crammed full of mills, factories, and workshops, working night and day turning out goods, any kind of goods, for a market that never becomes overstocked. So long as incomes are being distributed in connection with the work done, they regard their activity as wealth production, although it may just as easily be waste, as it is in the case of war-production generally.

War production is not all waste, however, for in order to keep pace with the colossal destruction of a modern war, the productive machine has to be brought to a very high pitch of efficiency. War has thus a productive as well as a destructive side; and if the financial system were properly run, the nation would be credited with the capital values created—the new plant and machinery brought into being in connection with war production—as well as be debited with the cost of everything destroyed; for the cost of the new plant is included in the price of the goods consumed or destroyed, and is paid for by the general body of consumers and taxpayers, and ought, therefore, to be regarded as their possession. Instead of which a debt, the National Debt, is manufactured against them by the banks, working through the Government—or rather, the Treasury—in respect of it.

That these capital values, or their equivalent in purchasing power (money), do not become the consumers' and taxpayers' possession is part of the indictment against the present system, and explains why it is breaking down.

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

"It is understood that, apart from the Imperial Telegraphs Bill, the Government will fulfil its function in the wireless-cable merger by executive act. This, of course, means that no details of the scheme will be placed before Parliament."—*Financial Times*, November 20.

The Man, Dostoyevsky.

Psychologically, as well as geographically, Russia is the link between East and West, between Asia and Europe, between the internal and external awareness of mankind. The Russian, therefore, always lives in jeopardy, for ever poised between syntheses and dissociation, and his soul is the battleground where all conflicting tendencies meet and grapple. The conflict is not simply one between the Oriental and Occidental types of mentality. The subjective life itself tends to develop in opposing directions; upwards towards mystic and religious consciousness, and downwards towards annihilation and non-existence. Hence the impossibility of harmony in the Russian soul, and the necessity to follow first one and then another of these tendencies to extreme and sometimes inconceivable limits. Therefore, if the Russian follows the religious trend, he will have a religion as rigid and unbending as Catholicism, but even more mystical. If that fails he will become a Nihilist, ruthlessly bent on destruction for its own sake, or finally, forswearing his birthright and his God, he will adopt a pseudo-Western Socialism, in its most extreme and logical form, and try to live under a Communism in which even private property in wives is regarded with suspicion. Hence, also, the atmosphere of dissociation, enigma, and tragedy which hangs over all Russian novels. From this point of view, no one has ever been so thoroughly "Russian" as Fydor Mikhailovitch Dostoyevsky. Psychologically, he was always in an "interesting condition," in both senses of the word, for he had within him that chaos which Nietzsche declared necessary for the birth of a dancing star, and his epilepsy was but one manifestation of that furious inner turmoil.

It is necessary to remember this in order to appreciate fully this diary of his wife.* When the diary opens Dostoyevsky is on his way to Berlin, whither he had fled from Russia to escape a debtor's prison, leaving his debts behind, and taking with him his second and newly-married wife, Anna Grigoryevna. With a thoroughly Russian determination to study objectively this subjective enigma which she has married, Madame Dostoyevsky gives a detailed account of the daily life of the couple. The great writer appears against a background of petty trifles, quarrels, debts, and sordidness, and the tawdy atmosphere of a cheap tour. To those who love Dostoyevsky the picture is heartrending and exasperating, but no one who cannot bear it, keeping steadily in mind the while that these are no characters in a novel, but terribly real and living human creatures, has a right to the catharsis obtainable from Dostoyevsky's novels.

Passionately in love with her husband, Anna Grigoryevna spares him not one jot. His pettiness, rages, childishness, and utter unreliability are as faithfully portrayed as his sweetness and gentleness. Little mention is made of his work. Indeed, his only means of subsistence seems to be either borrowed or won at roulette. As we have seen, his psychology is only explicable as a state of rapid and gigantic oscillation from one extreme to the other. This alternation is the very essence of his life, and though it shake him to pieces, he is inexorably forced, not only to bear it, but also to welcome it, and even at times deliberately and artificially to exaggerate it. To such a temperament roulette is inevitably and fatally seductive, with the thrills of its monstrous joy and intense agony, and the transition from joy to anguish. No wonder Dostoyevsky would break any promise, no matter how solemn, and undergo any humiliation to obtain money for play. And we can see, also, why cautious play was out of the question.

* "The Diary of Dostoyevsky's Wife." Gollancz, 21s. net.

Moreover, by the very exteriorisation of the torturing ebb and flow within him, Dostoyevsky gets the feeling of being able to cause it at will, and thus of power over it. This desperate remedy he even carried one step further with exquisite cruelty. Let us hear Madame Dostoyevsky:—

> "At last he returned, very cast down, having, so he said, lost everything. I comforted him, assuring him that it mattered not one bit. . . . Then, quite suddenly, he said to me, 'Would you like a present?' pulling out his purse in which were 50 gold pieces and a quantity of silver."

In a footnote Anna Grigoryevna explains that

> "it was a habit of Fydor's to make one feel first terrified and then delighted."

Here, then, we have the final step in the exteriorisation and illusory mastery of his torment. By projecting it on to another person he is in a position not only to bring it on, but to arrest it at will. Is craving for this kind of power the true basis of all Sadism?

An intimate light is thrown on their love-life. Anna treasures and reiterates Fydor's protestations of love, but it is all too evident that she is tortured by suspicions and doubts. She is even driven to the pitch of reading Fydor's letters surreptitiously (as she faithfully confesses without extenuation) and she is full of jealousy, fortunately short-lived, of his previous female acquaintances, and of his relations. But in the first case, at least, her suspicions are clearly misplaced. The only rival she had need to fear was Fydor himself. As with many sick men of genius, the abnormally developed feminine side of his nature became an object of love to himself, and one which threatened to oust all others. Anna comes very close to the truth in the following passage:—

> "I dread to think of going back to Russia. I am afraid lest Fydor might stop loving me there. Am I really and truly not quite sure of it, I wonder? Often I fancy him as a kind of man who has never been in love, but only imagined it for himself, and never yet found true love at all. I tell myself he is not capable of being in love, being far too preoccupied with other thoughts and ideas. . . ."

Yet she need not have been worried after all. In that chaotic soul there was room for everything, and deeper and more permanent even than these "other thoughts and ideas," lay his love and need for his wife.

Anna Grigoryevna's own character, as shown by the diary; is, to say the least of it, no less interesting than Fydor's. She, too, is a Russian, subject to impulse and caprice, and she, too, is sick with the throes of creation—the moulding and shaping of that Sonia, who was to stay so pitifully short a time. Yet Anna has more dignity, kindliness, and shrewdness, if less greatness, than her husband, and her courage and steadfastness amid the trials brought upon her by that sick child, Dostoyevsky, are among the splendours of mankind. One remembers with gratitude that her efforts were ultimately rewarded, and that Dostoyevsky passed the last of his life in comparative comfort.

A review of the book would be incomplete without some mention of Madame Dostoyevsky's caustic and yet kindly comments upon life in Germany. For these alone the book would be worth reading. And the Dostoyevsky diet! God help us all! a horrible mixture of ices and beer and cheap cream cakes with nuts in them. Only once, so far as I recollect, is there a description of good roast beef, and even the reader hails it with hilarious joy. And with the screaming incongruity of life, all this forms the background for the enigmatic figure of the "greatest pathologic genius of Europe." One sees how inevitably his novels developed from his life, and why he forestalled all the modern schools of psychology of the "unconscious," and also (what is more important) transcended them.

NEIL MONTGOMERY.

Views and Reviews.

UTILITARIANISM.

By Hilderic Cousens.

Jeremy Bentham has been explicitly described by an eminent jurist of to-day as one of the greatest men who have ever lived. A list of the reforms he demanded, which have been adopted since his death, would almost fill a page of THE NEW AGE, and few could be found to wish their repeal when once they had had a good trial. This erudite study,* which is a worthy member of that select library of first-class books on England which is such an adornment of French scholarship, deals with the development of the doctrines of Bentham and his followers. In it we find a thorough, almost too thorough, discussion of the ideas, not only of Bentham himself, of James Mill, and to some extent of John Stuart Mill, but also of Adam Smith, of Godwin, of Malthus, and of Ricardo, with a pedigree of Utilitarianism, the stages of its development, its reaction on its contemporaries, and a final chapter on its disintegration into Manchesterism. The practical influence of Bentham on English and other legislation is hardly dealt with, for, despite a world-wide fame, that was mostly postponed until his death, when it promptly swelled to a flood. The book has the two advantages of an excellent table of contents in the French fashion and a good index in the English.

If Bentham is a pinnacle of English genius, Newton towers yet higher. From Newton's mechanics has sprung the greater part of our material civilisation—or at least almost all that differentiates it from the England of the Commonwealth. Utilitarianism is also his offspring, and consequently so is a great part of those social attitudes and institutions which we have acquired in the last hundred years. And, to complete the cycle, if we are to discard Benthamite sociology, we must rely on that other Englishman of genius, Charles Darwin, and on the biological attitude which his influence is still forcing on us in a multitude of ways. "What is known as Utilitarianism or Philosophical Radicalism," says M. Halévy, "can be defined as nothing but an attempt to apply the principles of Newton to the affairs of politics and morals." The physical principle of universal attraction was paralleled by the principle of utility and the association of ideas, but whereas Newton still remains *practically* unaffected by Einstein and Planck, and it is not by any means certain that the doctrines of relativity and quanta will effect such a transformation as Newton's did. Utilitarian psychology has now been superseded. The mind of man is vastly more complicated than the associationists believed; it reacts more subtly and less logically than they reckoned, to the manifold stimuli of its surrounding world. Utilitarian morality, based on their inadequate psychology, has proved equally assailable. Morals is half a matter of art, and half of philosophy, required to function in an environment of manners; and for those without art or philosophy, a traditional morality not too rigidly followed is perhaps the most satisfactory road. In Bentham's day Christian morality was talked about a great deal and practised precious little. It is significant that most of the men to whom we owe the comparative decency of law and custom in these days were, in England and abroad, the most violent of anti-clericals. Bentham proposed to substitute a moral arithmetic, employing the devices of systematic classification. He was peculiarly concerned with the reform of the penal system, whose irrational ferocity he untiringly sought to abolish. Bentham and his followers do not wear the air of decorative magnificence, and their nobility was almost pedestrian, while among them there arose the usual crop of cranks and bores. Bentham has not inspired following generations with a mystical enthusiasm. That appears too often to be the prerogative of the destroyers of mankind. We are still nourished in a culture largely barbarian, which has only lately begun to be infiltrated and dissolved by the matter-of-fact, cause-and-effect disposition of purposive thinking, so that while we increasingly use the weapons of rationalism without acknowledgment, we hold aloof from their makers. There is no religious or philosophical glamour round Bentham's great criterion of social mechanism and social project, but, though it may be quite insufficient for our guidance, the question, what is its use? is indispensable. Whatever we conclude to be the merits of his doctrines as such, we cannot withhold our appreciation of the motive force behind them. For the Benthamites were concerned all the time with ways and means of enhancing the well-being of each individual human being—which is more than can be said for a number of philosophers in more popular vogue. Even Malthus had this end in view, for his teachings on population were designed to elevate as great a proportion of the living into the comparative prosperity of the middle classes.

In a recent article (November 1) Major Douglas wrote of the contrasting and conflicting ideas of virtues having absolute existence or being abstractions requiring individual incarnation. Utilitarian morality as expounded by Bentham and his chief disciple, James Mill, belongs distinctly to the second class. Though they discussed virtues at length, and sometimes appeared to be in agreement with the traditional moralists, yet their endeavour was to effect a revolution in the conception of virtue. As M. Halévy says, "There is in their philosophy, first and foremost, an attempt to discredit self-abnegation and to rehabilitate egoism." They put forward a morality of prudence and of benevolence and charity within the limits of prudence. "Be benevolent and do good, on condition that your goodness always serves your own interest indirectly." Egoism was the basis of human existence and of human society; if egoism could be made reflective, we should achieve the ideal state of maximum happiness for all. But we must start with the more obvious ingredients of happiness; James Mill declared that "Nature forbids that you shall make a wise and virtuous people out of a starving one." They had no use for a religious or aristocratic or ascetic or chivalrous morality by which some should be exalted or some abased or the current prejudices or sympathies be made the basis of practical judgment or esteem. And so the proper end of public policy was "the greatest happiness of the greatest number." Now, although happiness as The Good has been sufficiently exploded in philosophy (e.g., in Moore's *Principia Ethica*), yet despite its necessary vagueness this formula is much the most satisfactory general "caption" yet produced, because it can be itemised fairly extensively, and covers everybody. If we say that every man, woman, and child must at least get so much food, clothing, shelter, and medical attention if ill, we have the beginnings of a comprehensible programme, whereas if we say that the State should promote The Good Life or make the nation glorious, we at once venture into the shoals of philosophy or international discord. In the past a highly cultured minority has often rested upon a degraded populace, and nations have acquired glory while the bulk of their own and the surrounding peoples have wallowed in misery.

Though Bentham propounded a democratic theory, yet he was not by nature a democratic politician. His early sympathies were all with authoritarian management from above. He was of a piece with the Benevolent Autocrats, whom some historians even now believe would have transformed Europe, if

* "The Growth of Philosophic Radicalism." By Elie Halévy. Translated by Mary Morris. (Faber and Gwyer. 30s. net.)

the breaking point in France had not been reached quite so soon. In the course of years he was converted by his associates from Toryism to Radicalism, and Utilitarianism became almost identified with the cause of electoral reform. For the competent and benevolent legislator who would secure the harmony of the separate interests in society by a judicious limitation of some individual liberties, the sovereign was to be the control of a majority of the people, who will be enlightened enough by the teaching of the Utilitarian economists to know how far Government should interfere with particular interests in order to secure the general interest. As time went on, the Utilitarians more and more abandoned the principle that a legislator is necessary to secure harmony by artifice where it is naturally lacking, and more and more relied on the doctrine of a natural harmony. Scarcely had laisser-faire won its great triumph of repealing the Corn Laws, than the stream of State intervention revived, and now we are back again with Benevolent Despots—or,at least, under management by Government Departments in the ostensible but unrealised interest of a bewildered electorate.

Drama.

A Hundred Years Old: Lyric, Hammersmith.

The theme of "A Hundred Years Old," a further play by the Spanish brothers, Serafin and Joaquin Alvarez Quintero, is simple. Papá Juan is about to celebrate his hundredth birthday with such a banquet and merry-making as the small town of Arenales del Rio never saw before. On this birthday he has made up his mind he will have about him the whole host of his children, children-in-law, and grandchildren, puritans and prodigals, saints and sinners, alike, without favouritism or exception. His family, not foreseeing that a good dinner makes one feel kindly towards everybody, even one's relations, as Wilde said, provide the variations on this theme by their refusal to sit down with one another. In addition, as the old man has lived to be a hundred only by always having an ambition, he now wants a great-great-grandchild, for getting which he sets the lovely young Currita and the intelligent young Trino on the legitimate way.

In the work of the Quinteros, as in Sierra's, there is scope for character-acting in every part. Alfred Harris, for example, had only to walk on and speak a sentence at various times, yet he succeeded in making of Manuel a man as well as a servant. Mr. Filmer's production is in perfect tune with the mood of the play, and brings out each character individually without losing anything of team-work. Indeed, the acting of every part was satisfying except the Trino of Lyonel Watts. Trino, with posterity in his loins, ought to be a match made in Heaven for Angela Baddeley's beautiful Currita. But Trino here resembled a wag with a pretty girl talking for the edification of the bystanders. As a consequence, instead of sanctifying the audience's own love-affairs by idealisation, Trino gave the audience the feeling of having more right to Currita than he had. Horace Hodges' Papá Juan inevitably dominates the play. It is Papá Juan's birthday, and Papá Juan is the patriarchal agent of the Kingdom of God on earth; in addition, Horace Hodges is a very fine actor, whose intuition invariably follows the infinitesimal line of doing perfectly between underdoing and overdoing. But three smaller studies also excited admiration: Mabel Terry Lewis's Doña Filomena, widow, who saw every friendly act up-side-down, so that the persevering kindness of her relations was always logically interpreted as part of a conspiracy to belittle her; Nigel Playfair's Alonso, the comrade who, already well-drunken, came with a rehearsed speech to doff his hat to the man who seated the rich and poor at his table together; and third—and finest—Herbert Ross's Market-Gardener, a poor relation with a deal of common-sense.

There are a few lines in the play which ought to be scored out, most of them being Trino's. His philosophising about all his progenitors working inside him is too long, and it caused an awkward hiatus, as though the play had been stopped for a Maeterlinckian interlude. All the patches referred to can be detected by the coughing of the audience. The play as a whole is cleansing and health-giving, like a warm bath, which, while pretending to do no more than it does, is good for everybdy. During the preparations for the party Doña Marciala remarks, anent the opening of a drawer, that there is no more fragrant a smell than that of clean linen. By translating some of the work of the prolific Quinteros, Mr. and Mrs. Granville-Barker have brought a gift of oranges wrapped in clean linen.

"A Hundred Years Old" has lines that Mr. Philpotts might have written, as, for example, the proletarian comrade's reply to his wife when she begged him to give up railing at the priests, who did nobody harm. "Had one not married him to her, and warn't that harm enough?" Both Mr. Philpotts and the Quinteros write of the country folk. Both, again, are sentimental, and both have a faculty for burlesque. But the Quinteros are not cruel as Mr. Philpotts is. They love their folk as well as laugh at them, so that they create characters, not types. Mr. Philpotts is sentimental because, if there is a god, he is a callous god, whose conscience can be awakened, if at all, only by his being sneered at. The Quinteros remind one of the sonnet by Heine, in which God, having made the stars, wanted somebody to show them to, and therefore made man; inasmuch as the Quinteros return the compliment. There are things in the universe, the patriarch shows on their behalf, that make man create God to praise Him. With Barrie also the Quinteros have something in common. They re-create the Spanish family as he the English home. They smooth the corners off reality. They model their men and women with gentle hands, to present them less as their neighbours than as their mothers see them. But they betray no yearning for exemption from life responsibility, as Barrie does. They may see men and women as children, but not with a child's eyes, so that they have insight, but do not need to call in the magic. Papá Juan's recipe for long life is so simple that only the wisdom of age can believe it. The Quinteros do not, indeed, remodel their men and women impossibly or untruthfully; they put the truth in a favourable—or at least a forgivable—light. They help to spread that quality of a family which enables people to live with one another even when they know one another.

All God's Chillun: Gate.

As a note on the Gate Theatre programme says, O'Neill is of the theatre; the whole theatre as an art medium, not as a broadcasting mechanism for literature, moralism, or propaganda. That member of the audience would be a brutish beast who did not get a chilled marrow and a tingling scalp in the last scenes of "All God's Chillun." He would show no sense of presentation who did not appreciate the perspective of the towering slum-street corner of the first act, or the interior of the second. He would lack organic sense who did not see the play grow; who was not captured by the development from the sentiment of the first child kiss between the black-boy who ate chalk and the pink and white girl who would have eaten charcoal, to the final despair of their isolation from both black and white, and her retreat to childhood. Finally, he would even be a bad economist who did not feel the magnification of power in that scene after the wedding where the whole force of mass suggestion is

re-created in a few seconds on two rows of expressionless but impenetrably prejudiced faces.

All this is good theatre. It even derives something from being little theatre in origin, since little theatre has to make full use of all its means, precisely as the person with a small income has to know better how to use a penny than a millionaire a pound. That it is good theatre, however, is only a fraction of the truth about "All God's Chillun." Theatre is not only a language, but a language for the expression of something, and it is that something which explains why this tragedy became a melodrama in the final scenes. "All God's Chillun" might have been an æsthetically pleasing nocturne in black and white, and still have been good theatre; but it would not have been as good a play, nor would it have been O'Neill. O'Neill is of the world as well as of the theatre. "All God's Chillun" is a truthful dramatisation of an agony experienced in the American world, and it is truth that dominates the use of theatre as of every language. "All God's Chillun" contains no biological lectures on miscegenation, of course, for the reason that O'Neill is a dramatist, and not a lecturer wanting to be on all sides, like Bernard Shaw. But "All God's Chillun" is as much the dramatisation of the inferiority complexes of black and white, one repressive and the other rebellious, in relation to each other, as Strindberg's social dramas are of the inferiority complex of man in relation to woman. In O'Neill's case the dramatisation, of course, is more objective, in that its author is more aware what he is about. But the truth of the psychological analysis is as much a factor in the one as in the other.

Shakespearean tragedy is romantic, carried on in romantic speech. The tragedy of Othello ends with him. It is the tragedy of a wealthy, noble, and famous, though coloured man, of unbending pride, which lands him into hari-kari. Jim Harris's tragedy does not end with him. It goes on in a whole race. He does not commit suicide. When his white wife, unable to deny her conscience for having loved him, yet unable to forgive him for his agency in blackening her out of her own sort, goes back to the babble of childhood, he can only survey hopelessly the futility of his struggle for recognition as equal with the white. O'Neill is too honest to be either romantic or humanitarian; he neither solves an individual case by murder and suicide, nor pretends to have a solution for the general case. In consequence the tragic restraint of the drama breaks down finally in melodramatic violence. It is a tragedy of despair, of an insoluble problem. The faces of "public opinion" in the wedding scene forbid any individual propounding a solution of the conflict between black and white.

Jim Harris was played by Harold Young, who combined pathos with power in a very fine, understanding performance. Although Helena Rickard did not make everything possible out of Ella's soliloquy, in which she tended to monotony, she gave on the whole a good performance which rose in the last scenes to great strength. In a very good all-round piece of work I enjoyed particularly Josephine Middleton's playing of Jim's mother.

PAUL BANKS.

GLORYING.

Since I have no humility to boast of,
It is my pride that I must make the most of:
The proud are fools. Admitting this, I tumble
Right to the highest heaven of the humble!

L. S. M.

"It is stated, says a Paris telegram, that the marriage between King Boris of Bulgaria and Princess Giovanna of Italy has now been definitely arranged, and will take place as soon as Bulgaria has succeeded in stabilising her currency."—*Daily Sketch.*

Music.

Elizabeth Schumann. Queen's: November 3.

Frau Schumann was very disappointing on this occasion, and obviously much below her form. Much of the singing was distinctly bad, poor, white, pinched tone, with no body, erratic uncertainty of pitch in all quick movements and also considerable shortwindedness. A good deal of this doubtless was due to physical causes, but not all. With all Frau Schumann's charm of style and delicacy of interpretation, there are emphatic technical deficiencies which play havoc—as they always do—with the singing when the physical mechanism is below par. The all-round best work done by the singer was in "Willst du dein Herz mir schenken" of Bach, although her tone is not firm enough for pre-eminent Bach singing. She relies too much on excessive *diminuendi* at the ends of phrases, and a series of phrase *sforzandi*, which become monotonous from the regularity of her use of them. In the slower moving songs she was much better. It was in animated or quick movement that the singing went so badly to pieces.

Arts Theatre: Grotrian.

Two concerts during the last week or so give one a fertile theme for moralising upon the discrepancy between the merits of a composer and those of his performers. At the Arts Theatre Club the feeblest and most futile of Ravel works, and the cynical and *effronté* inanity of Paul Hindemith had executants of the rank of the Pro Arte Quartet of Brussels, a very good group of musicians, and a pianist of the rank of Gieseking, who, although he is not my ideal of a great player, yet can most decidedly play the piano in a highly distinguished manner when at his best. This at the B.B.C. Concert of Contemporary Chamber Music on, appropriately enough, Guy Fawkes Day. At the other, one of the few composers anywhere worthy to be called a serious musician, to whom his art is still an art, and a vehicle for the expression of spiritual experience, and not a means for killing time for the overfed between gorging and lechery—John Ireland, to wit, was presented to us through the medium of some of his ripest and maturest work, but only after that had been operated upon by Mr. William Busch in a group of recent piano works, and Miss Evelyn Arden in some of his finest songs. The case of Ireland is almost tragic. With one single exception in all the post-bellum years we have never heard even a lower grade second-rate performance by a performer of as high a rank as middle second class of any work of Ireland's. I can honestly say I *hope* never to hear worse performances than those at the Grotrian on the evening of November 9, but knowing what our performers are capable of, and what apparently our composers will endure without protest in the way of atrocious playing and singing, I hardly dare hope: the relief, when Ireland, himself an indifferent pianist, sat down to accompany his songs is not easy to describe. At least his playing, if bad, is *positive*, and has a certain forceful conviction behind it. But such an accumulation of nullities, of negatives, as is that of Mr. William Busch, is almost stunning. Obviously there can be no lack of a certain kind of intelligence involved in the memorising of a difficult group, but such a complete lack of musical feeling or sensibility, such aridity of imagination, indicate surely other pursuits than playing the piano, more especially in works calling for a high degree of all those qualities. Beyond purely mechanical gradations of speed and volume Mr. Busch showed no response to the musical import of that which he played.

KAIKHOSRU SORABJI.

The Screen Play.

"Lonesome."

Everyone interested in the art of the screen should pay a visit to the Rialto Theatre, which is showing the best sound-film programme yet presented in England. I hasten to add that the word "best" in this connection is intended in a purely relative sense. The programme opens with "Lonesome," which is of the partly "Talkie" variety, the dialogue being eked out by the conventional subtitles. The director is Paul Fejos, who gave us "The Last Moment," and is therefore to be commiserated for sponsoring this banality. Even the least sophisticated film-goer must by now be weary of the story of the humble New York couple who meet and mate within twenty-four hours on a complete lack of prospects.

This story is mostly unfolded at Coney Island, a locality in whose geography I could now pass an examination in my sleep. Fejos has surpassed every previous practitioner; he shows us each of the innumerable and mainly boring side-shows, and shows them at inordinate length. Presumably this is Teutonic thoroughness. He does, however, contrive a touch of novelty in the shape of a humane police sergeant, and, trifling as it is, "Lonesome" is a better work than most of the much-boomed "Talkies" which have hitherto been inflicted on the British public.

"The Melody of Love."

This is a much more ambitious production. It conforms with the popular Hollywood formula, "If wenching interfere with your war give up the war." It eliminates all sub-titles, which are replaced by a continuous spoken accompaniment. Technically, the sound effects are admirable. This film demonstrates again that in the "Talkies" men are incomparably better than women, which suggests that if Hollywood's present lust for sound at all costs continues it may spell the end of the monstrous celluloid Regiment of Woman. Walter Pidgeon and Tom Dugan, especially the latter, are excellent. The reverse of excellent is Mildred Harris, and adds yet another to the long tale of French *estaminet* girls in the war zone as viewed through the eyes of a bowery music-hall audience. In fairness, I absolve her of the responsibility for wearing a costume more suited to a carnival than to a *petite bourgeoise*.

"The Magic Clock."

Incomparably the best item on the Rialto programme is this delightful fantasy, directed by Ladislas Starewitch. This is a French film, and although it is almost entirely concerned with the antics of clock-work figures, its technique would seem to have been influenced by that of "The Nebelungs." So delightful, so charming a thing of its kind I have not seen since the film version of "Cinderella." That was hastily thrust into a cellar. If the same fate awaits "The Magic Clock," then the exhibitors know their business even less than I imagine them to do. And I have no very exalted idea of their skill to realise what the public really appreciates.

"Tempest."

It is a curious commentary on our film censorship that while it bans on general principles almost every production made within the borders of the Soviet Republics, it cheerfully issues letters of naturalisation to American films alleging to depict the Russian Revolution. Some of these films which "T. P." and his brother watchdogs certify as innocuous are magnificent propaganda for bolshevism to any film-goer who is not so unfortunate as to be a cretin. "Tempest" (Madame Tussaud's Picture Theatre) comes to some extent within this category. But it is a good and robustuous story, and provides an excellent if not entirely worthy "vehicle," as they say in Wardour Street, for the great dramatic gifts of John Barrymore. Camilla Horn is so beautiful that, as in the case of Dolores del Rio, one can watch her with pleasure, irrespective of what she does. For the rest "Tempest" is a very good mediocre film.

Since producers pride themselves so much on their accuracy of detail, I may point out that at the very beginning of the Russian Revolution a People's Commissar would not have hung a portrait of Lenin in his office unless he had been endowed with some-what remarkable gifts of prophecy.

DAVID OCKHAM.

The Structure of the Novel.

Mr. Edwin Muir's little book* is far sounder than Mr. Forster's "Aspects of the Novel," and more comprehensive, though less profound, than Mr. Lubbock's "The Craft of Fiction"; but it is so full, as any good book on the subject must be, of delightfully controversial matter that the reviewer could do justice to it only in a volume of at least the same size. It should be read more than once by anyone whose interest in the novel has not been drowned in the spate of mediocrity that floods the bookstalls. Mr. Muir treats the novel as a work of art; not as a slice of life, a psychological study, or a social document. It is true that the novel, as generally practised, is imperfect as an art form, but the defects of practitioners should not deprive the form itself of aesthetic criticism.

Mr. Muir divides novels first of all into two main classes: the novel of character, and the dramatic novel; the first class containing "Vanity Fair," the second "Moby Dick," "Wuthering Heights," and the best work of Hardy. Novels of character, he says, move in space and are analogous to painting, while dramatic novels move in time, as music does. This is a useful distinction. The sequence of events in "Vanity Fair" is of little importance; it is the rich texture of Thackeray's scenes and the solidity of his characters that we admire. The characters themselves do not change with the plot; they are conditioned rather by their place in society than by events. Dramatic characters, on the other hand, develop with the plot and react, in their turn, upon the plot. The setting of "Wuthering Heights" is a blasted heath that might be anywhere; "Moby Dick" is staged upon the high seas. Both these stories move to their appointed end with a gathering momentum, so that time itself is controlled for the purposes of plot. Whereas in the best novels of Character time seems inexhaustible.

Every classifier of the novel must try his weight on "War and Peace." It has been said of this broken-backed masterpiece that it is no more a work of art, and no less, than London is; and this seems to be the last word, although devoted admirers have tried to tell us that the Soul of Russia is the hero, or rather the focal point, of the book. Tolstoy was a great artist who despised and betrayed his art. Mr. Muir, however, makes a good case for creating a further class, the Chronicle, which will include both "War and Peace" and its better written, but far less impressive descendant, "The Old Wives' Tale." Time is the important factor in the Chronicle, not dramatic time, whose speed is determined by the needs of the story, but the unchanging and inexorable time of the historian. As the years roll slowly on, what was tragic yesterday will be pathetic to-day and forgotten to-morrow. Man is born, he suffers, he grows old, he dies—perhaps the theme is too

* "The Structure of the Novel." By Edwin Muir. Hogarth Lectures, No. 6. The Hogarth Press, 3s. 6d.

vast for the artist to handle. Is that why the reader of "The Old Wives' Tale" feels, at the end, a sense of disappointment, as though the book has cheated him of something that it promised? Or is it simply that a man who sees no finer purpose in life than getting more champagne, cigars and steam yachts, is incapable of informing so considerable a work with even an artistic meaning? But these are questions which no classification, however sound, can as yet simplify.

It is good to find that Mr. Muir gives himself more elbow-room by ruling out much of the admired work of Galsworthy, Bennett, and Wells (but not, of course, Mr. Polly) as literature. Many modern novels that are generally accepted as fine creative work are, in fact, no more creative—as they are no less admirable—than a good leader in *The Times*. They are analytical and descriptive. An obvious instance of the first-class journalist who failed in fiction is the late C. E. Montague. His war book, "Disenchantment," was a noble document; his novel, "Rough Justice," was a poor thing. The characters were arbitrary, and the book will be remembered, if at all, for its descriptive writing.

One realises with amazement on finishing Mr. Muir's book that he has only given Balzac an odd word or so—Balzac, whom many of us besides Henry James, regard as the master novelist. So keen a critic as Mrs. Woolf has asked how, remembering "War and Peace," we can deny Tolstoy the title of the greatest novelist: the answer is, of course, by remembering the "Human Comedy." If we must confuse size with greatness why should we confine ourselves to one work? And, indeed, the "Human Comedy" is at least as coherent, as a work of art, as Tolstoy's enormous book. Mr. Muir says of his two first categories that the dramatic novel tends to the tragic and the novel of character to the comic: tragedy in time and comedy in space. This is shrewd enough, but let us turn for a moment to the Greeks. Classical drama was sharply divided into the tragic and the comic, and it probably reached, under Aeschylus and Sophocles on the one hand and Aristophanes on the other, the highest development of which it was capable in such conditions. Now turn to Shakespeare, and consider the scenes between Lear and his fool; it is obvious that the fusion of the two modes has lifted the drama to greater heights than the "Oedipus" or the climax of the "Eumenides." It would be idle to compare "Pere Goriot" with "Lear," but Mr. Muir would perhaps agree that Balzac works in both time and space, combining the rich texture of one form with the controlling plot of the other. It is true that there is something earthly about Balzac, and that the sublimity of "Moby Dick" or "Wuthering Heights" was as impossible to him as it would be to the delightful Mr. Wodehouse: but then neither of those masterpieces should be used for purpose of general classification, for they stand in a class by themselves.

MICHAEL JOYCE.

LETTERS TO THE EDITOR.

THE INCIDENCE OF PROFITEERING.

Sir,—I do not altogether see why you make the crux of your movement a Credit one rather than a Cash one. Major Douglas and your prospectus are doubtless right in the conclusion that "the purchasing power in the hands of the community is chronically insufficient to buy the whole product of industry." The obvious reason for this is a Cash reason, not a Credit reason. It is, that the cupidity, greed, or acquisitiveness of human nature, sunk in a most abysmal ignorance of economics, will not permit the goods which have been produced to be sold at the cost price of their production—i.e., at the only price at which the purchasing power in the hands of the community is sufficient to carry off the whole of the product. It is not raising wages which is the solution, but lowering prices. The problem is thus a Cash problem, and it only tends to make it needlessly unintelligible to a wider circle if you make it a Credit problem.

In this problem, which Major Douglas has propounded, and of which he has sought the solution, it is clearly the profit principle which is at fault. In a profit system the so-called "equilibrium" of Supply and Demand is evidently attained with a "least possible supply" at a "highest possible price." The "marginalists" are good enough to prove this against themselves. Not the supply of the community, but the profits of those who control business, is the clear aim and test of this system.

It seems to me that your movement would be of benefit to a wider circle if it were based upon the more easily intelligible Cash basis. The renunciation of the profit principle, lock, stock, and barrel, is what is required to get us out of the muddle in which selfish "individualist" economics has landed us.

"Ah! take the Cash, and let the Credit go."

ARNOLD J. W. KEPPEL.

SOCIAL CREDIT IN CANADA.

Sir,—An Economic Freedom League, in the closest association with the parent body, and, I hope, with yourselves, in England, is about to be established in Canada. This will be the only "Social Credit" organisation in this country. Messrs. Woodsworth, I.L.P., M.P., three U.F.A. members of Parliament, Messrs. Irvine, Coote, and Spencer, and Messrs. J. W. Robson and Geo. Douglas, both of the U.F.C., have been invited to act as an Advisory Council.

Will any of your readers interested and living in Canada communicate with me.

A. G. CRAFTER.

867, Craigflower-road, Victoria, B.C.
November 1, 1928.

MISS HEYMAN.

Sir,—A journal of your reputation will, I am sure, not resent an open-minded criticism of your musical critic!

In a recent issue he states that Scriabine is not utterly flaccid, spineless, etc., and requires a pianist capable of cogent, coherent thought, if it is to sound sensible and topical.

I would suggest that the remarks applied to Scriabine should equally apply to your critic, and you will understand what I mean if you would be good enough to read his criticism of Miss Heymans' concert, published in your issue of the 15th.

Scriabine is not everyone's choice of music, and is far more popular in America and the Continent than it is here—apart from that very few people can play it in the manner in which it is supposed to represent the interpretation meant by the composer.

As Miss Heyman is the one person who is reputed in America and the Continent to interpret Scriabine correctly, it is somewhat surprising that your critic can have no knowledge of his subject, as is obviously disclosed in his report.

I know Miss Heyman personally, and I write to suggest that a journal with your reputation should not allow a pianist of her reputation to be so inaccurately criticised by a member of your staff, and having done so, would be anxious to adjust the matter in your next publication.

JOHN B. LLEWELLYN.

[Mr. Llewellyn's letter arrives too late for Mr. Sorabji to reply this week. In the meantime we must point out that a critic's duty is to offer a judgment of a performance which he himself hears. Miss Heyman's American and Continental reputation, based on other performances, cannot be taken into account. The whole point is: How did she perform at the Wigmore Hall on October 25? In sporting circles there is a common expression: "Playing below form." Every member of the M.C.C. cricket team now in Australia went out with a great reputation; but what would be said of a critic who judged their performances in the forthcoming Test matches in the light of their reputations? Mr. Llewellyn's argument at best only conveys the impression that Miss Heyman can play Scriabine better than Mr. Sorabji says she did. That is conceivably true. But what Mr. Sorabji said is also conceivably true. Both gentlemen may be right—in which case all that remains is the question why the lady played below form. To discuss this would be chivalry but not music.—Ed.]

"Letters to the Editor" should arrive not later than the first post on Saturday morning if intended for publication in the following week's issue.

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