NOTES OF THE WEEK.

From the fact that the German delegates will be given a few weeks in which to confer with their Government and "to make counter-proposals," it may be concluded that the peace-terms now to be published are not necessarily in their final form. The "Times" and similar journals have pretended that what the Allies mean to do is "to hand Germany the settled text of the dictated peace which they have promised their own people to impose on her," but wiser counsels, it appears, have prevailed. It is naturally as well that this should be the case, for not only will an interval for consideration be granted to Germany, but it will be accorded to the public opinion of the world. There has been, of course, too much secrecy about the proceedings at Versailles, and if it had been the case, as desired by the "Times," that the peace-terms agreed upon by our delegates were to be imposed forthwith upon Germany on the very day of their first publication amongst ourselves, not only would Germany have been excluded from a share in the settlement, but the Allied peoples as well. The cause now in process of settlement is not, however, a matter that concerns merely the Governments of the nations; nor are the terms of the settlement a matter of merely technical importance. The cause concerns every living soul; and on the actual terms of peace may depend the ill or welfare of the present and future generations. It is, therefore, a right of the peoples that their consent should be sought and given before the conditions under which they must live in the future are finally determined; and assuredly not less a right of the Allied than of the late enemy peoples. The interval between the present publication of the terms and their ultimate signature is thus the opportunity for the judgment of world-opinion to make itself heard. It can approve the terms, as Germany may, or, like Germany, it can "make counter-proposals." The future, in short, is within the world's power to determine in the brief space of the next few weeks. * * *

It has been plain from the outset that two policies have been striving for dominance at Versailles, and it may be expected that the peace-terms will show signs of their struggle. One of these is the policy named after Clemenceau—though more appropriately it might have been named after Marshal Foch; and the other is that of President Wilson. According to the former, the terms of peace should have followed the facts of the Allied victory and have carried this victory to its strictly logical conclusion of the "crushing" of Germany. "Our peace," said Marshal Foch to a representative of the "Daily Mail," "must be a peace of victors"—of European victors, that is to say. Or, as Mr. Béloc has put it, it must be "an acceptance of victory in unison with the European victors." The League of Nations can do little against it, save lock the door after the horse has escaped. We must, therefore, double-lock the door now; we must see to it now that Germany is forever disarmed and rendered incapable of future aggression. Her promises of democratisation are a mere sham, for "her national character has not changed in four years"; and "in fifty years' time Germany will be what she was yesterday." There can be no doubt whatever that this view is as plausible as it is obvious to the meanest intelligence. Even Mr. Bottomley can understand it. But what has to be set against it is not only reason, but, even more than reason, the pledges of President Wilson. That Europe would have been morally entitled to conclude a purely European peace if the war had been allowed to remain a purely European war, nobody would deny. A European Monroe doctrine applied to the peace-settlement would under those circumstances have been strictly justified. But not only, as we very well know, and must never forget, was the new world of America brought in to redress the adverse balance of European power, but, in contradistinction from the policy of Marshal Foch, it was upon the policy of President Wilson that the European Allies both assented to an armistice and undertook to make peace. It cannot be pretended that there was any uncertainty in the minds of the Allies about President Wilson's policy; nor is it in the least degree true that they found themselves committed to it before they could know what they were about. On the contrary, it was only after the most
explicit statements on the part of President Wilson, and the most explicit acceptance of his terms by the Allies, that President Wilson, as he says, "took the step of initiating the discussion that led to the conclusion of the armistice," and subsequently to the Peace Conference. To turn upon President Wilson's policy now, and to sit down to the old terms, as if Marshal Foch, would be to play the game of the Devil. As the Devil sick it would appear that we were ready to make any promises that President Wilson chose to ask of us; but as the Devil well we were prepared to tell President Wilson to return to America. The glaring immorality of such a procedure has only to be pointed out to convince public opinion everywhere of the crime of attempting to pursue it. It is too late in the day to return to the policy of Marshal Foch. It was already too late when America was called in; and it was later still when President Wilson was allowed in our name to initiate and to lay down the terms of peace. The policy of President Wilson may have been in all the circumstances the wrong policy for Europe. The policy of Marshal Foch may have been as wise as it is plausible. All there is to be said about it is that any other peace, to whatever immortal name it is given, the pledges of President Wilson, would be a peace of fraud which not only the best opinion among the Allied peoples, but the worst opinion in Germany, would be justified in refusing to endorse.

Mr. Austen Chamberlain was not made Chancellor of the Exchequer with the expectation that his Budget would distract public attention from his Chief at Versailles; and the Budget he opened on Wednesday was naturally found to contain nothing of startling significance. Startling significance and Mr. Austen Chamberlain could not, in fact, be imagined together. Nevertheless, between the lines of his speech and, as it were, in a voice not his and from behind the scenes, several points of significance appeared. Among them was the uneasy apprehension apparently felt in the Treasury or elsewhere that a state of affairs in which Money is increasing while real wealth is diminishing cannot be altogether symptomatic of public health. The amount of legal tender money available in this country before the war was 214 millions' worth; at this moment it is 540 million, or more than double. And this increase, it will be understood, has taken place in "Money" simultaneously with and in consequence of at least an equivalent destruction of real values. Strange, is it not, that Money should be able to grow at the expense of real wealth? What is "Money" that it should be able to perform this miracle? The answer was quite correctly given by Mr. Chamberlain in his definition of this money as "a draft on future labour and the future creation of wealth." Legal tender money which has more than doubled in amount during the last four years is, indeed, not wealth in any real sense whatever; it is even less than fictitious wealth, for it represents only the obligation to pay its holders in goods and services that are still to be produced; in short, it is a debt. At the same time, however, it would seem that Mr. Chamberlain is not afraid of still further adding to it. The present Budget contemplates the addition of 250 millions to the existing debt. It would, if "Money" continued to represent quantities of values, the world will be turned upside down. To talk of economy, national or private, is to waste words. Why, we ask, should the wealthy classes economise in public expenditure when all public expenditure is more than sufficient to return the interest on a draft on future labour and the future production? Why should anybody forgo cake when he can both eat it and have it? The Budget, from this point of view, so far from appearing the menace it really is, must necessarily seem to the monied classes to be an invitation to public extravagance. If for every sovereign of goods and services destroyed by the State, the banks can credit themselves with at least a sovereign of future production, the temptation to indulge the State in expenditure is likely to be irresistible. Our methods of public finance put a premium on public extravagance which not all Mr. Chamberlain's words can counterbalance.

Since the Labour Party will hear nothing of the forcible "repudiation" of the National Debt, and the proposal to make a levy on capital makes little headway against the resistance of the bondholders, the problem may, perhaps, be more successfully approached by another route. To the levy on capital, Mr. Shaw and others oppose the objection that such a levy would result in increased income only if the capital were more effectively employed by the State than it is now being employed by its private owners, and that otherwise an additional income tax would effect our purpose better. But this objection, it is obvious, cannot apply to the war-loan, since, on the authority of Mr. Chamberlain, the war-loan is not real capital, but only a draft upon future production, in other words, a draft upon the Labour. A levy upon the war-debt would thus be, not a levy upon capital as such, but a mere cancellation of indebtedness. It would be equivalent to going without our indemnity from Germany. Is it quite beyond reason, therefore, to invite our wealthier bondholders to treat their own country as generously as in the end they will be forced to treat Germany and to cancel at least a part of our debt to them voluntarily? It may be remembered that in the earlier days of the war, a number of Northumberland and Durham miners bought war-bonds and made a public announcement of the fact. It is a much to the apprehensive disgust of Mr. "Spectator" Strachey. What the miners began to do, might not our leading bondholders continue on a magnificent scale, namely, voluntarily to reduce the National Debt by burning their war-bonds? There cannot possibly be the harm in it which the Labour Party profess to see in an enforced repudiation of the debt; and, for reasons already given, it cannot possibly be identical in its effects with the forcible transfer of real capital from private to public control. On the contrary, it is plainly a gentlemanly act of public service of which the King by his gift of a quarter of a million to the State was properly the first exemplar. Who will follow the King? How many of our bondholders will cancel the nation's "debt" to them and forgo their drafts on future labour? The opportunity is unique. In a few weeks' time the bonfires of peace will be set ablaze from one end of the country to the other. What if they were lit and fed by war-bonds and were to become real war-bonfires, expressive of real gratitude for a double victory over Germany abroad and pride-mindedness at home? Such a candle would be lit in England on that day as would never be put out.

The Coal Commission has produced some interesting evidence, not the least interesting being the evidence of Mr. Sidney Webb's inelasticity of mind. Mr. Webb believes to-day with all the fervour of the Fabian neo-phyle of a quarter of a century ago not only in nationalisation as an affirmation of the supremacy of the community but in direct State control, in short, in bureaucratic management and administration. "Government departments," he says, "are run more efficiently than private enterprise"; and if, indeed, efficiency in a single respect were to be our only criterion of judgment, the efficiency of Government departments, in spending our money, would raise much greater objections to bureaucratic management than appear as yet to have swum into Mr. Webb's channel.
Efficiency, even of the commercial kind, can be purchased too dearly; and the direct association of the political State with the economic life of the people again threatens that subordination of citizen to economic values which we call Capitalism. It is certainly not the case that we are opposed to the assumption by the State (that is to say, by trained public servants) of high responsibilities and functions. We are not anti-State. But to the extent that State officials are made directly responsible, not for the high protection of citizen values alone, but for the economic administration of economic functions, there is a tendency for the State to degenerate into the character of big business is inevitable. Instead of being set apart for the more general functions of society—protection in the widest and best sense—the State that engages directly in economic administration tends to turn merchant and probably something worse.

Mr. Arthur Greenwood put his finger on the weakest spot in Mr. Webb’s case for bureaucracy when he said, in his evidence before the Commission, that what we ought to aim at is decentralisation. For it is plain that Mr. Webb’s proposals differ from those before us in this essential: to establish a Trust only by the negligible difference that his pyramid of power (Major C. H. Douglas’ useful phrase) rests on one collective basis rather than upon another—one upon a public bureaucracy instead of upon a private bureaucracy. Essentially, however, all pyramidal structures obey similar laws; and since the whole aim and purpose of a pyramidal organisation is the concentration and centralisation of power in the apex of the pyramid, it is a matter of indifference whether the base be State or private; decentralisation cannot co-exist with centralisation any more easily than it can one or the other. But this centralisation (known in its political form as autocracy—as decentralisation may be said to correspond to democracy) is a very real danger. It is something more than a mechanical theory applied to human institutions. For what is centralisation in relation to reorganisation but the monopoly of initiative in the hands of the few who form the centre and apex? It is patent from all we know of centralised administration, whether of the State or of a Trust, that the elimination of initiative from every part of the pyramid saves the apex is exactly what tends to occur. Nothing is left, or can be left, to the discretion of the man-on-the-spot; but more and more every detail of administration—that is to say, every exercise of initiative—tends to be referred to the decision of the central authority. And the more efficient, in Mr. Webb’s sense of the word, the organisations are, the more easily does the central authority centralise the members below the very highest. The very ease with which an efficient organisation of this kind can carry out the will, not of its members, but of the few who control its centre, is the proof that it has eliminated initiative; and for every step it takes in the direction of functional efficiency, it takes another in the direction of volitional paralysis. It is not for this that the world is looking to-day. As an escape from the threatened centripetalism of Capitalism, we are looking, it is true, for another order of power; but the exchange from the centripetalism of Capitalism to the centripetalism of Bureaucracy would be of no general advantage. If the individual is to “turn” only when Father says turn, it is scarcely important whether “Father” is a permanent official of the “State” or an official of a Trust. The initiative and all that we mean by the liberty of the individual is in both cases eliminated.

We are glad that Mr. G. D. H. Cole, as the representative of the National Guilds League, reserved both his Memorandum submitted to the Commission (the text of which appears) and in his evidence of Friday, the whole question of Guild credit. The question of credit, it is obvious, is fundamental; and it may easily be the case, that by means of the existing credit system the opponents of the Guild idea are counting on the bankruptcy of a Mining Guild to discredit our whole attempt to democratise and decentralise industry. The making of money, as everybody allows in theory, is by no means the same thing as the making of goods; and it follows, as a necessary corollary, that the control of the making of goods is by no means synonymous with the control of money. As a recently quoted German Jew observed, indeed, the case may well be that “the Christians [in our terms, the Guilds] make and have the goods, while we [the financiers] make and have the money.” Every transaction in goods, from the first to the last, necessitates under present conditions the use of money, either as currency, or as financial credit; and if we allow the control of money to remain where it is, in the hands of the banks and private interests, it is a foregone conclusion that the exercise of the money-power will carry with it the exercise of control over all our Guild transactions. In other words, the banks will control the Guilds. Already, in the proposals for the “purchase” and capitalisation of the Mining plant, preparatory in any event to handing it over to a Guild, we see the cleven hoof of the existing-pyramidal credit system. The sum of two or three hundred millions of pounds is first to be “borrowed” of the banks to compensate the existing owners, and thereafter another hundred millions or so are to be borrowed for the working expenses of mining; and the whole sum is to be added to the existing “money” of the banks. If they can get them, the exercise of the equivalent purchasing power to appropriate the production of the Guild. Nor is that all; for not only is it proposed to endow the banks with money enough to purchase the goods the Guild will produce; but every subsequent transaction of the Guild and all its members will be required to pay toll for the use of the very money which has been created on the basis of the Guild’s real credit in potential production.

There is no escape that we can see (though we are open to be taught) by the adoption of any device short of a complete revolution of our national credit system; and Mr. Cole was, therefore, well advised to demand a nationalised system of banking as the first condition of a successful Guild. To suppose, as some do, that a Mining Guild (let us say) could carry on upon its own real credit is to ignore the fact that only that part of real credit which is converted into financial credit and ultimately into currency is of any commercial value whatever. A Mining Guild might have the mines in its possession, a technical staff of the greatest potential efficiency, the best plant on the market, and a monopoly of skilled labour, without being able to set about the production, or, still less, the sale of a single truck of coal. We do not say, of course, that such would be the case. A Mining Guild so equipped would probably force the situation by violent means. What we do say is that on its credit as a potential producer only, the Guild would in ordinary circumstances be unable to operate unless its “credit” could be converted into the current credit of legal tender. But that is just the crux of the problem, for at present the monopoly of legal tender are the private banks. Sooner or later every real credit must go to a private bank to be made into currency. A Guild, situated as we have described, must therefore go to a bank for its currency; and in going to a bank we do not need to say that it goes to a master. It is certain that if we are to safeguard our first Guild against the fate the banks have in store for it, we must deal with credit now and at once. We must break the monopoly the banks now exercise over legal tender, currency and financial credit, and resume its control by the community at large. Only when that is done will our world be safe for Guilds. We suggest that, as a supplement to the present Commission, a Commission of Inquiry be opened into the whole question of Credit. The bankers will object; but, after all, the people are many while the bankers are few.
Foreign Affairs.
By S. Verdaz.

For the most considerable difficulty that has arisen during the Versailles Conference President Wilson is himself primarily responsible. One of his obiter dicta was, as we all remember, that covenants should not only be open, but should be openly arrived at; and this enlightened doctrine, it is obvious, was the essential condition of President Wilson's really great idea, namely, that 'public opinion' should be hereafter one, if not the greatest, of the Great Powers of the world. It was not for very long, however, that President Wilson maintained his open attitude when once he found himself at the Conference. Within a few days the world learned to its surprise that President Wilson had consented to the withdrawal of a considerable number of problems from the open and plenary discussion of the Conference; and within a few weeks this withdrawal was accentuated by the retreat of the most difficult problems to the secrecy of the supreme Council of Four.

I had every sympathy with "secret diplomacy" while secret diplomacy was a necessity; but the present circumstances, largely as a result of President Wilson's special mission to cultivate. But experience of the old diplomacy, in the first instance, things would have happened: either the new Power would have been made in ignorance. The parallel, it has left the Supreme Council of Four.

The world's opinion, we may assume, is a perfectly real factor in international affairs; it is an increasing factor; and it is a factor whose growth in authority it was President Wilson's special mission to cultivate. But how could it be "cultivated" unless by being informed? How could its authority be exercised if it was to be kept ignorant? Let us suppose that instead of "public opinion," a totally new Power of a material kind had been invited to share in the settlement; and that, at the first meeting of the Conference, the older Powers had decided to exclude the new Power from every source of real information—in that event, one of two things would have happened: either the new Power would have withdrawn in disgust; or its decisions would have been made in ignorance. The parallel, it will be seen, is perfect. President Wilson explicitly invited the new Power of world-opinion to attend the Conference; and at once, on the opening of the Conference, he agreed with the older diplomats to exclude world-opinion from information. There is thus no wonder that world-opinion has done what might have been expected. One half of it has left the Conference, in the sense of ceasing to interest itself in foreign affairs; while the other half has offered judgments and opinions based on misinformation, ignorance and lies.

It can easily be imagined what were the arguments adduced to persuade President Wilson to withdraw his demand for publicity. They were derived from the experience of the old diplomacy, in the first instance, and, in the second, from the actual difficulties. Among the latter, for instance, would be the delicate difficulty of determining the expediency of claims based on financial and economic power—claims the support of which could scarcely (so it was thought) be published to all the world. There have been present in or about the Conference, we know, representatives of international finance somewhere; but Mr. Lloyd George or M. Clemenceau or Signor Orlando to tell the world and their own nations that "if only you had heard the discussion you would have approved of our opinion"—we have not heard it and they themselves have excluded us from it. The world cannot judge what it does not understand. If Italy appears at this moment to be behaving like a madman, if France, Belgium, England and America present from time to time the same symptoms, it is not the peoples. The people judge on what is put before them and for all that the peoples of Italy, France and Belgium know, the conclusions of the Conference have not been fairly arrived at; and, in any case, they are at variance with the electoral pledges of their representatives.
The Post Office and Finance.

By John R. Raynes.

Labour's present demand for "control" cannot be satisfied by the control of industrial processes only; it must continue until it reaches the last citadel of capital—control of finance and credit. But until that control is won, every other form of control is illusory.—The New Age, April 24.

It has often been my duty to tell Trade Union gatherings that if they reconstruct until their workshops are marble halls, and their benches are silver plated, they have not yet under control, for I have quoted above struck a responsive chord at once, and I deplore the prevalent indifference of huge armies of organised labour towards financial problems. While I deplore I do not condemn, for what opportunity have the workers had, unless they forced themselves to an unattractive task, of grasping the sorry scheme of things financial. The people of the back streets are very modest in their ambitions, and cannot tolerate the thought of any "injustice" to plutocracy. They have never had contact with the main stream of finance, and are therefore suspicious of suggestion, that a healthy process of irrigation would bring a little of the current their way. A little wealth, even moderate means, lifts the veil to the realms of gold, but only too rarely have the workers an interest in choice literature, or art, or scientific research. Why should they have, for the materialists of slums and ugly towns changes the finer attributes? In millions they can explain with Burns: "God knows I'm no the thing I should be, Nor am I even the thing I could be!"

But there are sections of organised workers who can grasp this duty on behalf of the manual workers, and upon them a great responsibility turns. One of them is the "Bank Officers" Guild, and the other is the Postal Clerks Association. These two organisations could certainly point the way to a democratic financial system, and the conversion of public credit for public purposes, instead of its being subverted, as at present is notoriously the case, to private gain. In the present financial system is corrupt, but it is buttressed by Cabinets, and tolerated by the dim comprehension of the masses. Until it is reversed all else is vain. Even State-aided housing schemes will prove a ghastly delusion as instruments for universal rent raising, the present level. Housing is included in the social wrongs we are unable to right until the financial system is put right, and all over this country Socialist members of Councils are being put in as chairmen of Housing and Building Committees. They need to beware that they are not simply pin-mounted puppets to move just as others desire. But given cheap and national banking facilities, removal from private control, public credit could easily finance housing, railways, mines, canals, harbours, docks, warehouses, industries, small holdings, and afforestation and reclamation of land. A correct financial system should be so beneficently linked to industrial, commercial and domestic needs as to diffuse to every village the spirit said to permeate the League of Nations.

One of the organisations named just now is gravitating very steadily to that ideal, and its proposals without any question would, if adopted, greatly expedite the democratising of finance. I refer to the Postal Clerks Association and its renewed advocacy of the Postal Cheque and Transfer system. This system has proved very efficient and economical in the service of all Government departments having large numbers of continuous payments to make during the war. They always used Postal Cheques, and never bankers' cheques or money orders or postal orders. It is now claimed by the Association that the facilities of this system could be extended to the general public. With that in view resolutions appear on the agenda for their annual Conference at Blackpool on May 8, 9, and 10, of a somewhat militant character. Knowing the obstructive power of vested interests, and the common indifference of the Postmaster-General and to commence a public propaganda for the improvement of the postal services, led by the chief officials of the Association. Another resolution aims at the wide circulation of a report of the investigations of the Association in its mission to the Post Office Savings Bank and Money Order Services. These could be blended into a Postal Cheque system of infinite public service, but the Savings Bank is so badly managed as to be unprofitable, and the Insurance Department has dwelt almost to vanishing point averaging one new policy a day. Yet it offers insurance facilities superior in many cases to those of the big associations. They are there, but nobody knows about them. Vested interests in finance are influential enough to silence them.

There seems every justification for the Association to go forward with its mission to secure the support of local authorities, trade unions, friendly societies, business men and all who have to make frequent transmission of payments, to their Postal Cheque scheme. The war has tested and proved it to an extent undreamed of five years ago, and it has come to the people. All other systems of transmitting money are cumbersome and costly. They involve heavy commissions upon Orders, stamps on cheques, bankers' charges, formal letters of enclosure and formal receipts in return, with envelopes and seals. It could be allowed to firms in the printing of their own "Pay cards" at the counter, ordering thereon a "load of coals as last," or "a pair of men's brown boots, size nine," or other standard article, paying over the price, and getting his receipt. These payments would all be accounted for him, so long as he maintained an agreed minimum, say, £5, to his credit. Those not possessing registered accounts could have the system by filling in a "Pay card" at the counter, ordering thereon a postal order of £15s., or £4, is involved, while under the Postal Cheque system it could be done for a halfpenny, and without any correspondence. As operating successfully in Switzerland, Germany and Belgium, and proposed here, it is open to any who desire to make the Post Office his or her banker, to have a registered account number and to hand small cheque forms across the counter for every payment it is desired to make. A date stamped receipt would be given in return, and that ends the transaction. The total charge on any sum up to £25 is suggested at one halfpenny. The Post Office guarantees the rest. It remits the money to the person named, and enters the transaction.

Payments could be transferred from one registered account to another free of charge. A citizen's rates could by consent be automatically, and regularly paid for him, so long as he maintained an agreed minimum, say, £5, to his credit. Those not possessing registered accounts could have the system by filling in a "Pay card" at the counter, ordering thereon a "load of coals as last," or "a pair of men's brown boots, size nine," or other standard article, paying over the price, and getting his receipt. These payments would all be notified and credited to the receiver, who would pay the halfpenny charged for the service. Considerable liberty could be allowed to firms in the printing of their own pay cards, including the sweet uses of advertisement. Suppose a sum is paid at Leeds to a London account. The pay card is sent to the London cheque exchange, the amount is booked, and the holder is informed by daily lists delivered to him, and also by the third perforated section of the pay card itself, bearing any message from the customer at Leeds. Large sums could be transmitted at very low cost, one penny for each £100.

Very great advantages immediately present themselves. Business would be enormously facilitated, and public credit would pass more largely to public service. There are, however, other considerations. Security and efficiency would begin to out risk speculative interest. The cost of such a scheme needs consideration. On the simple computation that ten halfpennies are more than one payment of fourpence it pays well. But for the department it eliminates much needful labour on letters containing remittances, and envelopes containing receipts. It would facilitate public business,
and confer great advantages upon isolated communities notably. It would bring the British Post Office into harmony with many of those on the Continent, to the great gain of many firms with heavy foreign mails. For example, it now costs 6s. 6d. to send £25 to Switzerland, but to send £25 from Switzerland to Germany costs only 24d. Many European Postal Cheques come into this country, and we have a bank as agent, but all the usual bank charges are made against them.

A Mining Guild.

The Coal Commission is far more than a sign of the times: it is a landmark in social development. Its significance extends far beyond its immediate object, and it has gone as far as any other industry, with which it was appointed to deal. The occasion of its appointment was the threat of a national miners’ strike; but its real cause was the breakdown of the capitalist system at its most vital point—the control of labour. For more than a century, the people of Great Britain have lived under a developed system of capitalist production and finance. The British worker has sold his labour for a wage, and has allowed himself to be used for the making of profits by the possessing classes. Huge wealth has been accumulated in the hands of that class, which has seemed, with every development of capitalism, to become more firmly entrenched in power and authority. But little by little, despite the growth of riches and the consolidation of capitalist enterprise, the inherent weakness of the existing system has been exposed. For it depends, and must depend, upon the acquiescence of Labour. If Labour refuses to sell its service for a wage, and is strong and determined enough to persist in its refusal, the whole capitalist structure of rent, interest and profits must come tumbling down. In short, capitalism depends upon the wage-system.

For some time past, ominous cracks have been appearing in the industry, with which it is appointed to deal. A new spirit of revolt and self-assertion among the workers has been gradually assuming a positive shape. A double protest has been registered against capitalism, and a two-fold demand put forward by Labour. Against the system of production for profit Labour has put forward its demand for public ownership of the means of production, and against the wage-system Labour has pressed for the control of industry by the workers. This attitude is found, in varying stages of development, in every section of the world of Labour, especially in those industries which are most strongly organised. The Miners’ Federation of Great Britain, the largest and strongest Trade Union in the world, has determined to secure not only the public ownership of the mining industry, but also at least a half share in its control and management under public ownership. In fact, the miners are demanding, if not a complete Mining Guild, at least the nearest approach to a Mining Guild that is practicable as an immediate measure.

Moreover, there is every reason to believe that the miners will secure the greater part of what they desire, not because the Government wants to nationalise the mines, and still less because it wants to become more firmly entrenched in power and authority. The miners’ Federation of Great Britain, the largest and strongest Trade Union in the world, has determined to secure not only the public ownership of the mining industry, but also at least a half share in its control and management under public ownership. In fact, the miners are demanding, if not a complete Mining Guild, at least the nearest approach to a Mining Guild that is practicable as an immediate measure.

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is hoped that something at least may be saved for the profiteer from the wreck of the wage-system, and even, if all goes well, that the system may be strengthened and not merely weakened. For the workers need much more than a share in the profits of the existing system to make them willing to take part in the profits of the existing system to make them willing to take part in the profits of the existing system to make them willing to take part in the profits of the existing system to make them willing to take part in the profits of the existing system to make them willing to take part in the profits of the existing system to make them willing to take part in the profits of the existing system to make them willing to take part in the profits of the existing system to make them willing to take part in the profits of the existing system to make them willing to take part in the profits of the existing system to make them willing to take part in the profits of the existing system to make them willing to take part in the profits of the existing system to make them willing to take part in the profits of the existing system to make them willing to take part in the profits of the existing system to make them willing to take part in the profits of the existing system to make them willing to take part in the profits of the existing system to make them willing to take part in the profits of the existing system to make them willing to take part in the profits of the existing system to make them willing to take part in the profits of the existing system. This suggestion, however, has not survived the opposition of the less far-sighted coalowners; and it would, in any case, have been met by a flat refusal on the side of Labour. The workers do not want a share in profits: they want to rid industry of profits and of wages, and to reconstruct it on principles of self-government and social service.

In the paragraphs which follow, embodying the summary of evidence presented by the writer as evidence before the Coal Commission, an attempt has been made only to outline the steps which can be taken immediately towards the full founding of a Mining Guild. The assumption of ownership by the State and the establishment of a system of control as far as possible removed from bureaucracy and as nearly as possible approaching democracy are the essential features proposed. It must not, however, be imagined that the organisation outlined in these proposals is a National Guild; it is not. The creation of a complete Mining Guild will be a work of time, and no one can state in detail the form which it will finally assume. I have only tried to indicate the immediate steps which lead towards it within the framework of the temporary organisable defects of any organisation that can be set up to-day in a hostile environment of capitalist production.

In the first place, a National Guild will be entirely self-governing in its internal affairs. It will be an association including every person—workman, technician, administrator, clerk—considering himself as part of the organised industry, and animated by a common consciousness of service on the part of all these persons and sections. We are still far from that ideal. Administrators and technicians have still for the most part to realise their essential unity with the manual workers, from whom they are held apart by a conventional division of capitalist production. It is not possible at the present stage to assume this unity; it is only possible to pave the way for it in some such fashion as I suggest (paragraphs 22 and 49). But I do firmly believe that, if the proposals I have made are put into operation, it will not be long before this essential unity is brought into being. The State can then resign those functions of control which it must exercise temporally by nominating the representatives of the technicians on the Mining Council, and the rapid evolution of a Mining Guild will thus become practically a reality.

But, even so, the Guild would still be essentially incomplete; for no single Guild can be complete in itself unless it is surrounded by other Guilds in the industries and services with which it has connection. These first steps towards a Mining Guild must be complemented by similar steps in the reorganisation of the railways and other transport services, of the Post Office, and of every other vital industry and service. If the Coal Commission does it work well, its results will serve as a model, not only for the mining industry, but for every other industry in which the old order threatens to disolve and the workers are to become more firmly entrenched in power and authority. The mining industry, as a whole, adopts Guild organisation, the problem of representing the coal consumer is simplified, and the State can take a further step backward from industrial control. Yet, even if all Guilds were organised on Guild principles, there would remain an essential thing undone if the machinery of political Society remained unchanged. I have suggested one small political reform—the adoption of a system of Committees by the House of Commons, and therewith the dissolution of Cabinet responsibility for departamental affairs in the economic sphere. I believe that this reform would be only the prelude to very much, bigger changes and to a further functional separation of the present work of
Parliament and of Government departments. A Guild system in industry will compel a reorganisation of political machinery, and, if a dangerous break is to be avoided, the reorganisation must proceed simultaneously to the fullest possible extent.

For the building of a Guild, the vital problem at the present time is that of the relations between the workers, ordinarily so called, and the professionals, technicians and administrators. All this personnel of "management" is necessary to it, and partly because of economic and social differences, the "management" is to-day hovering between the two camps of capitalism and democracy, doubtful of its allegiance. Its social traditions and its immediate economic outlook tend to make it, to a great extent, the ally of capitalism: its desire to be free from the burden of profit-making for others and its own seeking for control and self-expression tend to make it at the least a hesitant and suspicious ally. At the same time, while many of its members are in keen sympathy with the demands of Labour for freedom and control, it hesitates to part with the alliance with Labour, partly because of economic and social differences, partly because it fears that it would receive neither warm nor proper recognition from the manual workers.

I want to see the "Management" alloy itself with "Labour," and I want to see "Labour" extending the hand of welcome to the "Management." Both the technician and the manual worker are necessary to industry, and the technician will be more than ever necessary in the difficult times of transition that lie ahead. Get the profit-making basis out of an industry, and establish a system of joint control by the various elements necessary to it, and surely those elements will rapidly coalesce and learn to co-operate. I, at least, believe that they will; and it is on this belief that I build my principal hope for a Mining Guild. This co-operation must be local as well as national: it must be found in each separate pit fully as much as on the Mining Council. It will be necessary, if a system of industrial democracy is to reach its fullest efficiency, to enlist the active co-operation of every man in the industry by the greatest possible devolution of control. The present industrial system has tended to centralisation because it has been autocratic: State elements necessary to it, and surely those elements will rapidly coalesce and learn to co-operate. I, at least, believe that they will; and it is on this belief that I build my principal hope for a Mining Guild.

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My reasons for desiring a system of ownership and control similar to that advocated by Mr. Straker fall under a number of heads:—

(a) Reasons for desiring direct and adequate participation by the workers in the management.

(b) Reasons for desiring participation of persons nominated by the State in the management.

(c) Reasons for desiring national ownership.

Reasons for Workers' Participation.

1. The workers employed in and about collieries should assume a direct and increasing share in the management, not only in order that the principles of democracy may be applied to industrial organisation, but also in the interest of the consumers and of the community. We have reached a stage in certain vital industries, including coal-mining, it, if not in industry as a whole, when the workers will no longer consent to remain within the boundaries of the wage-system.

2. By the wage-system I mean the system under which the worker sells his labour to an employer in return for a wage, and by this sale is supposed to forgo all right over the manner in which his labour is used within the terms of the wage-contract, or over the management of the industry or service in which he is engaged, and all claim to the produce of his labour or to the common product of the labour of himself and his fellow-worker.

3. Thanks to the growing strength and consciousness of Trade Unionism, this wage-system is no longer fully and completely operative. Trade Unions do constantly by collective regulation of the limits of collective bargaining, and by strikes, exercise a certain control over the industry, but in the remaining period of time which the coal industry stands condemned, and some other system must be substituted for it."

4. In this opinion I concur.

5. In paragraphs X and XI of the Interim Report signed by the Chairman and three other members of the Commission (but not in paragraph IX) nationalisation and joint control are declared to be the mutually inconsistent alternatives. Whether this is so or not would appear to depend upon the parties among whom the control is shared or divided.

6. In paragraph XII of the same report it is stated that no scheme for joint control has been placed before the Commission; but among the papers circulated to me is a statement submitted by Mr. Straker, who gave evidence on behalf of the Miners' Federation of Great Britain, and this statement embodies a scheme of national ownership combined with joint control by the miners and the State.

With this scheme I am generally, and largely in detail, in agreement.

7. My reasons for desiring a system of ownership and control similar to that advocated by Mr. Straker fall under a number of heads:—

(a) Reasons for desiring direct and adequate participation by the workers in the management.

(b) Reasons for desiring participation of persons nominated by the State in the management.

(c) Reasons for desiring national ownership.

G. D. H. COLE.

PREFACE TO THE NEW AGE.
Trade Unions and workmen are confined in the main to the imposition of negative forms of control—i.e., virtually to a veto on certain methods of using and organising labour. Such negative regulation inevitably tends to take a restrictive form, which becomes more severe as Trade Unions become stronger, until it threatens to break altogether the system—the wage-system—in which it is enclosed.

2. In the words of the Memorandum submitted by the Labour representatives to the recent Industrial Conference, "Labour has now grown too strong to be controlled by force or compulsion of any kind." The method of destroying Trade Union "restrictions" by a frontal attack upon Trade Unionism is therefore not only unadvisable but in practice impossible. The only alternative is a frank acceptance of Trade Unionism, and an endeavour to convert the negative (and therefore partial, restrictive) control which it now exercises into a positive (and therefore co-operative) control.

10. In other words, the problem of industry at the present time—and of the coal-mining industry in particular—is to enlist the active co-operation of the workers and of their Trade Unions in making the industry as efficient as possible.

11. This involves the establishment at once of the greatest amount of industrial democracy (that is, of direct control by the workers and their Trade Unions) that is immediately practicable and the most rapid extension of that control that is practicable subsequently.

12. Such control is not only, or mainly, a question of wages, hours, and conditions of labour as ordinarily understood, but the whole economic conduct of the industry, both in its productive and in its business aspects. Especially does it include the whole domain of financial and productive management and of supervision.

13. I am not unmindful of the enormous importance of technical and expert assistance, both in normal mining operations and more especially in carrying out the great changes that are necessary in connection with the re-organisation of the industry. But I am of opinion both that technical and expert assistance can be combined with control by the workers at least as well as with control by private capitalists, and indeed that the natural affiliation of the brain-worker is with the manual worker rather than with the capitalist. To this point I shall return at a later stage.

14. In short, from the point of view of the coal consumer and of the community as a whole, the only way of securing efficiency in production—perhaps the only way of securing at all the continuance of the industry—is to enlist the active co-operation of the workers and of the consumers, agreeing at once to the assumption by them of a substantial share in control.

15. I shall now attempt to state the case for direct participation by the State in the management of the State in the normal work of management would be unnecessary. It is my hope that this position will gradually be reached, and, to that extent, whole control by the State in the normal work of management will be gradually withdrawn.

23. Until this becomes possible, the State should appoint as its representatives on the Mining Council (excluding for the moment those appointed to represent the consumers) persons of professional or expert knowledge of mining operations.

24. The function of the State, therefore, in relation to productive management, is mainly to secure the technical efficiency of the industry until the creation of a complete Mining Guild becomes possible.

25. It is also suggested that the State appointments to the Mining Council should include persons specially appointed to represent the consumers. Whether this also would be a transitional measure I am unable to make up my mind. It is, however, clearly necessary that the consumers of coal should have some means of ensuring that their views will be heard, especially in relation to questions of coal distribution and the allocation of supplies to particular districts.

26. Direct appointments of the consumers' representatives by organisations representing the main groups of coal consumers has been suggested; but I am unable to agree to the suggestion that the consumers, persons of professional or expert knowledge of mining operations.

Because the groups of consumers are changing groups, and therefore their names ought to be included in an Act of Parliament (e.g., if coal distribution is made a proper representative of the consumers on the Mining Council.

Because I am unable to accept the view that an employers' association in, say, the steel industry is a proper representative of the consumers. The workers in the steel industry are fully as interested in the supply of coal as the employers.
representative, not the Mining Council, and to take administrative action revenue over expenditure, and (c) methods of expropriation, redemption, etc.

28. These are functions which concern the State as the representative, not the community, but the community as an association of neighbours or citizens. Whatever may be the future structure of political society, they are for the moment functions properly to be exercised by the people's representatives in Parliament.

29. At the same time, the existing organisation of Parliament does not provide for their satisfactory exercise. I suggest a Committee of the House of Commons, presided over by the Minister of Mines, to consult with the Mining Council, and to take administrative action on these matters, subject to the sanction of the House as a whole.

30. This implies that any surplus of mining revenue over expenditure or of expenditure over revenue will pass into the Budget, and that any fresh capital required, whether raised by special mining stock or otherwise, will be provided by the State. At the same time, the general financial management should be in the hands of the Mining Council.

31. Both the Mining Council and the proposed House of Commons Committee are often criticised on the ground that they undermine "Ministerial responsibility." I may respectfully record my conviction that, under existing conditions, "Ministerial responsibility" is mostly moonshine?

Reasons for National Ownership.

32. The objections brought against national ownership are usually for the most part objections to bureaucratic control. The above considerations, which presuppose national ownership, show that there is no necessary connection between it and bureaucratic control.

33. National ownership of the mines is necessary for three principal reasons—(1) for the sake of the community, in order to secure the fullest utilisation and conservation of a vital natural product in the common interest; (2) for the sake of the consumer, in order to prevent exploitation and profiteering; (3) in order to give the workers working for the community, and not for the benefit of any private person. Full utilisation and conservation of our coal resources can only be secured by unified working, and real utilisation of working can only be secured by unified ownership.

34. This only leaves the two alternatives of a gigantic private trust or monopoly (either under public control or otherwise) or of national ownership.

35. A Coal Trust not under public control is obviously anti-social; for it restricts prices, output is restricted; if it fosters output, it can only do so by permitting high prices. The retention of the motive of profit-making as the incentive in industry renders efficient State control impossible.

36. In addition, the full co-operation of the workers by hand and brain can only be secured if they feel that they are working, not for private profit, but for the benefit of the community. Just as national ownership is inadequate without workers' control, so workers' control is inadequate without national ownership.

37. It had been suggested that the full co-operation of the workers could be secured by a system of joint control between owners and workers. But real control by the workers is impossible as long as the industry continues to be conducted for the private profit of the owners alone.

41. Where this is recognised, it is sometimes suggested that the workers might be given, in law or in fact, a share in the ownership, either by individual or collective profit-sharing or co-partnership.

42. In my opinion, this would not work in practice, because the motives of the owners and workers are irreconcilable with the adoption of ownership.

43. Even if it could be brought into operation, its effects would be anti-social; for the profit-making motive is not improved merely by increasing the number of shareholders. The coal industry requires to be worked as a national service, free from the motive of profit-making.

44. In any case, it is hardly necessary to discuss this suggestion in detail, for it would certainly be rejected by the miners, and, as it has only been devised in the hope of making possible the continuance of private ownership, it would thereby fall at once, if it has not already fallen, to the ground.

Expropriation and Compensation.

45. I do not desire to enter at all fully into this aspect of the question, on which I am not an expert.

46. I desire, however, to emphasise my view that it would be wrong to compensate the owners of mines or minerals on the basis of their past or present commercial value.

47. My reason is that this value depends upon the control which they have hitherto been able to exercise over Labour. To the extent to which they have lost this control the commercial value of their property has become unreal, and they have no title to compensation in respect of such value. They must not be placed by compensation in a more secure or more favourable position than other capitalists, who are also losing their control over Labour on which their past profits have depended.

Methods of Control.

48. As I have stated, I am in general agreement with the scheme of control put forward by Mr. Straker on March 14. There are only two points which I desire to elaborate further at the present time.

49. The first point concerns the possession of professional, technical, and supervisory staffs. The members of these staffs can be roughly divided into two classes—(a) those whose function is mainly expert, and (b) those whose function is mainly the supervision or direction of other men.

50. In the case of class (a) the principle of selection must be primarily based on "qualification" and expert knowledge. In the case of class (b) it must be based primarily on personality.

51. I hold strongly that those men whose business it is mainly to direct others should be chosen by those whom it is their business to direct, either by ballot or through a Committee of Selection or a Trade Union.

52. Where persons whose function is mainly directive must also possess technical or professional qualifications, the range of choice should be restricted to persons possessing the necessary qualifications; but the principle of selection from below should be preserved.

53. There is not the same reason for the adoption of this course in the case of persons whose function is mainly or exclusively expert and advisory.

54. The second point concerns the question of centralisation and local initiative in control. I hold strongly that the full co-operation of the workers can only be enlisted by a system of control which is largely local, and includes a considerable element of direct control by the workers in each particular pit. A system of joint control nationally, or even nationally and in the proposed districts, will not be effective unless it is combined with a system of pit control.

55. At the same time, pit control will probably not at the beginning be capable of such full establishment as national and district control. It is therefore of the greatest importance that the system of control first established should be such as to admit of an increasing element of devolution, both from the Mining Council to the districts, and from both to the pit.

Conclusion.

56. In conclusion, I desire to emphasise my agreement with the words of paragraph XV of the Interim Report signed by the Chairman and by three other members of the Commission, that it is in the interests of the country that the colliery workers shall in the future have an effective voice in the direction of the mine. For generations the colliery system of work has been educated socially and technically. The result is a great national asset. Why not use it? I believe that these words can only be made good in fact by the adoption of national ownership combined with some such system of control as that which Mr. Straker outlined to the Commission.
of boredom arose, the signal that the unconsciousness was replete for the time being.

I returned to the subject, after another convenient lapse of a few days, and dictated the following passage to the form:

"It was now the time for Jeremy to go to school. He was going to Lyndhurst to-day; the Jampot had said so. Mother was going to London with him. Ah, London!—he had not been to London for a year, and he would go to the shops, and buy, and buy, and buy. He was going to have a good time, and after that—school."

I then said, 'This is the opening of Lamb's story about Jeremy. You will see if you study it carefully that it begins in an objective key, and then, somehow, slips into the subjective. Now I want you to write down in more or less technical language exactly how that subjective atmosphere is arrived at; what grammatical tricks, for instance, were used."

Three of the boys were quite off the target, but it is worth while tabulating the following answers.

Bell (aged 14): 1. It changes from time to time—"It was now time for Jeremy, etc."
2. From time to words—"Jampot had said so."
3. From words to his own thoughts—"Ah, London..." to the end.

Johnson (aged 13): "Ah!" describes Jeremy's actual thoughts.

Lamb (aged 12): 1. "Mother" shows that it could only be Jeremy's thoughts.
2. The sudden changes of thought, one following from the other, but changing the subject completely. For instance, "Mother was going to London with him. Ah, London—he had not been to London for a year."

Russell (aged 11): By the words "Ah, London."
By the words "And buy," repeated several times.
By repeatedly changing the tense.

Segrave (aged 11): By using a lot of short sentences.
By not using the personal pronoun "his" before "mother."

By stating a fact he thought of, then his repeating "buy and buy, and buy" makes it subjective and impressive.

By stating a fact he thought of, then his thoughts on the same fact. "Mother was going to London with him. Ah, London..." It makes it subjective, not so much because mother was going to London, but because he was going to London.

Leaving these answers for the moment let us return to Lamb's opening paragraph. It is not, perhaps, of a particularly high order as a specimen of style, but if any reader should think it merely commonplace let him compare it with the following more typical beginning, which was written by a hard-working boy nine months younger in a lower form, to whom I gave the same subject.

"The day he was going Jeremy felt very sad and made it subjective, not in actual subject-matter, but in style or technique, rather than in actual subject-matter, and the question that arises is how is this technique to be taught?"

I believe that, given the inspiration, the unconsciousness can fly over vast mountains and morasses of technique, unheedingly as in an aeroplane. Yet there are innumerable school text-books on "English Composi-
tion"—"Junior English for Schools," etc.—books with laborious, mechanical, lifeless exercises whose object is to provide boys with the requisite technique; how to handle participles, the use of relative clauses, adverbial phrases, etc., is comparable to compelling children to study dried leaves in glass cases on a June morning when they might be in a field of buttercups. The technique is there, in the child's mind, if only it can be brought out, far more intricate technique, too, than it is possible to describe in words, much less make the subject of an exercise.

Is the conscious knowledge of this technique important in itself? To what extent does it actually induce creative work? Whatever answers may be given to these questions I do not think there can be any doubt that the appreciation of technique, which we all possess in an astonishing degree, is far more important than the actual knowledge. By appreciation I mean that inner understanding that enables, for instance, one who is not an expert to tell a Romney from a Raeburn at a glance—though not knowing bow or why; the ability of the ordinary concert-goer to distinguish between, say, Brahms and Beethoven.

Inasmuch as, from his answers given above, Lamb was consciously almost entirely unaware of how he obtained the required subjective effects, it is clear that appreciation is enough without any concomitant knowledge can be of great constructive value. It seems hard to believe that actual knowledge would have improved, or even altered the style of his writing. I think that, between them, the boys' answers cover all the obvious technical dodges employed by Lamb. Russell hit on one of the subtlest—"Repeatedly changing the tense." There is no doubt that largely by a judicious intermingling of pluperfect with imperfect tenses Lamb got on to paper the suggestion that the thoughts were Jeremy's—"not mere objective statements made by Lamb about Jeremy. But these explanations are by no means entirely satisfying. And even if a Professor Saintsbury were to lay bare the whole workings, teutonically, he would only get hold of what appeared on the paper itself. What of the negative side, of the innumerable improvements and rejections, tenses, moods, constructions, phrases, mentally considered and rightly or wrongly retained or discarded? When one realises, moreover, that the particular style called for by this subject must be only one of many styles dormant in the boy's brain, each of them, when summoned, demanding its own particular tricks and dodges, the potential technical ability of the unconscious mind seems altogether too vast to be consciously computed.

It may be asked why, if the conscious knowledge is of such relative importance, the form we are at the trouble of seeking out these technicalities. This question raises psychological issues rather than the scope of the present inquiry, and I confess that my chief motive was one of mere curiosity to discover the extent of their unconscious knowledge. Of one thing, however, it gave rise to an interesting discussion from which each boy derived a most healthy acquaintance with the powers of his unconscious mind. Had I begun to point out these technicalities myself the form would have been bored in less than two minutes; but boys, after failing to discover facts for themselves, will often accept from other boys what they would reject or disregard from their master. The antagonism between the conscious and unconscious is very marked, moreover. Even at the end of the discussion Segrave, whose answers were almost the best, protested in a puzzled sort of way that "Lamb couldn't really have mixed up his tenses purposefully." And only a few minutes ago, while writing these notes, I suddenly found myself asking the question, "Who on earth taught Lamb to mingle his pluperfects and imperfects?"

Though the answer was obvious it seemed not a bad question to ponder over.

T. R. COXON.
Fate, exactly that it is necessary. In Greek tragedy the calamity is the last link, or the last but one, in an unbroken chain of action; in "Tess of the D'Urbervilles" it is the culmination of a number of accidents, selected, apparently, for their meaninglessness, their inconsequence. This inconsequence, this futility, in short, are not casual; they are, on the contrary, the essential qualities in Mr. Hardy's Fate. It is precisely the natural, the unavoidable, the significant that he strives to defeat; Fate is not Fate to him unless it is deliberately irrevocable, significantly uningenious.

So that already here Mr. Hardy's mysterious idiosyncrasy, his trick of leaving something out, begins to appear. For what is accident, after all, but law with the ironic background, is Fate, and here, in the ironic, is the same as the accidental. Use accident once in a book and you destroy the sense of the inevitable. It is a triumph of art; by characterisation, and by the construction of the background, is something which Fate moves. The external world; it alone acts; the human figures are moved, it is expressed in the outer world only. The saying that Mr. Hardy's Fate is a half Fate: in other words, it is necessary. In

The second difference is as striking. The Greek Fate was more powerful than man; it was also, however, more noble. The tragic poets paid to it a homage greater than they paid to humanity; it was to them a reality of the first order, a reality in all the sixteenth century from those of any other time. Their emotions are the emotions which have always troubled mankind —those severely limited passions, fears and hopes which are universal. The tragic poets paid to it a homage greater than they paid to man; it was also, however, more powerful than man; it was also, however, more powerful than man; but it is at the same time more ignoble. And this explains the "grandeur" of his figures; they are sublime because they are to him—not the greatest expression of life; it is easy to imagine what terms Mr. Hardy would find for that!—but, let us say, the highest phenomena; and they are twice sublime because, noble themselves, they have to submit to forces petty, malicious, sordid. Man, in a word, is great, but the Universe is mean! Mr. G. K. Chesterton, with his customary sense has pointed out the futility in this. Mr. Hardy, he says, "personifies the Universe in order to give it a piece of his mind. But the fight is unequal for the old philosophical reason: that the Universe had already given Mr. Hardy a piece of Fate, he is free to figure out the rest. We do not believe Mr. Hardy's Fate is here again pretending to be greater than it is. This Fate, to repeat it for the last time, is not the Greek Fate at all; it is of an order infinitely lower; it is a Fate parochial, a Fate of crotches. Yet there is not the smallest doubt that for a hundred years critics will continue to call it Greek. How great must be the power of illusion in an artist who can accomplish this!

Thus far Mr. Hardy's art has yielded nothing radical before our analysis. We have discovered that his Fate appears to be Fate and is not, that his inevitability appears to be inevitable and is not, that his construction appears to be organic and is not. These are symptoms merely: it remains to be seen whether in his characters we may find the clue, the symptom of symptoms, which will reveal to us the malady.

It has often been said that Mr. Hardy creates types rather than characters. This is true; it does not depreciate Mr. Hardy's art, however, in the eyes of those who judge literature by the standards of a school. There are two methods whereby an artist may achieve reality in his art; by characterisation, and by abstraction. Truth belongs no more certain to the one than to the other: the type is often true, the character is often false. These are, of course, platitudes, but they require to be repeated in a time which swears by characterisation. Now as types it cannot be denied that Mr. Hardy's figures are admirable. They have been stripped of fashion, of period, of everything which distinguishes human beings of the sixteenth century from those of any other time. Their emotions are the emotions which have always troubled mankind —those severely limited passions, fears and hopes which are universal. The grief they feel is grief in itself, the grief which the figures feel even after they have ceased to know their own personality. Finally, for a background they have the unadorned earth, to which they stand in a relation that is immemorial. Everything is exquisitely calculated to bring out what is universal; and here, if you like, in his method of portraiture, Mr. Hardy is almost Greek. Compare his types with the characters of any other novelist, with the characters, for instance, of Thackeray or of George Eliot. When we remember these we remember them in the costume of the period; they move in a world which could only be that of their time. But we inevitably return to this, of course, that all the changes which these creatures suffer are for the worse, that they accom-

plish a wearing down, but never a renovation of life. And, once more, could anything be more false? What! a world in which there is disintegration and not creation! Such a world could not last so long as Mr. Hardy's novels have lasted. Oddly enough, too, this world seems to exist with the most triumphant reality until we have once unmasked it.

May 8, 1919
This is admirable. It must appear ungrateful to require of art anything more. But, once again, we are deceived by Mr. Hardy’s veil of illusion. His types appear to be real, it is true; they are, in fact, only half real. Where they are admirably true is in their sufferings, where they are utterly false is in their actions. They can feel and endure, but they cannot rebel; the active principle has simply been left out of them. It is not a small omission! Matthew Arnold, it will be remembered, defined conduct as “three-fourths of life”; and not even utterly false is in their actions. They can feel and responsible for their pessimism. On the contrary, it is admirable. It must appear ungrateful whether, in short, Mr. Hardy and his characters are almost in our hands. In an art which gives us one half of Fate and one half of man, it is the character

precisely what is it that is left out? Is it not the human will? The truth is that Mr. Hardy does not even know the human will, and is incapable of portraying it. His types are melancholy because they are passive, because, seeing the Fate outside them and having no Fate within, they know they must submit. The question here is not whether this passivity is voluntary, whether, in short, Mr. Hardy and his characters are responsible for their pessimism. On the contrary, it is almost certain that passivity so unconditional as that of the Wessex novels, passivity hopeless, so complete, is not the result of a philosophy or a theory, but the symptom of a malady of the will. The very fact that Mr. Hardy cannot conceive the will is decisive here. To say that his types are decadent is to say too much; they are creatures so far gone that even decency can do nothing further to them. In disease carried to this point there is something profound; it reverses all the instincts, so that they act directly against nature with an inevitability which seems almost a form of health. Even the eyes of a man so profoundly diseased as this operate consistently; and his conceptions, as the very opposite of nature, are at once logical and incredible, profound and shallow. And Mr. Hardy’s conceptions are of this nature; it is the character of his fallacies that they are involuntary and that they are obvious. But had they been the result merely of a wrong philosophy, they simply could not have been, in a writer of Mr. Hardy’s profundity, obvious. To be incredibly wrong and at the same time perfectly true, precisely the will both natural and human which would have knit everything together. What is lacking in the conception of a Fate external merely? Precisely, again, the internal Fate, the human will which would have justified it. What is lacking in Mr. Hardy’s types? Once more and obviously, will. This criticism, if it is true, takes us beyond mere symptoms, for it explains them; it shows us why Mr. Hardy’s art is untrue, why it is pessimistic, why, in short, it is diseased.

There is something of positive value to be derived from the analysis of the work of such a writer as Mr. Hardy: by showing in the most striking way what tragedy is not, it throws a light upon the problem of tragedy. Here is a writer, who treats the same themes as tragedy treats, but whose works produce, nevertheless, an effect opposite to that of tragedy, of course, that the mood produced by tragedy is one of ecstasy,” why does tragedy exalt us and “The Woodlanders” depress us? Because, in the former, man is shown starving, while in the latter he is shown suffering. It is the spectacle of action, of will expressed, in the tragedy that inspires us; the fact that in the end this will is shattered by a force too great for it matters least of all; the pleasure which we derive from willing, even when the willing is vicarious, is infinitely greater than our fear of the end, and rises victorious over it. A writer with a turn for metaphysics might even find in this a proof that man is intended for action and for strife, and that he can only find his happiness in them. However that may be, the strength of human faith in action is perhaps infinitely more profound than we can conceive. It is perhaps a faith fundamental; a faith the destruction of which, if that were possible, would be followed by the destruction of humanity. At any rate, the highest art, the art into which the will enters with the greatest force, the art of tragedy, is a defacement of that faith. It is the very opposite of the art of Mr. Hardy.

Art Notes.
By B. H. Dias.

1.
A few weeks ago I declined to take cognizance of work that had not been publicly exhibited. This is a fair rule for a writer of public criticism, and I am only moved to depart from it on learning of the comic pomposity of the London Group as displayed in their rejection (fine old term of the Salons!) of Stuart-Hill’s landscapes. I don’t yet know just which landscapes were rejected, but after all, here is a man with a style of his own (in landscape, at any rate), and half a dozen pictures to his credit which are certainly out of the reach of this “group,” and one wonders what these little self-named progressive secessions are worth if they do not mean more room for experiment and a wider opportunity for divergent inventions.

2.
Having seen in one week these extremely interesting oils and encaustics of Italian towns, as well as a fine Piccasso of a period not at all known to the London public, and knowing of more modern art available to private inspection, but “unexhibitable” for various reasons, chiefly that a painter cannot have a one-man show unless he has a very considerable amount of unsold work, it strikes me that there might well be a loan exhibit of “Painting since Gauguin and Cézanne” and that the public would profit by such an educational scheme.

It is only one of a hundred anomalies, of a hundred signs of the irreconcilability of art and commerce that the more or more rapidly a man sells, the less is his work made public, the less chance has the spectator to pay his humble shilling for looking at it, the more it becomes private property and ceases to be the artist’s communication to the world. State purchase being damned in England by the Chantrey bequest which is unbalanced by any enlightened expenditure of any comparable sum.

One needs the vigour and the licence of a Synge for the nineteenth time to treat the Tate and the Academy.

3.
From art to splendours and regality. I learn that the exhibition of meticulous water-colour at the Greatorex Gallery is under the highest, or almost the highest, possible patronage. Mr. [E. A. Rowe]’s “Old World Gardens” do no violence to Tate taste and tradition. To say that the work is very, very old-fashioned is not to say that it has the classic calm of [Perugino]; it is merely to say that the colour is really false and [Manet]; that the painting is as good as tight water-colour, with no blank paper to speak of and a surface suggesting
painting on ground-glass or frosted porcelain, is likely to be.

THE LONDON GROUP.

The London Group show at Heal's is nearly as gloomy as it was last season. It is almost as unalterable as the Academy. In fact, it is rather more sure of being without surprises, unless one can count E. Wolff's tent for boy scouts with a few pseudo-Gauguinesque animals disporting upon it (as good as anything in the show), as a surprise.

Washed out "Liberty" or washed out "Wm. Morris is the prevailing tonality. R. Fry has bucked up a little, and his decadence from Marset is less decayed than it has been for several seasons (vide z5, where the light is rather good).

The pathetic thing is the assumption of modernity, the faint camouflage of the novel. Thus, the poster by 

Walter Taylor is an honest and industrious painter; he keeps to his own modest style; his work is recognisable and his own, and usually enjoyable.

Walter Taylor's poster, the Bevan d'antar; ditto the "Herald" rooster poster, but has merit in the portrait of "Gabriella." We did not see Teddy; they were once interesting because they were full of venture and experiment and are here dignified, moribund, stereotyped.

R. Lee's gun team is another dilution. In fact, the whole show is in the spirit of "borrow but do not alter," and it is wholly undiscoverable, and, in consequence, there is a lack of skill, a great superabundance of strokes, rather than adoration in his portrait. Kauffer makes his light decently in 31. L F. Porter is possible in 31; The dishes of Miss N. Hamnett in 61 are free of all trammels and bound by no stale conventions of gravity. D. Fox Pitt uses a style that amateurs used in Paris about 1907, and with a remarkable lack of skill, a great superabundance of strokes, while pretending to clever elimination, a really remarkable skillfulness.

We are told in the prefatory note on Gilman that he at Van Gogh; Van Gogh had intensity. I should almost say that any inventor has intensity. The statement is an exaggeration, but an inventor is often driven into invention by a disgust with prevailing slop, and the pressure of the disgust breeds intensity. The London Group invents nothing whatever; it appears to admire the value of "Saki" to the risible suggestion, that General Vaughan's estimate of the value of "Saki's" brain was faulty. But most of the stories are pleasant reading: "Saki" did not over-tax his readers' intelligence. Of people, he did not write; but he could catch a foible, and decorate it fantastically, as "Louise," or "A Bread and Butter Miss." He was really at his best with "causes" rather than people; his suffragette sketches are really amusing, and "The Toys of Peace" which the children convert to the symbols of war (although an obvious enough non sequitur), will appeal to readers of the "Morning Post," at least as a particularly witty attack on Pacifism. His children, such as "Hyacinth," and in "The Penance," are as theoretical as the economic man; and like Lord Fisher's "three R's of War," they are "Ruthless, Reckless, Remorseless," anything but child-like. "There is one thing I care for, and that is youth," he said; but these sketches have no youthful effervescence or enthusiasm, they are middle-aged, slightly jejune, but always capably written.

Red and Khaki. By Chris Massie, R.A.M.C. (The Blackfriars Press. 2s.)

The work of a man like Patrick Macgill, who also was a stretcher-bearer, makes it almost impossible to read these sketches. For Mr. Chris Massie never wrote anything more than an amiable Clarionette, as the readers of the "Claron" used to call themselves; and his experience in France as a stretcher-bearer has not altered his tone. He is still the amiable Clarionette, preaching Christ and the virtues of women, rhapsodising about "Mother," and generally behaving, as he always did, like the Englishman let loose. Of course, he tells us that the world will never be the same again, that the old world was ripe for destruction—but he tells us that in that manner, as though he had picked up that cliché as he has picked up every other.

Reviews.

The Toys of Peace, and Other Papers. By H. H. Munro ("Saki"). (The Bodley Head, 7s. net.)

Mr. Hector Hugh Munro died at Beaumont-Hamel in November, 1916; and this collection of short sketches is, to some extent, a memorial of him. It was predicted of him by an officer of the 22nd Royal Fusiliers that Munro would give us the most wonderful book of all the books about the war. Prediction was errantly enthusiastic, and does not seem to have been based on a critical study either of the man or his works. Wits, however good, do not write "wonderful" books, least of all about national calamities; the "Decameron," for example, was not really a wonderful book about the plague. Wit and wonder are incompatible, and the wit is always trying to make the wonderful intelligible. "Saki" would not have written the most wonderful book about the war; but the fact that he provoked such prophecies from his friends is a not unworthy tribute to the memory of him; Mr. Rothay Reynolds, who writes the "Memoir" of him, is no less adoring in his estimate. "Saki," apparently, was a good friend, and an amusing companion; he enlivened the "Morning Post," the "Westminster Gazette," and the "By-stander," with these sketches, and the men of the 22nd Royal Fusiliers (in which regiment he rose to be a lance-sergeant) "simply loved him," we are told. Born of a family connected with both Services (his father was a Colonel, and his mother was the daughter of a Rear-Admiral), he joined the ranks of a cavalry regiment as soon as he could after war broke out, and afterwards transferred to the Fusiliers. Twice he offered a commission, but refused it; and that at a time when officers were needed. "General Vaughan told him that a brain like his was wasted as a private soldier. He just smiled. He was absolutely splendid. What courage!" Our own courage is equal to the verbal suggestion, as "Saki's" was to the visible suggestion, that General Vaughan's estimate of the value of "Saki's" brain was faulty. But most of the stories are pleasant reading: "Saki" did not over-tax his readers' intelligence. Of people, he did not write; but he could catch a foible, and decorate it fantastically, as "Louise," or "A Bread and Butter Miss." He was really at his best with "causes" rather than people; his suffragette sketches are really amusing, and "The Toys of Peace" which the children convert to the symbols of war (although an obvious enough non sequitur), will appeal to readers of the "Morning Post," at least as a particularly witty attack on Pacifism. His children, such as "Hyacinth," and in "The Penance," are as theoretical as the economic man; and like Lord Fisher's "three R's of War," they are "Ruthless, Reckless, Remorseless," anything but child-like. "There is one thing I care for, and that is youth," he said; but these sketches have no youthful effervescence or enthusiasm, they are middle-aged, slightly jejune, but always capably written.
LETTERS TO THE EDITOR.

GUILDS AND THE PRESS.

Sir,—I was much interested in the review by "National Guildsmen," in your issue of April 24, of the articles I wrote for the "Yorkshire Evening Post." Their notice was kindly indeed, but one point was raised which I think is worth further consideration. I was gently chid for having, in the course of four lengthy articles, referred only once to the word "Guilds." In the next sentence reference is made to "spirited Guilds and in upholding them constantly in the columns of the Labour Press. That method, it has seemed to me, touches those prepared for Guilds, but in a general treatise of industry for an evening newspaper public an advocate seems to make the dawning of public interest best by abasing from reference to organisations or authorities until the interested are drawn to ask for more. As a journalist of twenty years' experience I feel that the "embargo" attributed to what we call capitalist journals is just occasionally invited, and it could more frequently be surmounted by a gradual education of interest towards our final goal—Industrial Guilds.

JOHN R. RAYNES.

SHOW YOUR COLOURS!

Sir,—We ask for space in which to give a brief exposition of the reasons that are leading us at this juncture to resign membership of the I.L.P. and the B.S.P. Round as we have any personal feeling in the matter, it is one of profound regret at having to sever ourselves from organisations in which so many valued comrades remain at work. This said, let us confine ourselves to the wiser course. My own enthusiasm as a member of the League and a student of THE NEW AGE school finds best expression in repeated platform advocacy of Guilds and in upholding them constantly in the columns of the Labour Press. That method, it has seemed to me, touches those prepared for Guilds, but in a general treatise of industry for an evening newspaper public an advocate seems to make the dawning of public interest best by abasing from reference to organisations or authorities until the interested are drawn to ask for more. As a journalist of twenty years' experience I feel that the "embargo" attributed to what we call capitalist journals is just occasionally invited, and it could more frequently be surmounted by a gradual education of interest towards our final goal—Industrial Guilds.

JOHN R. RAYNES.

WOMEN'S SUFFRAGE.

Sir,—I have read Mr. O'Keeffe's article in your issue of April 24 with great interest. "The subtle cunning of political method," says Mr. O'Keeffe, "has divined that woman approaches the problems of life with her heart and not with her head. There is certainly some truth in this, but it may also be said that man approaches his problems very much in the same way. It is not proposed to make any hard and fast comparison, but it may be remarked that while woman appears to approach problems with the heart rather than with the head, there is in her a substratum at once hard and ruthless. This, however, does not apply so much to woman in her pursuit of trivial things as in the great things of life. In the latter she is not a sentimentalist, and the words "credulous and trusting" do not describe her psychological attitude.

As to men, those of us who have wide experience will agree that the promptings of their hearts, especially in the cases of very masculine men, readily come into play. One may see, for example, even the dour Scot, who suggests many generations of arctic cold, will break down the "embargo" on women, and give their quota of labour to the new type of industrial organisation. Upon the workers' committees and shop stewards' movement, therefore, we wish to concentrate such time as we can spare for public work. We would suggest, further, that the new periodicals issued by the various workers' committees afford an interesting indication of the growth of the new movement, and that these sheets are likely to replace, as means of effective revolutionary propaganda, the older and more sedate party and trade union official organs.

II. We consider that the second International is not merely dead, but damned. We are convinced that the success of the working-class movement (as in other words, that the complete overthrow of capitalism) is inseparably connected with the success of the new Red or Moscow International. The I.L.P. supports the Berne International, and cannot get further than "embargo."

III. The absolutely vital question, however, is that of affiliation to what we regard as the only revolutionary organisation. With this the sole issue, we should await the result of the referendum before withdrawing from the B.S.P.

MARY CUTHBERTSON.

EDEN AND CEDAR PAUL.

As to men, those of us who have wide experience will agree that the promptings of their hearts, especially in the cases of very masculine men, readily come into play. One may see, for example, even the dour Scot, who suggests many generations of arctic cold, will break down the "embargo" on women, and give their quota of labour to the new type of industrial organisation. Upon the workers' committees and shop stewards' movement, therefore, we wish to concentrate such time as we can spare for public work. We would suggest, further, that the new periodicals issued by the various workers' committees afford an interesting indication of the growth of the new movement, and that these sheets are likely to replace, as means of effective revolutionary propaganda, the older and more sedate party and trade union official organs.

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MARY CUTHBERTSON.
PRESS CUTTINGS.

The formation of a strong committee to safeguard the interests of the Grand Trunk stockholders has been followed by a sharp recovery in the company's securities, but we cannot yet advance anything definite in the way of hope. The committee is out to get fair terms from the Dominion Government, and ought to be successful: it is composed of too many influential men to be scouted by any Parliament. Canada cannot afford to have the doors of London financiers closed to her, and if she will not listen to reason in dealing with this matter of the Grand Trunk Railway that is what will happen to her. We believe she will listen to reason in time, and holding this view we think that on a purchase of the railway there will be substantially more for the Preference and Ordinary shareholders than present prices of the securities would suggest.—Sunday Chronicle.

The fundamental causes of Labour unrest are to be found rather in the growing determination of Labour to challenge the whole existing structure of capitalist industry than in any of the more special and smaller grievances which come to the surface at any particular time.

These root causes are twofold—the breakdown of the existing capitalist system of industrial organisation, in the sense that the mass of the working class is now firmly convinced that production for private profit is not an equitable basis on which to build, and that a vast extension of public ownership and democratic control of industry is urgently necessary. It is no longer possible for one side of the Government or the employers, taken in conjunction with the fact that business is not controlled by force or compulsion of any kind. It has grown too strong to remain within the bounds of the old industrial system and its unsatisfied demand for the re-organisation of industry on democratic lines is not only the most important but also a constantly growing cause of unrest.

The second primary cause is closely linked with the first. It is that, desiring the creation of a new industrial system which shall gradually but speedily replace the old, the workers can see no indication that either the Government or the employers have realised the necessity for any fundamental change, or that they are prepared even to make a beginning of industrial re-organisation on more democratic principles. The absence of any constructive policy on the side of the Government or the employers, taken in conjunction with the fact that Labour, through the Trades Union Congress and the Labour Party and through the various trade union organisations, has put forward a comprehensive economic and industrial programme, has presented the workers with a vast field from which they naturally draw their own deductions.

It is clear that unless and until the Government is prepared to formulate constructive economic reconstruction on a democratic basis, and to formulate a constructive policy leading towards economic democracy, there can be at most no more than a temporary diminution of industrial unrest to be followed inevitably by further waves of constantly growing magnitude.—From the Memorandum appended by the Labour section to the Report of the Industrial Commission.

A new spirit moves upon the face of the deep. The old trade unionism is dead, having fought its last fight. The new unionism is emerging as the most important single force of which the men of this country are capable. The long defensive war is over; it is now a war of movement in which for the time being Labour holds the initiative and seems to be able to carry it through. The new unionism is emerging as a great national force. In the words of Mr. Austen Chamberlain: it is a movement which is pushing to one side and control of industry has been substituted in the Labour programme. It is more than a change from a request to a demand; it is freedom and status in place of obsequiousness and servility. Mr. Stead's scheme of Nationalisation, or what he is pleased to call it, with equal representation of Government and mine workers (of all grades—clerical, technical, and manual) is a distinct step in advance of the simple nationalisation proposals which have hitherto held the field in Trade Union Congresses and elsewhere.

—Editorial, "The Draughtsman," April 19 (Organ of the Association of Engineering and Shipbuilding Draughtsmen).

I should like the Committee to consider for the moment what is the position. The hard, inexorable, economic facts are obscured by a fictitious appearance of wealth. There is between two and three times as much legal tender money in circulation as there was before the war. The deposits of the joint stock banks have more than doubled. The position of those banks, judged by every approved criterion of sound banking, is stronger than ever it was before. Almost the whole of their additional deposits are covered by the best of all banking assets, short-dated British Government securities. These securities are standing on the exchange and the government are drafted on future labour and the future creation of wealth. Then there is an immense reservoir of artificial purchasing power, and therefore diminishing in effect with each new increase. Look beyond the accounts for the year and you see a different picture. We have sold a thousand million of our foreign investments, losing an equivalent power to draw on the wealth created in foreign countries. We have incurred debt to the extent of £1,000,000,000. Against this we have claims on our Allies and on our Dominions; but the position of our debtors forbids us to count on these claims for much large immediate relief. Ultimately and gradually that relief will, we hope, mature, but we cannot count upon it for immediate purposes. For years to come a considerable part of our production must be devoted to paying our foreign creditors and a large part to making good the wastage and arrears of war; our roads, our railways, and in a lesser degree but in some degree our machinery suffered from the absence during the past years of the ordinary upkeep and development. Houses, which were in short supply before the war, are now hopelessly in arrears. A large part of the production of the next year both of the produce of labour and of capital will be needed to make good these and any new liabilities on which we have incurred. I beg the Committee, therefore, to be under no misapprehension as to the magnitude of the task which lies before us. I repeat that there is urgent need for national and individual economy. Nothing but a united effort of all classes comparable to that which we have seen in the years of war can enable us to face the years of difficulty which must follow on the conclusion of so great a struggle.—Mr. Austen Chamberlain.

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