THE
NEW AGE
INCORPORATING "CREDIT POWER."
A WEEKLY REVIEW OF POLITICS, LITERATURE AND ART

No. 2155] NEW SERIES Vol. LIV. No. 9. THURSDAY, DECEMBER 28, 1933. [Registered at the G.P.O. as a Newspaper.] SEVENPENCE

CONTENTS.

PAGE

NOTES OF THE WEEK 97
Dr. Cyril Norwood—schoolmaster and economist—against "trade barriers." Subsidised shipping—*Punch's* cartoon—British banks subsidise foreign shipping. World-centralisation—the money monopoly and aircraft control—bombing defaulters. The policing of Austria in 1922. Lord Trenchard's "Basle" police. Father Drinkwater on the Unemployment Bill.

JEWS OR BANKERS? (Editorial) 101

GAITSKELL ON "A + B." By J. Adamson . 102
What Everybody Wants to Know About Money (Cole). Chapter VIII. By H. T. N. Gaitskell, entitled "Four Monetary Heretics."

GRODDECK ON THE UNCONSCIOUS. By N. M. . 104
Exploring the Unconscious (Groddeck).

PAGE

THE FILMS. By David Ockham 105
I Was a Spy. Thunder Over Mexico.

MUSIC. By Clinton Gray-Fisk 105
Chamber concerts at Grotrian Hall. Royal Philharmonic Society. Myra Hess. *Sinfonietta Ensemble.*

THE THEATRE. By V. S. 106
Happy and Glorious.

REVIEWS 107
Character and Personality. (Allen and Unwin: Quarterly.)

CORRESPONDENCE 107
C. I. Leather, J. S.

NOTES OF THE WEEK.

Dr. Norwood and Trade Barriers.

Dr. Cyril Norwood, headmaster of Harrow since 1926, will take up the presidency of St. John's College, Oxford, at the end of next summer. He began his career as a Civil Servant (in the Secretariat of the Admiralty), then turned to teaching, progressing through Leeds Grammar School, Bristol Grammar School, and Marlborough College to Harrow. He is an honorary Fellow and a former scholar of St. John's. At the University he distinguished himself in classics. The *News-Chronicle* speaks of him as a most "outspoken" and "modern-minded" man—as "always ready to defend modern youth against its critics," and as a "whole-hearted opponent of narrow nationalism and trade barriers." Since the youth movement is the banker in shorts, and since the banker is a whole-hearted advocate of internationalism and free trade, it will be realised that Dr. Norwood must be *persona grata* to the magnates of the City and to the Lords and Patronage Secretary of the Treasury. His title to hold a key position in our educational system where the minds of our future rulers (as they hope) are to be shaped is incontestable in the opinion of "people who matter." He is deservedly a scholastic star in the striped-trouser firmament of finance. It would interest us to know, however, on what occasions and against what critics and criticisms Dr. Norwood has been constrained to defend "youth." Certain young men (and some old ones too) have been wont to propound certain sentiments and views in the name of "youth," and have succeeded in precipitating controversies on the subjects they have opened up; but nobody has attacked "youth" as a political, or philosophic or religious entity; for nobody knows what "youth" stands for—and "youth" appears to know least of all. The reason is that the "youth movement" does not stand for anything, it is just a radio-set emitting ideals broadcast by the Basle Banking Corporation.

* * *

We would like to suggest to Dr. Norwood that he apply his "modern mind" to an understanding of certain facts which lie outside the field of classical scholarship in which he distinguished himself. His training and temperament have caused him to deplore the anomalies and provocations residing in trade barriers. Very good: so do we all. But he seems not to have perceived that these numerous "narrow national" trade barriers are the offspring of one universal super-national trade barrier—a barrier which can be accurately described as the Tariff Wall of the International Money-Monopoly. This wall bisects every national economic area and divides producers and consumers in that area. Every retail shop in any country is a bonded warehouse, its cash-desk is a customs-house, and in every price which the shopkeeper is obliged to charge, is a bankers' tariff-duty which the customer must pay (when he can) to take the goods out of bond. The proceeds of this duty, unlike those of the duties on imports, do not accrue to any person or group of persons, nor even to the Government as representing all persons; but are retired from circulation as repayments of bank-loans. (The process has been described by the Rt. Hon. Reginald McKenna as the destruction of deposits.) The retailer, in his enforced and honorary capacity of customs-revenue-officer, is obliged to set aside the proceeds of the duty out of the money he receives for his goods, and to make the remainder serve for paying his bills and providing him with his profit. He, and all other retailers in a country collectively are unable to accomplish this; and their failure is transmitted back through wholesalers, to manufacturers and primary producers with the result that they all have to face insolvency, actual or prospective as the inevitable outcome of *trading exclusively with home consumers*. Naturally, then, they must seek to trade with foreign consumers, while taking care, at the same time, that their home customers do not buy from foreign producers. Hence tariffs. And so it will be seen that the bankers' financial barriers within countries are the mother of trade barriers between countries. The prerequisite of international free trade in the ideal sense is the restoration of domestic free trade in the real sense—trade wherein the incomes of the people are maintained in equivalence with the costs of what they produce.

Subsidised Shipping.

Punch of December 20 has a cartoon showing British shipping threatened by foreign subsidies—the subsidies being represented by the figure of an immense octopus.

In politics *Punch* is the *Times's* parrot; and its function is to repeat its master's sentiments in a short and snappy form. It has a repertoire of epithets ready to sling at any person or doctrine that the bankers don't like. The virtue of parrots is that they do not argue; they enunciate a formula and explain it by reiterating it. And since there are many people who will swallow any deception that is dressed in dramatic vernacular, parrot-breeding and parrot-teaching are profitable side-lines of the banking system. We may here allude, parenthetically, to *Punch's* picture, which we described recently, showing Mr. J. H. Thomas rescuing the Newfoundland dog. It is a pity that the actual performance of this noble act, which one would have supposed would be flood-lit for the edification of the British public, took place in the dark when they were all asleep. On Friday morning, December 15, at 8.35, the Committee stage of the Bill foreclosing on Newfoundland's assets was concluded after an all-night sitting characterised, according to the popular newspapers, by actual all-night snoring. The Bill was introduced at a juncture when the House was already exhausted, and, in spite of protests, was persisted in until the House was literally unconscious. Lord Hewart's famous allusion to our "absent-minded" Legislature as the instrument of the "New Despotism" is an understatement of the performance exhibited on this occasion. No wonder that there is a law prohibiting photographic records from being made of the proceedings in the House. Imagine a Movietone Newsreel showing cinema-audiences the figures of our legislators recumbent on cushions of discarded order-papers while a Dominion in their charge was being delivered into that of cosmopolitan and bogus mortgagees. It would go a long way towards destroying the myth of Parliamentary guardianship of Liberty. They would realise that the only interest of Members in the "will of the people" was that of legatees—that the people's vote was nothing more to them than a bequest of salaries.

* * *

The subsidy-cartoon referred to is a dreamland picture. It goes down with people who are already dreaming and sets those dreaming who are not. We should like to cross-examine the assailants of subsidies on the basis of their own financial theories. We should, as a preliminary, seek to know whether the evil attributed to subsidies resided in the act of paying them to shipowners or in the act of collecting them from the taxpayers. We should proceed to inquire whether subsidies covered by taxation did not, on the bankers' own premises, cause as much injury to the nations resorting to them as to other nations. Would they not have the effect of increasing the costs and prices of the contributories to them by the same amount as was paid to cover the "economic losses" of the shipping companies? Then we should try to elicit the admission that it is possible to pay subsidies without recovering them in taxes; upon which we should ask whether the subsidies now objected to are, as a fact, covered by the taxpayer out of circulating credits, or whether by the bankers (as is the only alternative) with new creations of credit. In a word: are the subsidies evil because they are subsidies, or because they involve expansions of credit? If we got frank answers we should have little difficulty in showing that *Punch's* gruesome octopus was not "Subsidies" but "Inflation."

* * *

The bankers of Britain naturally do not want the public to know that the menace of foreign subsidised shipping is really the menace of foreign inflation (and "currency depreciation") because the popular reaction would be: "If the foreigners can steal our trade that way, let us steal it back the same way, and some more." That wouldn't do at all, for once let the national capitalisms embark on a credit-war for trade, and the bankers would be driven out of the game for good. The agitation in every country for "more credit" would be as insistent as that in this country for "more shells" during the Great War; and since the cost of providing the credit would be seen to be nothing, the bankers would have to fork out what was demanded or sit by and watch the Government do it instead.

British Banks and Foreign Shipping.

So much for national subsidies derived from domestic taxation or domestic credit expansion. But there is such a process as a nation's getting subsidies from foreign sources. The operation of such a process was dramatically illustrated by the proceedings at a meeting of British shipowners, reported in the newspapers of December 6. At that meeting Mr. Runciman, President of the Board of Trade, spoke, and uttered the following warning:

> "Unless the banks and other mortgagees hold their hands thousands more tons of ships will be handed over to foreign buyers who will immediately use them to compete against Britain at cut rates."

This is a plain hint that British bankers have been helping to scuttle British shipping. According to the report in the *Daily Herald* it appears that already about 500,000 tons of British ships have been sold to Greece, and 300,000 tons to Japan, at scrap prices, with the result that, even without the help of subsidies, the buyers of those ships have been able to cut rates below the point where British shipowners can compete. This may not wholly account for the fact that 2½ million tons of British shipping are laid up, but it goes a long way to support the proposition that *Punch's* foreign octupus was bred in the Threadneedle-street aquarium. These debt-holed ships which were held up in the ice of frozen credits are now sinking in the sea of thawed credits, and their one-time crews drowning in the waters of bankers' liquidated assets. Students of Social Credit will see that what has been happening amounts to the confiscation of money invested in British shipping by British shareholders, enabling the confiscators to deliver ships abroad without loss to themselves and free of overhead cost to the foreign buyers. It has been a levy on British citizens to provide subsidies for foreign shipping. The transferred ships, which *Punch* virtually represents as sailing under the skull-and-crossbone flag, would be more appropriately identified if the flag bore the rod-and-serpents device which decorates the impressive doors of the Bank of England.

* * *

Another figure at the shipowners' meeting was Mr. W. R. Spence, the secretary of the National Union of Seamen. His contribution to the counsels appears to have consisted of references to the comparatively unseaworthy character of ships sailing under foreign flags and the comparatively lenient regulations under which the owners are allowed to carry freight and treat the crews; for he is reported to have declaimed the following ultimatum:

> "We shall not permit any surrender of the Board of Trade standard of seaworthiness whatever other nations may do."

And quite right too; for no decent citizen would tolerate the risking of seamen's lives for the sake of cutting freight-rates. At the same time it may be observed that when a ship sinks and makes a hole in the water it also makes a hole in the reserve funds of the insurance interests. This constitutes an assurance to the seaman that his life is doubly safeguarded, firstly by the Board of Trade Standard and secondly by the Gold Standard. His death would affront the conscience of humanists, and the inflationary concomitants of his death would affront the conscience of deflationists. And when two consciences like these coincide, well, every British seaman may sleep soundly in his bunk o' nights; and it was hardly necessary for the official champion of these men to shape up so pugnaciously as he did to the hypothetically careless shipowner.

The Drive to World Centralisation.

The shipping deadlock, unless unfastened by the Social-Credit key, will lead, along with every other economic deadlock, to further experiments in centralised international co-ordination. And as these experiments prove useless, as they inevitably must, so will the principle of centralisation be applied to the co-ordinating bodies. More and more fields of enterprise will fall under the jurisdiction of fewer and fewer administrators. Gradually every person who has a personal interest in the success or failure of any kind of economic enterprise will be held to be disqualified from participation in the counsels of co-ordination, until at last the economic world will be run by a Basle Economic Council consisting entirely of directly nominated members of the Money Monopoly. This arch-centralisation of policy will be accompanied by a corresponding centralisation of coercive power, and inevitably so, because the economic consequences of world co-ordination will, if anything, be worse than they are now and will engender resistance which nothing but violent repression will put down. The bankers' policy of imposing disarmament reflects the logic of the situation. But the world can never be completely deprived of the use of physical force. Armaments are only labour-saving instruments of destruction, and the effect of their total abolition would be simply to render fighting more cumbrous and troublesome. Nothing short of the dismemberment of human bodies would eliminate all risks of physical force being used against financial repression. Hence Basle would need to be armed in the disarmed world. And of all the forms of armament the aeroplane possesses the most convincing merits.

A Basle Air Force?

It is significant that of all the achievements boomed by the newspapers none receive such acclamation as feats of flying. It is more significant still that the hero-worship fanned by these papers has nothing of "narrow nationalism" about it, and this in spite of the undoubted fact that the nationality of the successful flier and of his machine alters the balance of commercial power in the field of aeronautics in favour of his country. Amy Johnson has been made as much fuss of in the United States as in England. And perhaps more striking still was the spectacle of military authorities in several countries going all out to assist General Balbo to carry out his publicity-flight on behalf of the Italian air-force. His feat was deserving of admiration among those who understood its technical difficulties, but the sinister import of the motivation behind the flight, and the sinister implications of its success, seem to have been ignored by organs of public opinion in all parts of the world. In conjunction with these reflections it will be recalled how convincing were the reasons advanced by the British authorities to the League of Nations why Britain, though willing to co-operate with other powers in clipping the wings of air forces in the interests of international peace, should reserve the right to bomb taxes out of her own niggers. And no reader of THE NEW AGE can doubt that it is here where we come upon the deeper reason for the universal popularity of air-feats; for they all demonstrated the fact that aircraft are the cheapest, the most mobile, the quickest, the longest-reaching, and the most intimidating instruments of coercive discipline yet invented. If International Finance could make Switzerland the world's aerodrome, and Basle the headquarters of the world's air-force, then the Bank for International Settlements could fulfil the prophetic biblical vision of God's "rebuking strong nations afar off"—or in more specific language, "larning 'em" to be defaulters.

* * *

Peace propaganda is based on pictures of the horrors of air attacks with poison bombs. Lord Rothermere, last week, launched a tirade against the battleship as an obsolete instrument of war, calling for an instant substantial increase in aircraft. These two lines of propaganda are not in conflict with each other or inconsistent with what we are saying. For the first of them would raise a dilemma were the public to react logically and say: Let us do away with aircraft altogether. For air transport is a useful and established factor in international commerce, and its abandonment would not be considered expedient by public opinion. Yet the fact remains that aircraft can be converted from peace to war uses without difficulty. So the only way to solve the problem would be to vest civil aviation in the control of bodies who were neutral on all political issues which threaten to precipitate hostilities, and who could therefore be trusted to prevent the use of aircraft to settle such issues. These bodies would be bankers, who, of course, are one body on this question; so that although the aircraft would be scattered geographically as now, they would be controlled from one centre and be just as subject to direction therefrom as if they were all parked round the Bank of International Settlements in Switzerland.

Credit Reform as a Capital Offence.

The way would then be open for the Basle Bankers to assume powers of arbitration as a complement to their powers of coercion. Pragmatic considerations as well as logical reasoning would point to this combination. For these bankers, having (by hypothesis) secured the sole means of coercion (disguised as mere means of communication), the law of "might is right" would have to operate, as political statesmen would be quick to recognise whether the public saw it or not. And as for the public, why should they, having approved the bankers' control of arms because of their impartiality, not also approve the bankers' exercise of that control because of their wisdom? Why, that is to say, should the bankers not be left with the discretion of prescribing on what occasions and for what offences the aircraft should be used as preventive or punitive weapons? No pacifist yet has contemplated the elimination of coercion altogether; and many prominent pacifists have publicly approved inter-State pacts to "punish aggressors" by force of arms. And is there any doubt that in a disarmed world, where no aggressor would be a menace to peace in the military sense, the pacifist would accept the formula: "a menace to financial security" as reflecting just as dangerous an offence —one calling for the same drastic treatment as a military invasion? President Roosevelt is a contingent menace to such security; and although General Balbo's visit was probably not designed to coincide with the National Recovery Administration's monetary experiments, it may serve to remind him, and high political statesmen everywhere, that the world is a small place and that no national centre of financial disaffection is beyond striking distance from any international centre of financial rectitude. Bankers are already talking of currency wars; and there can be no doubt that the mobilisation of new credits for economic purposes is an offence of the same magnitude in their eyes as would be the calling up of German reserves in the eyes of the French War Office. Up to the present they have been able to localise and repress "illicit" financial experiments by financial devices of their own, but the world is getting more and more awake to what those devices are and how they can be met, and unless we suppose that the bankers are preparing to abdicate when found out, we must be ready for them to adopt means of holding on to their power in spite of having been found out.

The Policing of Austria in 1922.

At the time when the Austrian bread-subsidy experiment was being squashed by outside pressure a correspondent in Vienna wrote us (under date September 14, 1922) to say, among other things, that

> "The rise in the cost of living for the first fourteen days of the month is estimated by people in general at

over 125 per cent., but a slump in a few articles, caused by a decline in the Czech crown, has given a pretext for a low index.

In brief, there was a sensational rise in prices only fractionally covered by increases in incomes. The people were being starved to repay the bread-subsidy and balance the Budget. Naturally the authorities expected trouble. Our correspondent went on to say:

> "The Austrian Government is discussing at Geneva the feasibility of increasing the strength of the gendarmerie, in order to evade recourse to international policing forces, to maintain order during the introduction of reforms contemplated."

He made a further reference to these police forces:

> ". . . firms are finding difficulty in getting from their banks enough notes to meet their wage bills, and . . . an *international* policing detachment may be sent here."
>
> "The Austrians are very mild. In the revolution of 1918 nobody was killed, except perhaps by accident. In the riot of December 1, 1921, *preceding the withdrawal of the bread subsidy*, much damage to property was done, but very little bodily injury was inflicted." (The italics were our correspondent's.)

It will be remembered that in Col. Repington's account of Austria's experiment (reproduced last week) everybody, rich and poor alike, was able to buy loaves of bread costing 60 kronen each for 9 kronen each. To the wage-earner the withdrawal of the subsidy was equivalent to a deduction from his weekly wages of 51 kronen multiplied by the number of loaves in his weekly dietary. To the employer the direct effect was the same, but there was also the indirect effect that his employees were driven to demand more wages from him. The withdrawal of the subsidy was an injury to both parties, and was realised by them to be such; so there is no wonder that the prospect precipitated a riot, and that the consequences of the policy threatened a situation of a character and dimensions which the League of Nations felt might require an international police force to deal with. The morale of an internal police force, drawn, as it would be, from the afflicted classes, could not be depended upon, and the less so because this economic crisis was mixed up with a Parliamentary crisis over the projected imposition of a "National Bank"—i.e., a League-of-Nations Official Receiver for Austria. All sections of the community had their own reasons for objecting to the policy which was causing unrest among the lowest classes, so that the police could hardly have helped reflecting that in putting down disorders they would be doing evil to their own class without the consolation of knowing that their zeal would be appreciated or rewarded by industrialists or politicians. Lord Robert Cecil had, even at that time, been throwing out suggestions for bombing machines under the League's control—which shows that the bankers were ready to procure external coercion in its extreme form regardless of workers' lives or employers' property sooner than tolerate a continuation of Austria's experiment in credit-policy.

Lord Trenchard's Basle Police.

That was eleven years ago, but to-day there is evidence that similar preparations are, at least tentatively, being carried on by, or under the inspiration of the banking community. Lord Trenchard is doing, in respect of the police force, something parallel to what Major Douglas laid down as a line of policy in his exemplary Scheme for Scotland in respect of the Civil Service, namely to run the two-shift system. The two policies differ in method, and are opposite in objective. Major Douglas's proposed duplication of the Civil Service staff carried with it the duplication of the salary list (with a bonus on top if thought necessary) and it was designed to frustrate possible attempts by the bankers to procure the partial or complete paralysis of political administration by playing on the bureaucratic prejudices of the established staff, or key members thereof, whose long association with orthodox financial policy might have blinded them to the merits of any other, and so impregnated them with the spirit thereof as to have developed in them conscientious objections to the performance of the new duties laid upon them. Naturally it would be against the spirit of a Social Credit Constitution to require a public servant to act contrary to his conscience; but it would be simply silly not to take measures to replace him if he were bitten that way and wanted to resign or refused to carry out orders. Apart from this contingency there is the general consideration of efficiency. A man long trained in the administration of a policy is more efficient than one not so trained, *provided the fundamental principles of the policy remain unaltered*. But once radically alter them, then the long training can easily be an obstacle to efficiency, and an entirely new man might most quickly become the most efficient under the new conditions. A striking example of this is afforded by the experiences of bookmakers. There are two branches of bookmaking, the one dealing with (illicit) cash betting and the other with (legal) credit betting. In the first branch the backer deposits his stake; in the second he doesn't. Now, you would say that a clerk expert in working out winnings on one class of bet would be equally expert in working out winnings on the other. For the difference in the principle is nothing more than that the cash bettor has to receive his stake back with his winnings, whereas the credit bettor hasn't. Yet, as a matter of fact, the old hands on either job get into an awful fix on the other—and every experienced bookmaker takes care that these two sets of trained officials never cross their functions. It is hardly necessary, in view of this fact, to point out that the reversal of principle involved in the supersession of the old financial system by the new might almost call for the supersession of the old administrators, supposing that the highest efficiency were wanted in the shortest time —which it would not; for when the principle is right there is no necessity to rush after perfection in administration; mistakes won't matter more than a spot of soap in the baby's eye at bath-time.

* * *

Now what we are saying in favour of Major Douglas's double-shift system spares us the necessity of analysing Lord Trenchard's. His second shift consists of what one may prophetically call the Basle police, who are brought in to forestall fraternisation between the British police and the British people. This Basle section appears to be earmarked for displacing, if necessary, the British section in the higher administrative posts; while, as for the rough and tumble routine jobs, if the British police give any trouble there are the Mosley queues of black-shirted candidates to take their places. We have no evidence that they intend to do so, but we deduce from the circumstances attending their recruitments, and from the obscurity in which the finance of Fascism is buried, that this is what the authorities intend them for.

* * *

The new Unemployment Insurance Bill, if it passes in its present form, will produce consequences similar in character to those which the withdrawal of the bread-subsidy did in Austria. It is, in literal truth, a bread-snatching measure; and we congratulate Father Drinkwater on denouncing it on that ground, and the *Catholic Times* for printing the denunciation (in its issue of December 15). "Let us try to hold in our heads the fact point," he says in concluding his article, "the fact that—

> "the ages of scarcity are over, and that for the first time in history there is plenty to go round. Unless we grasp this point we are not fitted even to begin the discussion of what social justice means to-day. And if we refuse to grasp it and to face its moral consequences, we are assuredly assisting in the re-crucifixion of Jesus Christ in the person of these his brethren."

Father Drinkwater's theme bears upon points raised in recent correspondence and articles in this journal on "Social Credit and Religion." He wrote to show that the main provisions of the Bill were an affront to the common conscience of humanity, and then, in the name of the Church, to denounce the Bill on that ground. He was addressing Catholic Churchmen, and implicitly preaching to them the doctrine that human values were the criterion of Christian judgment on measures affecting the material life of the people. He accordingly denounced the spirit and principle of this measure. He refrained from going further and denouncing its authors; and properly so, because the function of proving their identity and establishing their guilt rests with the secular, not the spiritual, authority. Nevertheless, it were mere waste of time to appeal to the consciences of Churchmen as such if the stimulus of the appeal were not intended to affect their judgment and actions as citizens. At least they were expected to resist politically that which they condemned morally. And if the power to resist an evil depends upon the identification and denunciation or restraint of its authors, then the duty of the Churchman to co-operate as a citizen in that task is a logical conclusion. Christ spoke these words: "*for it must needs be that offences come; but woe to that man by whom the offence cometh.*" (Matthew 18, 6.) This has been a hard saying to many minds, for it virtually says of the offender that his plea: "I could not help it" is no answer to the indictment. How much more then is not the agent of an offence responsible when the disproof of its necessity is manifest in nature? "The ages of scarcity are gone," proclaims Father Drinkwater; and the truth of his proclamation echoes back from majestic mountains of economic abundance in the four quarters of the globe.

Jews or Bankers?

The old question of the relation of the "Jewish problem" to Social Credit has cropped up once more, as will be seen from the following letter.

Sir,—As a subscriber to the *Patriot* of some years standing, and as a member of a "Douglas Credit Association," it is distressing to read in the NEW AGE, p. 42, of November 23, 1933, a disparagement of the *Patriot*.

The remarks end by saying . . . "there is only one subversive movement in this or any other country—the International Bankers' Combine"—a somewhat loose statement, but, essentially, absolutely correct.

The *Patriot* has provided, and is still doing so, invaluable information regarding the individuals and sects who are crippling the lives and legitimate aspirations of the people of our country and empire, and are seeking to control its

[illegible] would no longer be vested in those of aliens.

It is to the removal of that power from the alien that all who have their country's good at heart should work together for. It is going to be one of the biggest fights that has ever yet been witnessed, and even may occasion another or several more wars.

Wars or no wars, I am convinced that there are thousands of my countrymen who are going to realise that it is well worth it.

We shall win such a peace as this world has never seen before, a true Pax Britannica, and later, perhaps, when other nations have acquired something of our sense of humour and tolerance, a Pax Mundi also.

V. M. COOPER,
Comdr. R.N. (retd.) and Major, R.E., T.A.

South Africa. December 4, 1933.

If the sea suddenly became solid, and if all travelling had to be done across its sharply undulating surface, the occupants of a motor-car would get a smoother ride if it were fitted with elliptic wheels—for these could be fashioned in relation to the distances between the crests and troughs of the waves so that the sharp ends would engage the troughs and the flattened sides would tumble over the crests. If the adjustment were exact there would be little or no vertical movement of the axles. On the other hand, if the wheels were circular the occupants would get their livers well shaken up.

But now suppose the surface of the sea smoothed out like glass, the situation would be reversed: it would be the elliptic wheels which administered the shake-up and the circular ones which gave an easy ride.

Now the wavy surface imagined in this analogy corresponds to the production problem in a pre-scientific age where the economic experiences of the people was comprised of alternations of natural plenty and scarcity. And when money came to be used, they found that their easiest and safest progression was attained on, so to call it, an elliptic costing-system. Its oval wheels sort o' slid them over the crests of natural shortage, gaining purchase in the troughs of natural plenty.

Since then, applied science has done away with all risks of this kind, and has laid out a flat road for the economic system to run on. This was done slowly and imperceptibly, with the result that the occupants of the car never thought it necessary to fit it with circular wheels. The consequence was that every improvement of the surface of the road made itself felt in a more violent jolting of the car. Some of them wonder whether to smash up the road to get back to the choppy surface again; others, when they do give a thought to the wheels, wonder whether a little more elongation wouldn't do the trick. The very evenness of continuous plenty bumps the breath out of their bodies.

Well now, the [illegible] of the Social Credit observer who

HAIKU.

A single match
Makes darkness flinch.

—MANNEN.

Gaitskell on "A + B."

"It is evident that the 'rate of flow of prices,' or the sums which have to be charged to cover costs, do *not* include all *payments* made in respect of the production of the article."

So says H. T. N. Gaitskell, writing on "Four Monetary Heretics," Chapter VIII., in the work, planned and edited by G. D. H. Cole, entitled "What Everybody Wants to Know About Money."

Mr. Gaitskell goes on to say that "The costs which have to be met by the outlay of the consumer are in fact only the costs of the final producer or retailer, and his costs are simply *his* A payments—wages, salaries, dividends, etc., and his B payments—the cost of services and goods brought from 'other organisations' of which the most important item will, of course, be his stock." "Providing that the retailer recovers these costs, there is no reason why he should not sell his goods and continue to carry on business. The other producers, who do not sell direct to the consumer, must recover their costs too, but naturally they do not rely upon nor deal with *the consumer*. They sell to 'other organisations,' and receive from them a 'B' payment."—"Since these persons do not sell direct to the consumer, it is obviously an error to suppose that the consumer must pay their costs as well. What he must pay and what therefore the total A payments distributed throughout the system must equal are just a *single* A+B payment of the final producer or retailer."

Mr. Gaitskell claims that because the consumer does not deal direct with the producers and wholesalers, he does not defray their costs but, since he deals only with the retailer, he defrays only his costs. Mr. Gaitskell gives no clue as to who he imagines does defray the producers' and wholesaler's costs, or with what money they are financed.

Included in the retailer's cost is a B payment which consists of the wholesaler's costs, an A+B payment. The wholesaler's B payment consists of the producers' costs, also A+B payments. The retailer's B payment therefore consists of the producers' and wholesaler's costs and, since the consumer defrays both the retailer's A and B costs, I cannot see that it matters whether he deals with producers and wholesaler direct or not, he defrays their costs just the same through his dealings with the retailer.

To illustrate his argument Mr. Gaitskell uses a simple diagram suggested by Mr. E. F. M. Durbin's "Purchasing Power and Trade Depression":—

FIG. 1.

It shows (Fig. 1) that costs are made up of A payments, the A payments of the first producer becoming the B payments of the second and the A + B payments of the second and succeeding producers and wholesaler ultimately becoming the B payment of the retailer, whose cost consists of his A + B payments.

If the diagram actually represents facts, there would be no need for the Social Credit proposals, because total wages, salaries, and dividends, A payments, would exactly equal total cost of production, A + B payments. In fact the price factor $\frac{\text{consumption}}{\text{production}}$ would always be unity and with one or two minor exceptions Mr. Gaitskell thinks that it is always unity.

Mr. Gaitskell quotes, with one minor error, Major Douglas's statement of the A + B theorem from the Macmillan Committee Minutes of Evidence, Vol. 1, page 298, and imputes ambiguity to it. To business people who practise cost accountancy it has only one meaning, and that is the one which Douglas states quite clearly, viz.: "The rate of flow of purchasing power is represented by A, but since all payments go into prices, the rate of flow of prices cannot be less than A + B. Since A will not purchase A + B, a proportion of the product at least equivalent to B must be distributed by a form of purchasing power which is not comprised in the description grouped under A."

At the outset Mr. Gaitskell confuses the cost of production, which must be recovered, with "the rate of flow of prices." He does not visualise production and costing as dynamic, and because of this he nowhere imparts the true meaning to the problem which must be treated essentially as a flow.

Although I would not agree that the diagram is a correct representation of facts, since farming, spinning, weaving, wholesale and retail have "on-cost" and "establishment charges," which would be added to their production costs, and to be fair to Mr. Gaitskell he also recognises this, I am prepared to demonstrate that this diagram used dynamically instead statically can show that *the rate of flow of prices and incidentally the prices which the retailer would be compelled to charge for the products in order to cover all costs* would be 3,000 instead of 1,000 imputed to the retailer by Mr. Gaitskell.

Since cost is a flow, as soon as farming pays out 200 A payments, it immediately proceeds to pay out another 200 A payments, and so on *ad infinitum*. Likewise, spinning, weaving, wholesale, and retail.

To develop the diagram correctly we must look upon it as being the product of a state of society which, as I believe Pigou puts it, "is in a perfectly steady state of self-repeating movement." The diagram will therefore be as shown in Fig 2.

FIG. 2.

Production is divided into five periods, consisting of farming, spinning, weaving, wholesale, and retail. Each period is assumed to be of equal duration and cost, and A payments are made at the end of each stage to those engaged in industry either as workers or investors. It is understood that these A payments form consumers' purchasing power.

In such a state there will be five parallel lines of production proceeding simultaneously, each of them at a different stage at any one time. Each stage in any one of the five lines of production ends coincidentally with the end of a stage in each of the other four.

The A payments paid out at the end of each stage are assumed to be completely absorbed in the prices charged for the commodities which they buy so that no money is saved.

Let T1, T2, and T3 be three successive accounting periods during which woollen cloth is completed and made available for sale at the end of each of these periods, and that simultaneously woollen cloth is in four stages of incompleteness at any one of these accounting periods.

The rate of flow of cost prices at T1, T2, or T3 is shown to be:—

	A payments.	B payments.	A + B payments.
Farming	200 ...	— ...	200
Spinning	200 ...	200 ...	400
Weaving	200 ...	400 ...	600
Wholesale	200 ...	600 ...	800
Retail	200 ...	800 ...	1000
Total	1000 ...	2000 ...	3000

The explanation of this diagram in the terms of Major Douglas's statement to the Macmillan Committee is that, the rate of flow of purchasing power to individuals at each accounting period T1, T2, or T3 is represented by A (1,000), but since all payments go into prices, the rate of flow of prices cannot be less than A + B (3,000). Since A (1,000) will not purchase A + B (3,000) a portion of the product at least equivalent to B (2,000) must be distributed by a form of purchasing power which is not comprised in the description grouped under A.

Let us look at it in another way and assume that at the end of period T1 analysis of all costs are made, such as might be done at the end of a year. The farmer, spinner, weaver, wholesaler, and retailer will account their separate expenditure on all goods which they have completed, and upon those which are in the process of completion; they will place their incomes for the period against these expenditures, thereby disclosing their monetary deficits or surpluses.

The farmer's expenditure is 1,000, being five payments a, b, c, d, and e; his income from the spinner is 800, being four payments, b, c, d, and e, so that he has spent 200 more than he has earned, represented by stock, 200.

The spinner's expenditure is 1,600, being four payments, b, c, d, and e; his income from the weaver is 1,200, being three payments, c, d, and e, so that he has spent 400 more than he has earned, represented by stock, 400.

The weaver's expenditure is 1,800, being three payments, c, d, and e; his income from the wholesaler is 1,200, being two payments, d and e, so that he has spent 600 more than he has earned, represented by stock, 600.

The wholesaler's expenditure is 1,600, being two payments, d and e; his income from the retailer is 800, being one payment, e, so that he has spent 800 more than he earned, represented by stock, 800.

The retailer's expenditure is 1,000, and he can collect from consumers 1,000, so that his expenditure will balance his income.

The position is that the farmer is out of pocket to the extent of 200, the spinner 400, the weaver 600, and the wholesaler 800, making a total monetary deficit, spread over the four producers who do not deal with the consumer direct, of 2,000 on the trading period.

Under the existing laws of cost accountancy, the necessity for industry to free itself from debt, and the insistence of the banking system on the repayment of its loans, this monetary deficit will have to be carried forward into the accounts of the succeeding period, T2. By hypothesis, the prices of the goods must, "in a perfectly steady state of self-repeating movement," be increased in the case of the farmer by one-fifth to 240, the spinner to 500, the weaver to 800, the wholesaler to 1,200 (since the farmer performs 5 operations to the spinner's 4, the weaver's 3, and the wholesaler's 2, in one accounting period of 5 units of time, a, b, c, d, and e). The retailer's B payments will thus be 1,200, and, with an A payment of 200 as before, his cost (A + B) will be 1,400. But since consumers will only have 1,000 as before, the retailer's monetary deficit will be 400.

A revaluation of prices upward will have to be made again for the period T3, in order to attempt to recover the monetary deficit. This process is repeated until it becomes impossible and, in fact, it will be found necessary to curtail production owing to the accumulated unsaleable stocks held by the producers, wholesaler, and retailer.

It follows, therefore, that there will always be a constant unliquidated B cost of 2,000 at the end of the accounting periods, T1, T2, or T3. This is represented in production by woollen goods in all stages of incompleteness in the example taken. (In actual fact, it is not only represented by goods in all stages of incompleteness, but also by completed goods and depreciating capital assets of all kinds, including savings.)

The B (2,000) requires to be in the form of a constant loan to industry, which can never be liquidated.

Mr. Gaitskell will agree that industry desires to free itself from debt, and that the industrial owners desire to rid themselves of the burdensome loans and overdrafts, with their consequent high interest payments. In what other way can they do this than by charging the B (2,000) payment into the price of their completed woollen goods at the end of the accounting periods T1, T2, T3, *et seq.*

They are compelled, by the nature of the financial problem that confronts them, to recover all their costs in the selling prices of completed goods, and, because of this, their selling prices must be the whole of the rate of flow of prices incurred at the end of the accounting periods T1, T2, or T3, which is A + B — 3,000.

Since the public has only the A payments of the accounting periods T1, T2, or T3, 1,000 to meet this charge, it follows that stocks of goods will be unsaleable, and must ultimately be liquidated at a fraction of their cost by the process of reducing production and bankrupting the owners of the stocks.

If Mr. Gaitskell imagines, as he seems to, that the prices to be recovered from the consumer consist only of the industrial cost of completed goods, to which may be added, if the nature of the demand permits, a nominal profit, how does he account for the urgent necessity which exists at present for hire-purchase, deferred payment, and such other credit devices as are instituted in order to attract purchasers for the voluminous products of industry?

Since the only source from which credits are ultimately recoverable, under the existing monetary practice, consists of wages, salaries and dividends, it follows that business people are compelled to charge, in prices, cost which does not rightfully belong to the particular articles which are available for sale. This is mainly responsible for the very high charges which industry is carrying.

Because of this tendency, prices are always increasing, despite the natural reduction in real costs of production which take place as the result of improvements in industrial processes.

Mr. Gaitskell gives four other diagrams, all based upon the original diagram (Fig. 1), which has already been

criticised. Each contains the same fallacy based upon the static conception of cost accountancy and upon the erroneous assumption that consumers do not have to pay the retailer the aggregate of *all* costs, but only the aggregate of the retailer's costs.

J. ADAMSON.

Groddeck On The Unconscious.

The medical student soon realises that each of the specialists under whom he has to study, regards his speciality, quite naively, as the crown and blossom of the whole course. Even the vaccinationist seems to think that one spends five or six years in studying medicine simply in order to be able to scarify people's arms properly.

It is, therefore, not to be wondered at that the psychologist should imagine that the whole art of healing really lies in his province. And in fact this is one of the modest little assumptions made by the author at present under review.*

As all the world knows, the condition which the doctor has most frequently to deal with is constipation, and to deal with this arch-enemy the faculty have invented all sorts of ingenious dodges, from drugs and enemata to diets and exercises. And now it appears that they have been totally mistaken!

What they ought to have done is to " psyche " their patients, and probe into their " belly-minds " to find out what secrets they were so jealously guarding. And Dr. Groddeck is willing to wait as long as twenty-nine days for a result. Shades of the believers in auto-intoxication! But it seems that " that kind of thing's an exploded idea." Of course, it does sometimes happen that the doctors hit on a useful idea in a blind stumbling sort of way. For instance, they frequently forbid such articles of dietary as cabbages, carrots, and peas, because these are apt to cause flatulence. But the reason for this is not what the doctors think. It is psychological. Thus the word " cabbage " in English, means " a big head," " and the head of a cabbage in shape resembles a baby's head." In German, however, the word " kohl " means " hollow stalk," and is therefore " phallic." Is it any wonder, therefore, that such foods give rise to a pseudocyesis, or phantom pregnancy, which we call flatulence?

Of course, on the other hand, patients whose digestion can stand nothing else, will often " keep down " milk and soda, and it cannot be denied that nothing is more symbolic of the Mother than her milk, or more obviously " phallic " than a soda-water syphon. But the whole art of psychoanalysis lies in choosing your data to suit the theory, and that's the sort of thing, of course, that you can only learn by practice.

Again, you might think, as many benighted doctors do, that it is quite possible to explain in purely physical terms, the fact that in heart-failure the failing circulation is often manifested in dropsy. You are forgetting, however, that the heart is " literally the seat of love," and, therefore, of erotic fantasies.

These are only a few of Dr. Groddeck's ingenious little interpretations, but they are typical of the whole issue. I am reminded that certain spiritualists are so determined to avoid " materialism " in their theories that they have invented a set of spirits " on duty evermore," whose job it is to push the world round on its axis.

Dr. Groddeck also has invented a spook of this sort, which he designates by the awe-inspiring name of the *It*. Though Dr. Groddeck is a fervent admirer, and in some sense a disciple of Freud, this It is not our old friend the Unc. Groddeck is quite clear on this point, though, as he doesn't mention Jung, I am not altogether sure whether the It differs from the Racial Psyche of that writer. Anyway, I gather that before all things were *It* am.

I remember an Indian student who used to end every discussion, no matter what the subject, with the mystic phrase, " Always remember, there is One Thing, and you are That." It used to annoy me, I didn't like being called a That. But now I think that that That that that student meant may be that That that Groddeck means by his It. But don't take it from me. Read the book yourself, and see what you make of it.

And if you want to know how far this seeker for truth is prepared to go in the matter of misrepresentation in order to get a false verdict, read, I pray you, his interpretation of " The Ring," of " Peer Gynt," and of " Faust."

In dealing with works such as these, each man reads into them whatever meanings are dearest to his heart. Thus Shaw saw in " The Ring," an anarchist-socialist pamphlet, and in Ibsen an iconoclast and social reformer. In the same way Groddeck sees in the works of these men a textbook of psycho-analysis. There is no harm in this, so long as no claim is made that such interpretations exhaust the meanings of the works, but when Dr. Groddeck deliberately overlooks or suppresses the author's plainest intention, remonstrance is called for.

The sexual naughtiness of psycho-analysis has never shocked me half so much as its damnable heresy that the unconscious is more powerful and important than the conscious mind—a heresy which cuts at the roots of all European values. Groddeck takes this heresy to its logical conclusion. " Out of the mysterious mother we come," he says, " back to the mysterious mother we go. And Life? What is its end? That is always the same, we are children once again at the last." It is as if a man were to claim that his daytime of work and play were an illusion, unworthy of consideration, and that his bed was the only reality, since he rises from it in the morning and returns to it at night.

With such a conception Groddeck can easily make the absurd error of regarding Siegfried and Peer Gynt as heroes in the same sense, each with an Oedipus Complex and loving only their mothers throughout. Brünnhilde and Solveig are nothing but " Mother surrogates," and the Gyntish self is a true representation of the Ego of Everyman. Thus the whole meaning, both of Ibsen's drama and of Wagner's, is lost upon this subtle analyst and denier of life.

It is not, therefore, a matter for surprise that he should claim that psycho-analysis is a manifestation of the Christian spirit, since he is blissfully unaware that the only " Christian " organisation which has anything in common with psycho-analysis is that heathen, Mother-worshipping perversion of Christianity which is called the Roman Catholic Church.

" Into deep darkness," says the Isha Upanishad, goes he who worships Consciousness, and into deeper darkness he who worships Unconsciousness, but he who knows both Consciousness and Unconsciousness, by Unconsciousness he builds a bridge over death, and by Consciousness he enjoys the fruits of his immortality."

Dr. Groddeck must be left to stumble about in his " deeper darkness."

N. M.

* " Exploring the Unconscious." By Georg Groddeck, M.D. (The C. W. Daniel Co. 7s. 6d.)

Notice.

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

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

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

The Films.

" I Was a Spy." Gaumont-British Production. Directed by Victor Savile. General Release.

The present critic believes that no one has said ruder things in print about English films than he has. He has also been so convinced that nothing good seemed likely to come out of a commercial native studio, that he has deliberately abstained from seeing a good many of the recent productions of Elstree, Shepherd's Bush, and Islington. But it is apparently as impossible to indict a whole industry as to indict a nation. First there was " Channel Crossing," then " Red Wagon," and now comes " I Was a Spy." (Actually, " I Was a Spy " was shown before " Red Wagon," but I was unable to attend its original presentation.) This is one of the rare films that give one a good conceit of the cinema. Victor Savile's direction is admirable. So is the editing, which is usually not a strong feature of our screen. So also are the casting and acting.

One feature of " I Was a Spy " is especially noteworthy. It is a commonplace of the cinema, that good players are often wasted because they are either miscast or badly directed. Here, on the other hand, the actors and actresses make the most of themselves. Madeleine Carroll, the only intelligent woman on the British screen, has never appeared to such advantage. Conrad Veidt, whose performance in " Rome Express " was deplorable, returns to the form of his best German silent pictures. Gerald du Maurier and Edmund Gwenn, neither of whose methods are normally suited to the cinema, adapt themselves so as to give really excellent performances. Incidentally, du Maurier's make-up is a triumph. Herbert Marshall, who is habitually far too lady-like, is also very good, and the same applies to all the small-part players, who include Eva Moore, Donald Calthrop, and Martita Hunt. Special commendation is due to the photography, which is of the first order; no attempt has been made to use camera tricks or unusual angles; but, on the other hand, the attempt has been made, and very successfully, to photograph Miss Carroll as she should be photographed. That is also a rarity in English studios.

" I Was a Spy " is among the best films of the year, and goes beyond the standard set up by the few really excellent pictures made by our studios in the silent days. It is a production of which all concerned have every right to be proud. That our studios can do such fine and sincere work, ranging the whole scale of technical excellence from photography to crowd handling, and from counterpoint to good dialogue, makes it all the more regrettable that they should continue to devote most of their time, energies, talent, and money to the production of such machine-made drivel as " The Prince of Arcadia," " Bitter Sweet," and " The Flag Lieutenant."

" Thunder Over Mexico."

The current issue of " Close-up," an unusually interesting issue, contains a letter from Upton Sinclair on the Eisenstein film " Thunder Over Mexico " and the comments of Kenneth Macpherson, editor. Mr. Sinclair's case, in brief, is that (1) the picture as shot by Eisenstein was far too long to show, and contained tens of thousands of feet depicting bull fights and matter primarily belonging to the " travelogue " type of film; (2) in editing the film at Hollywood the most " revolutionary " and the most " proletarian " material was retained; (3) an episode in the original scenario was never shot because of delay by the Mexican Government in lending soldiers necessary for the purpose, and " we cannot use material which we have not got "; (4) the ending, against which certain objections have been made in the United States, is based on Eisenstein's own scenario. To which Mr. Macpherson answers that (1) the Hollywood cutter could not have known anything of Eisenstein's underlying principles, and that even if he did the result would have been his film and not Eisenstein's; (2) the result, if a " beautiful travelogue," will at best be " unacceptable and false," and represent a " debasement of the only significant intellectual work that has been done in the cinema for several years "; (3) the film should have been either " abandoned or completed. There was no middle course that was not unscrupulous and in its way sacrilege." It seems rather presumptuous to take sides without having seen even the " unacceptable and false " version, and I must content myself with saying that to describe this picture as the " only significant intellectual work " that has been done in the cinema world for several years is a somewhat exaggerated claim, and that it does not seem quite clear why Eisenstein, on being obliged to return to Russia, could not have taken the film with him for cutting.

News Reel.

" I shan't be abashed to appear in British films if I receive offers."—Mary Pickford.

" Raquel Torres . . . being a film star . . . fortunately never has to shop for kippers! "—British International Publicity.

The Paramount publicity department advertise " The Cradle Song " as Dorothea Wieck's " greatest film." She has, I believe, appeared in only one other—" Madchen in Uniform "—but even Wardour-street ballyhoo stops short of saying in so many words that the German picture ranks below the Hollywood production.

DAVID OCKHAM.

Music.

Tuesday evenings Chamber Concerts, Grotrian Hall, December 5, December 12.

At the penultimate concert of this series the programme opened with a Sonata in G minor for oboe and pianoforte by Handel, the players being Leon Goossens and Augustus Lowe. The work is not of great interest, and attention naturally enough centred upon the oboist, who, as usual, charmed everyone by his beautiful tone and phrasing.

We were then given the first performance of " Ten Songs for Tenor " (is this a stunt title?), by Gerald Finzi, to words of Thomas Hardy, the singer being Augustus Lowe, in the unavoidable absence of Mr. John Coates. One's first impression was one of monotony, and by the time the tenth song had been reached the interval was more than welcome. The idiom was Vaughan Williams slightly gone wrong, and the piano writing was for the most part overwrought and in places definitely precious; but the voice part was melodic and effective enough in its limited way, and one can imagine a group of the songs sounding a good deal more satisfactory than the whole. They were sung with artistic intelligence, though without any remarkable quality of tone, by Mr. Frank Drew, who, however, did not seem to be wholly enamoured of his task, which must have been a trying one.

A trio for violin, viola, and 'cello, by Christian Darnton, proved to be entirely infantile and devoid of any invention worthy of the name. One can understand this sort of thing being written as a student's exercise, but one marvels at the lack of self-criticism which can permit the public performance of such feeble fatuity. Messrs. Mangeot, Bray, and Shineborne conscientiously plodded their dreary way through the trio, and the International String Quartet then gave us van Dieren's String Quartet No. 5, which I cannot believe is a really characteristic work of this composer. It might improve on further hearings (though I doubt it), and on this occasion seemed far too long, diffuse, and of low vitality. The music, for the most part, was well matched by the audience, for "Pansydom " was present en masse, or, more accurately, en bloc. At the last concert of this series, on December 12, Mr. Arthur Benjamin opened the proceedings with some Scarlatti and Debussy (" Reflets dans l'eau " and " Masques "). Mr. Benjamin played the first composer with considerably more delicacy and precision than one had anticipated, but I fear that Gieseking's playing of both composers is so miraculous that one listens with impatience to anything short of his standard. Insufficient variety of tone colour and sensitivity of feeling rendered the Debussy pieces less successful. A duet for two clarinets, by Poulenc (Messrs. Stephen Waters and Edward Augarde), was immensely amusing nonsense, and very well played. This paved the way for Mr. Clive Carey's intimate and persuasive singing of a group of Troubadour songs and folk tunes. Some of these were charming and others moving., but a little of each goes a long way, and I must confess a predilection for more modernised treatment of the accompaniments, especially in view of the repetition, on the lines of Cyril Scott's " Old Songs in New Guise." Those who rise in horror at such a suggestion will do well to study the chapter on " The Law of Recurrence " in Cyril Scott's " Philosophy of Modernism," where the subject is ably discussed in detail.

The event of the evening, of course, was the first performance of Constant Lambert's Pianoforte Concerto. There are only nine players in addition to the soloist, and as the work is not on a symphonic scale it may, perhaps, be described as chamber music. It is in three well-contrasted movements, and still in the " Rio Grande " idiom, out of which I doubt if Mr. Lambert will be able to squeeze much more. The piano writing is more percussive than pianistic, and does not afford many opportunities to the player, while the other instrumentalists make play with many ingenious and quasi-jazz effects. The work is definitely one of feeling, though some of the twists and turns of phrase appeared to be there for no other reason than to be deliberately perverse, and I, personally, was never for a moment bored, though, judging from the expressions

around me, the majority were either amused, bewildered, or indifferent. Mr. Benjamin made what he could of the solo, but the others, despite Mr. Lambert's energetic invocations, refused to react with the requisite warmth.

Whatever the final verdict on the concerto, it has aroused in some of us more than a passing desire to hear it again, which, at any rate, is *something*, in view of the many modern works which merely make one wonder why their concoctors set them down on paper.

Royal Philharmonic Society, Queen's Hall, December 14.

At the ninth concert of the season Sir Thomas produced, by way of an appetiser, the despised " William Tell " Overture, which is actually extremely well made and effective music, and it goes without saying that he secured from the orchestra a performance of such force and brio that the audience were nearly shot out of their seats. Next came Elgar's charming early " Serenade," Op. 20, for strings, in which that body very satisfactorily responded to Sir Thomas's *con amore* direction, and then the Sibelius Symphony No. 3, in C major, Op. 52. This work is a sort of halfway house between the powerful and impressive rhetoric of the first and second symphonies, where Sibelius had still not completely severed himself from traditional form and the severe process of condensation adopted in the forbidding fourth. It is comparatively simple to apprehend, and for the most part unexpectedly genial, though the thinking is not at all on the same level; but anything of Sibelius is a tremendous relief, paradoxical though this may appear to ears that are well nigh surfeited with the stock Beethoven, Brahms, Schubert, Tschaikowsky. It naturally received a most vivid presentation, with every detail thrown into relief and every line clearly drawn, without recourse to underlining, a process of which Sir Thomas is the highest exponent.

To some of us the high light of the concert was Delius's surpassingly beautiful " Songs of Sunset " (Ernest Dowson) for orchestra, chorus, mezzo-soprano, and baritone. Here again is music that totally eludes any attempt at academic analysis, but nevertheless gives a feeling of complete unity within variety, the interest never waning, and once more demonstrating that form and content are (or should be) one and indivisible.

There are eight songs in all, and the keynote to the work a nostalgic mood of regret and resignation in a progressive decrescendo from start to finish: one cannot imagine any composer but Delius capturing this feeling and maintaining it without engendering monotony, but he has done it with richly glowing tints that are a miracle of sheer beauty, and again one cannot imagine any conductor but Sir Thomas evoking all the magic from this wonderful score. The London Select Choir sang excellently, but the soloists were not quite in the necessary form, and one has heard them both do better. The orchestral playing was, of course, exquisite, and it is little short of astounding that Sir Thomas, after an unpleasant Channel crossing (he had been conducting the Berlin Philharmonic Orchestra on the previous Sunday), during which he had a very rough time, could manage to turn up at rehearsal and give such a concert the same evening.

Myra Hess, Broadcasting House, December 15.

The fifth of the B.B.C. public Chamber Concerts took the unusual form of a solo pianoforte recital, which, however, consisted of usual material, Beethoven, Op. 110, Bach, French Suite in G, the unescapable Etudes Symphoniques, and some Ravel. Miss Hess was at her best, and the Mozart Fantasia and Fugue in C major with which she commenced sounded more interesting at a second hearing, though I am inclined to think that the Fantasia is better than its pendant Fugue, some of which is formulae without the real Mozart. It was characteristic of Miss Hess's art that she managed to rekindle affection for these much mauled masterpieces, and in her hands they took on a new lease of life. The Beethoven was superbly played, and the Bach Suite was given with delightful rhythm and delicacy, while the Schumann was given with a fine combination of poetry, power, and technical aplomb. Ravel's celebrated " Pavane " and lesser known " Oiseaux Tristes " were fully realised, but the " Alborada del Gracioso," though good, required an extra few ounces of vitality and bravura to make it sound as effective as it should. I doubt if any woman pianist will outdo Rubinstein or Gieseking in this type of music.

Sinfonietta Ensemble, Ballet Club, December 16.

This is a new body of twenty players that has been formed by Mr. Charles Brill, who conducted them at this concert.

There is certainly room for a chamber orchestra in London, and Mr. Brill did well to choose an unhackneyed programme and to eschew works with which he could hardly hope to challenge comparison with existing organisations. As yet, the orchestral members have not played sufficiently together to have achieved a first-class ensemble, but already their attack is praiseworthy, and they secured under Mr. Brill's quiet but effective direction some very fair performances of lesser known examples of Handel and Haydn (a Concerto Grosso, No. 10, in D minor, and Symphony in D, No. 13), displaying, on the whole, an excellent rhythmic sense. Casella's piquant " Pupazetti " suite (marionette music) was well done, as was also Delius's " Air and Dance," an enchanting piece that was composed in 1915 and first performed publicly at the Delius Festival of 1929, since when it has not been heard.

For the best results, in this piece, however, a larger complement of strings is desirable. Mr. John McKenna sang some Bach, Schubert, and Strauss, and, although his voice cannot be said to be completely under control at the moment, he gave ample evidence that he is a sincere and accomplished artist. But why the inevitable " Morgen " at this time of day? (A violin obbligato was sympathetically added by the orchestra's very capable leader, Doris Langham-Smith.) It is a pity singers do not give us more of our own Quilter and Warlock, whose best works appear to be virtually unknown. Mr. Harvey Grace has said, and I unreservedly support him, that second-rate composers on their best days are often better than first-rate composers on their off days, and it was with pleasure that one listened to Dussek's Concerto No. 3, in E flat, Op. 26, as a relief from Mozart's K.488 and suchlike. It is not great, but it is agreeable and tuneful music that is undoubtedly worthy of occasional performances. Miss Allanah Delias, the soloist, played it with technical assurance and definite musical insight, and although her playing has yet to mature, she gave clear indication in a Chopin Nocturne and two Mazurkas that she is musical to an uncommon degree, and I unhesitatingly predict for her a brilliant future.

One hopes to hear more of the Sinfonietta Ensemble and Mr. Brill at an early date.

CLINTON GRAY-FISK.

The Theatre.

" Happy and Glorious." By Wilfrid Walter. Produced by the Author. Embassy.

The Embassy is the third London management with the initiative to stage this interesting and unusual play, which was first shown at the Gate in December, 1930, and put on at the Little by the London Theatre Company in the following February. Mr. Walter, who rightly believes that the theatre is being so overlaid by producers and scene painters and *décoristes,* that the actor, " who began all the fun," is in danger of being relegated to a place of very minor importance, wrote it with the idea that it could be performed anywhere and everywhere. The settings used in all its fifteen scenes consist of simple painted screens or backcloths; the properties are reduced to such elementals as picnic baskets; and the whole outfit could be packed on a small cart. This includes the players, of whom there are just two, the author and Miriam Adams.

As performed by this couple, the play is a tour de force, the more so as some of the scenes are monologues. The word scenes is here not to be used in quite the orthodox sense; while they are all linked together so as logically to develope the central theme, some of them, such as " A Tea Shop," " The Last Tram," and " A Draper's Shop," could be played by themselves as character sketches or impersonations, while " A Café Behind the Lines " is a perfect model of the very short one-act play. In spite of the large number of scenes, Mr. Walter has not used cinema technique, but has devised a dramatic form that gains point by being broken up into short sequences, and a setting that enables unusually quick changes to be made.

Such a play depends, of course, entirely on its players. Both are excellent. Of the 1931 production, I wrote that Miss Adams was an actress who showed promise of real greatness, and was so gifted and graced, and such a superb elocutionist, that her name should before long count in the theatre, and that Mr. Walter rose to admirable heights of virtuosity. I can neither better nor enlarge on my original verdict.

As " Happy and Glorious " was put on at the Embassy for only a week, it will be out of the programme by the time these lines are in print. It is very much to be hoped that some other manager will soon revive it. There is no doubt a prejudice against only two players occupying the stage a whole evening, but originality in the theatre has been known to make a box-office success.

VERNON SUMMERFIELD.

Reviews.

Character and Personality. December, 1933. (George Allen and Unwin, Ltd. 7s. 6d. per annum.)

" Character and Personality " is a quarterly devoted to " psychodiagnostics and allied studies." It gives articles by psychologists of every school and shade of opinion. The idea of such a magazine is wholly admirable, but I cannot congratulate the editor on the present number. The quality of the contributions is pedestrian as a whole, and they frequently descend into complete fatuity.

An outstanding example of the latter is the first essay, on " Family Allowances as a Eugenic Measure," by Professor William McDougall. Even from his own point of view the essay is illogical and the evidence produced rarely warrants the conclusions he draws. His idea is that family allowances should be used as a means of encouraging eugenic families. But how on earth do you decide beforehand which families are going to be " eugenic " and which " dysgenic "? For instance, McDougall actually quotes among his Eugenic families the stock of Jonathan Edwardes. It is a stock which, in seven generations, has produced many graduates, college presidents, professors, prominent authors, physicians, clergymen, lawyers, and mayors, not to mention a sprinkling of Congressmen, U.S. senators, and one Vice-President. Now, it so happens that Dr. Landman, in his book on human sterilisation, gives the antecedents of this family. The grandmother of Jonathan Edwardes, one Elizabeth Tuttle, was divorced by her husband for adultery and other immoralities. Her sister murdered her own son, and a brother murdered his sister.

This is only a glaring example of the general absurdity of the eugenic claim that the history of any stock can be foretold.

But Professor McDougall has one overwhelming argument in his favour. He tells us that the head of the London School of Economics has introduced the system of family allowances among his distinguished staff of teachers, and that it may now claim to its credit some forty little " economists." Fancy that! I wonder if Professor McDougall would be shocked to learn that there are people depraved enough to think that forty such " economists " are of more danger to a State than three times their number of imbeciles?

J. H. Barnett, of Pennsylvania, also contributes an article on Personality in Primitive Society. It is a critique of the views of M. Lucien Lévy-Bruhl, which is chiefly remarkable for its misunderstanding of that author.

N. M.

LETTERS TO THE EDITOR.

PROSPEROUS YORKSHIRE?

Sir,—A small woollen mill was yesterday offered for sale in Morley; the auctioneer suggested an opening bid of £2,000, but there was no response at all, and the property remained unsold.

The mill is a good brick building, put up in 1912; there is a good power plant, consisting of a 300 h.p. steam engine (1912), boiler, water cooling tower and economiser, and light generating plant. The machinery consisted of six sets of carding machinery (two modern), four pairs of mules (two modern), and twenty-eight looms (all good). Most of the mills in the district are supposed to be busy, but not one of them showed any desire to buy this property, which was " dirt cheap."

A leading firm of Bradford yarn merchants received this week an offer from Japan to supply them with best Botany yarn (delivered Bradford) at 2d. per lb. less than the prices ruling in Bradford to-day—and these prices are low in relation to the present price of wool. Now that wool prices have risen so much, one would expect the Japanese to lose much of their competitive power (if they cost on the same lines as we do?)—but will this actually happen?

C. I. LEATHER.

SOCIAL CREDIT AND THE LEAGUE OF NATIONS.

Sir,—I attended a meeting of the London Regional Federation on Tuesday evening on behalf of a branch of the League of Nations Union. There was an attendance of some seventy or eighty representatives.

On a Social Credit resolution standing in the name of this branch of the Union being reached, it was at once moved that next business be proceeded with. I at once supported the resolution in a brief speech.

The resolution was strenuously opposed in several quarters, Green Shirt literature of a militant revolutionary nature being quoted with effect.

I interposed a second time, and countered the allegations as to methods of achieving Social Credit, and repudiated the implication that they were implicit in the Social Credit principles as enunciated by Major Douglas, or even suggested in any Douglas literature. Still the meeting seemed likely to be swayed by the opposition, which must have been specially primed. It was the most provocative discussion that took place during the whole of the evening. Eventually it was suggested that an investigation by the General Council in the coming summer would commit the Union to nothing, and on a show of hands about forty or fifty voted in favour, with some two or three vociferous dissentients.

J. S.

Loan.

[With apologies to Rudyard Kipling.]

Ere your factory is erected, ere your raw materials bought,
Ere machinery starts its throbbing and its drone.
Through the Banker comes the money, though with heavy interest fraught—
'Tis a loan, O Manufacturer, 'tis a loan!
Very simply in his books he his Credit issue cooks
And to your account a spurious sum is thrown;
By his figures he has set, a debt that can't be met—
'Tis a loan, O Manufacturer, 'tis a loan!

Ere your costs are fully dealt with, ere your salaries are paid
And on interest all your savings nearly blown;
Comes a threatening from your Bankers, a recall in panic made—
'Tis a loan, O Manufacturer, 'tis a loan!'
You must speed production on, bid one half your staff begone,
You must cut expenses right down to the bone;
You must pay no dividends for the Bankers threat impends,
'Tis a loan, O Manufacturer, 'tis a loan!

Just you think the matter over, look the system in the face,
And you'll see the trickery in it sure enough;
How the Banker lent you money without value or a base,
'Tis a bluff, O Manufacturer, 'tis a bluff.
On your feet and cry for right, be a stalwart Douglasite,
Leave economists to blab their woolly stuff,
You must study Social Credit and when you've fully read it,
Call the bluff, O Manufacturer, *Call* the bluff!

M. C. B.

Major Douglas's Biography.

EXTRACTED FROM " WHO'S WHO IN ENGINEERING."

" DOUGLAS, Clifford Hugh, Major R.A.F. (reserve), M.I.Mech.E., M.I.E.E., Cons. Engr., b. 1879; s. of Hugh Douglas and Louisa Ardern Hordern; m., Edith Mary, d. of George D. Dale, Indian Civil Service. Ed. Cambridge Univ. App., Brush Elec. Eng. Co., Loughborough; Canadian General Electric Co., Peterborough, Canada; Asst. on Lachine Rapide Hydraulic Construction; Chief Construction Engr., British Westinghouse Co.; Chief Engr. and Manager, India, Westinghouse Co.; Dept. Chief Engr. on Electrification Schemes, Buenos Aires Pacific Rly. Co.; Rly. Engr., P.O. (London), Rly.; Asst. Supt., B.A. Factory, Farnborough. Publ.: " Economic Democracy," ' Credit Power,' ' The Control and Distribution of Production.' Club: Junior Carlton. Address: 8, Fig Tree Court, E.C.4. T.A.: ' Douglas, 28, Temple, London.' T.N.: City 7242."

Major Douglas's Itinerary.

The ss. Maloja arrives at the following ports on the dates given below:—

Port Said	December	27
Aden	,,	31
Bombay	January	4
Colombo	,,	7
Fremantle	,,	16
Adelaide	,,	20
Melbourne	,,	22

THE "NEW AGE" CIGARETTE

Premier grade Virginian tobacco filled by hand in cases made of the thinnest and purest paper, according to the specification described in this journal on January 23, 1930.

Large size (18 to the ounce). Non-smouldering.

Prices: 100's 7/6 (postage 3d.); **20's 1/6** (postage 2d.

Price for Export ex English duty quoted on minimum quantity of 1,000.

FIELDCOVITCH & Co., 72, Chancery Lane, W.C.2
(Almost on the corner of Holborn and Chancery Lane).

Social Credit Reading Course

SET A.
Comprising:—
Social Credit in Summary (1d.).
The Key to World Politics (1d.).
Through Consumption to Prosperity (2d.).
Social Credit Principles (1d.).
Post free 6d. the set.

SET B.
Comprising:—
Set "A" above.
The Veil of Finance (6d.).
Post free, 1s. the set.

CREDIT RESEARCH LIBRARY, 70, High Holborn, W.C.1.

The Social Credit Movement.

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

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

SUBSCRIPTION RATES.

The Subscription Rates for "The New Age," to any address in Great Britain or abroad, are 30s. for 12 months; 15s. for 6 months; 7s. 6d. for 3 months.

CREDIT RESEARCH LIBRARY

Books and Pamphlets on Social Credit.

BRENTON, ARTHUR.
Social Credit in Summary. 1d.
The Key to World Politics. 1d.
The Veil of Finance. 6d.
Through Consumption to Prosperity. 2d.

C. G. M.
The Nation's Credit. 4d.

DEMANT, V. A.
This Unemployment. 2s. 6d.

DOUGLAS, C. H.
Economic Democracy. 6s.
Credit Power and Democracy. 7s. 6d.
Social Credit. 3s. 6d.
The Breakdown of the Employment System. 1d.
The Control and Distribution of Production. 7s. 6d.
Canada's Bankers. (Evidence at Ottawa.) 2s. 6d.
The Monopoly of Credit. 3s. 6d.
These Present Discontents: The Labour Party and Social Credit. 1s.
The World After Washington. 6d.
Social Credit Principles. 1d.
Warning Democracy. 7s. 6d.
The New and The Old Economics. (Answer to Professors Copland and Robbins.) 1s.

DUNN, E. M.
The New Economics. 4d.
Social Credit Chart. 1d.

GORDON CUMMING, M.
Introduction to Social Credit. 6d.

GRIERSON, FRANK.
A Study in Purchasing Power. 2d.

H. M. M.
An Outline of Social Credit. 6d.

HATTERSLEY, C. MARSHALL.
The Community's Credit. 1s.
This Age of Plenty. 3s. 6d. and 6s.
Men, Machines and Money. 4d.

RANDS, R. S. J., B.A.
The Abolition of Poverty. A Brief Explanation of the Proposals of Major C. H. Douglas. 4d.

R. L.
The ABC of Finance and Social Credit. 4d.

POWELL, A. E.
The Deadlock in Finance. 3s. 6d.
The Flow Theory of Economics. 5s.

TAIT, F.
The Douglas Theory and Its Communal Implications. 3d.

TUKE, J. E.
Outside Eldorado. 3d.

YOUNG, W. ALLEN.
Ordeal By Banking. 2s.

W. W.
More Purchasing Power, 25 for 6d.

Critical and Constructive Works on Finance, Economics, and Politics.

BANKS, PAUL.
People versus Bankers. 6d.

DARLING, J. F.
Economic Unity of the Empire: Gold and Credit. 1s.

HORRABIN, J. F.
An Outline of Economic Geography. 2s. 6d.

LUDOVICI, A. M.
A Defence of Aristocracy. 7s. 6d.

SYMONS, W. T., and TAIT, F.
The Just Price. 2d.

Instructional Works on Finance and Economics.

BARKER, D. A.
Cash and Credit. 3s.

CLARKE, J. J.
Outline of Central Government. 5s.

Address: 70, High Holborn, London, W.C.1.

Published by the Proprietor (ARTHUR BRENTON), 70, High Holborn, London, W.C. (Telephone: Chancery 8470), and printed for him by THE ARGUS PRINTING COMPANY, LIMITED, Temple avenue and Tudor-street, London, E.C.4. (Telephone: Central 3701.)