NOTES OF THE WEEK.

The peace terms will, no doubt, be signed, and the thoughtless section of the population will thereupon set about preparing to rejoice. Jubilation of a profound character, however, is in our opinion not only premature, but in view of all the circumstances it appears to us to be uncalled for. We have won the war, it is true; and since, in any event, it was better that the Allies should win than that German Prussianism should have triumphed, we have no regrets for the support we have given to the Allied cause. Winning the peace, however, is on another plane of discourse; and it called for qualities utterly different in substance and in spirit from the qualities necessary to the winning of the war. Imagination, magnanimity, and an exalted intellectual courage and concentration upon the task in hand were indispensable to the conduct of the war itself. Above all, these negotiating qualities were necessary if the world was to be spared the repetition of the horrors of the recent war and to enter upon a new era. It is these qualities, however, that have proved to be either lacking among the Allies or present in such exiguous proportion that only their still, small voice was heard above the bellow of Mr. Bottomley. Faced by the discredited traditions of the past, and to he pondered, is the fact that an alliance upon which so much depends ought certainly to exclude internecine competition in respect of vital matters. Otherwise it is obvious that the spirit of competition must subordinate to itself the spirit of the alliance. Two parties, A and B, struggling against each other for bread may, it is true, be nominally and even actually in alliance against a third party, C; but, for the simple reason that the third party, C, is less immediately dangerous than the parties A and B to each other, the alliance of the latter in respect of C is likely to be less strong than their own mutual division. But does the alliance of England and America, upon which the League of Nations hangs, exclude their internecine competition in respect of vital matters? Is it not the fact, on the contrary, that everything points to an increasing competition between them and upon matters more and more vital in their substance? A second broad fact to be observed and pondered is the relative and still growing superiority of America in respect of just those matters in which com-
petition appears at this moment to be most probable. A permanent and effective alliance can easily be conceived existing between two Powers approximately equal whose respective vital needs (or ambitions) are complementary to each other; it can be conceived to exist even between two unequal Powers who have agreed to forgo competition and to substitute co-operation in the spheres where the superior Power is undoubtedly superior. But for such a permanent and effective alliance can scarcely be conceived to exist are those in which the two parties, of whom one is growing in strength relatively to the other, can neither devise themselves to complementary objects (such, for example, as quantitative producing for A and qualitative production for B), nor forgo competition in respect of objects in which the one party is more favourably placed than the other. Under these circumstances, the two parties are in the position of the two goats in the schoolroom parable. However disposed they may be to mutual friendship, however urgent may be their co-operation in view of the external and common danger; their inability to give way to each other and to make a mutual accommodation is likely to be fatal to one party at least, and perhaps to both.

It is unnecessary even if it were desirable to dwell at any length upon the manifest and prospective superiorities of America. They are obvious and certain. They are not suggested here, moreover, in any spirit of either fear or jealousy, but as conditions simply of the problem which this country will have to face. Let it be admitted at once, then, that financially, economically, and geographically, our chief Ally in the League of Nations, America, is potentially and immediately, if not at this moment, more favourably placed than ourselves in respect of precisely those objects of competition upon which our short-sighted capitalist classes have likewise set their own hearts. In other words, if our capitalist classes have their foolish way, we are about to enter upon competition with the strongest Power in the world in those precise spheres in which the strongest Power is strongest. Moreover, it is not in material circumstances alone that we are likely to find ourselves inferior to our great Ally; we start upon the competition for which we are entered by our capitalists with every disadvantage of historic evolution. Psychologically the nation is tired of competition, particularly and qualitatively, of competition; the incentive of size and amount is scarcely felt by any industry in the country. In America, on the other hand, not only are size and amount almost dominant comparatively new, and in a more general sense Major H. Douglas' historic indisposition? of the world-situation holds the field; and we may refuse even capitalist co-operation, and become involved in a trade-war which will in due course become a military and naval war; or they may, under happy inspiration, whether of God or of proletarian revolt, adopt the wise course of increasing consumption and regulating production accordingly. One of these three issues from the impending struggle is certain, for there are no others to choose from. Either, that is to say, the world is on the high road to despotically ruled by vast international trusts; or to vast international wars which would reduce to a mere episode the war we have just survived; or to a revolution in the whole system, primarily of the distribution of commodities. For statesmen, whether in or out of office, these three issues and the choice between them and war, will be an exclusive pre-occupation, until such time as the decision is made. The present war and the present peace are only the prologue in the portentous drama now beginning to unfold itself. Nothing less than a world-policy is now demanded of us; and the first step towards that policy is the determination of choice among the three issues we have just described.

In the light of the foregoing analysis it will not be difficult to "place" Mr. Asquith or, for that matter, any politician who speaks on the question. It is plain, for example, from his speeches at Leeds and Edinburgh last week, that Mr. Asquith, whether he is aware of it or not, belongs and in all probability will continue to belong to the party that is making for international war. That Mr. Asquith is not aware of the practical logic of his present attitude we may take for granted; war always takes Liberal politicians by surprise; but that war is implicit in Mr. Asquith's short-sightedness, and that the alternative of a wrong is not always a right; and that we agree with Mr. Asquith that Protection is a short cut to war, his case is not improved when we have shown that it equally involves war, though, perhaps, by a slightly longer route.

Little attention need be paid to those sentimentalists, and President Wilson is among the prophets, who declare that war between any of the present Allies is "unthinkable." Nothing is easier to provoke than war, given a complex of circumstances such as would...
arise if the advice of Mr. Asquith, and of our capitalists in general, were to be consistently acted upon. The occasion alone would be wanting to set a light to the inflammable mass of trade-competition in matters regarded, rightly or wrongly, as vital; and the occasion, we may be sure, would not be wanting long. From this point of view, the Irish problem in itself is not only a standing source of occasion; but, with an apparent madness that only the gods can explain, our governing classes are maintaining it at a heat to ensure a spark from it at any convenient notice. Let it be worldwide, that there are fifteen million irredentist Irish in this country, we may be sure, would not be wanting long. From whose control over England is only second to their ascendency over Ireland, would be the only possible reaction. We may, therefore, the Irish problem is one of money.

There are people who are instinctively aware of this, to whose interest, however, the solution of the problem in our sense of the word would be indubitably hostile. And among them, first and foremost, are the monopolists and manufacturers of money, namely, the financial and banking interests. Already, it appears, their delicate antennae (for nothing is so sensitive as money) have sensed an approaching danger in the prevalence of high prices; and their active brains are already at work devising means of their own preservation. We are not referring for the moment to the tremendous exportation of treasure from this country to America, though that is a phenomenon of which the significance can easily be under-rated, if not entirely missed. We have in mind particularly the attempt begun by a correspondent in the "Times" last Tuesday, by Mr. Wilson, to re-establish the circulation of money. The arguments which Mr. J. Wilson employs are at once plausible and dangerous; they are plausible because to the un instructed they appear to promise a reduction in the general level of prices; and they are dangerous because, in fact, they would, if followed by practice, produce just the opposite effect. What, on the face of it, can be simpler than to announce that money will buy so little; and what, again, can be simpler than to say the currency was restored, more money would be available for everybody? In our mind's eye we can see the nation rushing to accept Mr. Wilson's reasoning in the fullest belief that the restored gold-currency is all that is needed to bring prices down to the pre-war level of 1914. A little cautious reflection before we walk into the bankers' parlour would, however, save the nation from the fate that otherwise awaits it. Let us ask Mr. Wilson, in the first place, in whose immediate interest he recommends the resumption of the use and waste of gold. Now money is the basis on which credit is built; and the more credit money in any of its forms, the diminution of its exchange value in other words, the less money there is in circulation—either in the form of cash or any other circulating medium, such as notes and cheques—the more money there is for everybody. Either Mr. Wilson forgets, or he is instructed not to remember, that money, whether as cash or credit, is a commodity among commodities; and, hence, that its ratio of exchange depends, other things being equal, upon the quantity in circulation. An increase in the amount of money in circulation, or the resumption of the resumption of its circulation, would raise the price in any of its forms is necessarily followed by a diminution of its exchange value—in other words, of its purchasing power. So far, therefore, from reducing the general level of prices, the addition of gold to our present circulating medium would raise prices and all of us who live on fixed or relatively fixed incomes (that is to say, nine-tenths of the population) would find our present purchasing power still further diminished.

June 26, 1919

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however, that they are exhaustive only of the potentialities of the existing system as at present in operation. They are inevitable only in the given and prevailing circumstances; but they are not otherwise inevitable in themselves. With proper precautions, that is to say, they can be avoided. One no less than the others. We do not propose at this moment to discuss the means that are available for dealing with a menace so threatening to civilisation; but we may say at once that, at bottom, the problem is one of money.

A second alternative, as we have seen, is the creation of international Trusts. As an escape from the horrors of world-war, and with no better intelligence to guide them than self-interest plus a little sentiment, our financial and commercial magnates, we are told, are contemplating the formation of an interlocking, all-embracing series of international Trusts with the particular object (next to profit) of limiting internee competition. The movement, as we know, has already made considerable progress, and the war has, of course, accelerated it. Lord Bryce referred, euphemistically, to the united action of the financial and commercial magnates, as American in direction would be the only possible reaction. We may, therefore, the Irish problem is one of money.

To the Meat Trust—British as well as American in capital—we may add a score or so of similar Trusts, each aiming at a complete monopoly in respect of one or more articles of commerce over the whole world. In spite of the start thus indicated, however, we are in doubt (as we observe that Mr. Bevin is) whether, in fact, a system of such Trusts, even if it could be made to prevail over the world, would solve more problems than it created. The same objection apply to the maximum of profit and the limitation of Production. The cycle seems to us inevitable; declining consumption followed by a limitation of production involving a further decline in consumption; and so on in an unusually vicious circle. Revolution in the control of production would modify direction entirely, but the only possible reaction. We may call it Bolshevism. Between these three possibilities—war, international Trusts and Bolshevism—there does not appear to be much to choose. It must be observed, however, that they are exhaustive only of the potentialities of the existing system as at present in operation. They are inevitable only in the given and prevailing circumstances; but they are not otherwise inevitable in themselves. With proper precautions, that is to say, they can be avoided. One no less than the others. We do not propose at this moment to discuss the means that are available for dealing with a menace so threatening to civilisation; but we may say at once that, at bottom, the problem is one of money.

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Routine or Policy?

By Marmaduke Pickthall.

Nothing in the present situation will cause more astonishment to the historian of the future than the lofty moral tone adopted by our rulers towards the Turks, who are, in fact, the victims of our recent policy—a policy which has been a source of untold misery to a large part of the human race. Many English people seem to wonder at the disaffection in the East and to regard that disaffection as gratuitous. They do not know the fear and loathing with which Czarist Russia was regarded, and consequently cannot estimate the horror with which our rulers regard Czarist Russia’s policy was regarded among Orientals. When Czardom fell there was the hope that England would become once more the friend of Eastern progress, but that hope has so far been belied. Why do we still persist in torturing the East? Is it of set purpose to crush and enslave? Are we becoming a deliberate and conscious tyranny, the menace and the curse of Asia as the Czardom was? And are we to remain so for the future? I cannot believe it. I believe our attitude is not the result of forethought, but of sheer routine, that our present rulers are the machine which they pretend to run, the mechanism—all those hosts of dull officials, with their forms—is much too strong for them, and they have not skill enough to take command. The wheels have been running in such a way for a good many months and they will go on running the same way, though to the public danger, till someone with a knowledge of machinery turns up to stop them, or till they crash. The old men on board at present are mere passengers, who smile and drink and play at cards, pathetically unaware of the tremendous danger.

It would have been simple wisdom in the British Government to change the whole direction of its Eastern policy when Czardom fell, and to modify its war-time propaganda so as to suit the new position of affairs. Instead of that, the propaganda went on just the same as if that tyranny still overshadowed and intimidated us. All rumours detrimental to the Turk were published uninvestigated, while facts of the same kind concerning Russia, though well authenticated, were hushed up. It is no exaggeration to say that, if Turkey had been turned on as a moral Ally deserves to be condemned far more; for the crimes of Turkey are unconscious, the result of torture and of provocation, while those of Czarist Russia were cold-blooded and deliberate. The Turks have never ground the Poles, the Finns, and the Ukrainians, as the Russians ground the Poles, the Finns, and the Ukrainians, not to speak of the unhappy tribes of Central Asia and the Caucasus. The massacres by Cossacks in the Caucasus alone for a century past would be sufficient to excite the indignation of all Europe if they had been advertised as the Turkish massacres were with Russian gold. And a million and a half of Circassians were forced to flee from Russia into Turkish territory in the course of sixty years. These were Muslims, for whom “Holy” Russia might be expected to have no pity. But Christians suffered too. In Riga just before the war there was a massacre, the description of which was only allowed to appear in one English newspaper. In Georgia, under Nicholas II, in 1908, the state of things has recently been described by an eyewitness.

“Russian soldiers were quartered in the church, evidence of the fatal treaty by which the last of the Georgian line”—seduced from his allegiance to the Persian Shah against the wishes of his people—“had laid the Caucasus under Russian protection rather more than a century before. By that treaty, the Georgians were to retain their King, and they had never had a King since; they were only to serve in a national militia, and which was only allowed to appear in one English newspaper. In 1909, under the pretence that the Russian consul was in danger, a Russian army marched into Tabriz. Another Russian army invaded Persian territory to prevent the constitutionalists from dethroning Muhammad Ali Mirza; and a well-known Russian protégé, the brigand Rahim Khan, delivered an attack on Ardebil, furnishing the excuse for yet another Russian army. In 1910 a Persian prince who had assumed Russian nationality tried to overthrow the Persian constitutional régime. The Russian authorities refused to allow the Persian troops to deal with the disturber, and actually fired upon them near Kazuin, killing their commanding officer. In 1911 Russian troops poured into Persia, which they treated as a conquered country. In December of that year the agents of the Czar succeeded in provoking an armed conflict at Tabriz between the constitutional police force and the Russian troops; it ended in a massacre of men, women and children by the latter, and was followed by the hanging of the leading Muslims of Tabriz. In 1912 the Russians bombarded the sacred shrine of Meshed. All this was in most glaring contravention of the pact with England, yet England clung to Russia at that time, because our rulers thought her power had so diminished that she could no longer hold her own without the help of Russia. That is a position, perfectly intelligible, for which the East is quite prepared to make all due allowance. What is unintelligible is that we should still persist in following the line of Czarist policy when by miraculous good fortune we have been delivered from that infernal Czar; succeeded us false from start to finish; fear was the only motive of our clinging to her. Now that we are rid of such a treacherous Ally and free from fear, why do we go on with the shameful business Russia forced on us. Why do we go on hiding half the truth? The truth is this: that Russia, and not Turkey, was the villain of the Eastern Question; Russia, and not Turkey, was the great provider of atrocities. Czarist Russia, and not Turkey, is the cause of all the present misery which is choking and expiring in Eastern lands. England should go on repeating all the Russian lies when she has no longer anything to gain by doing so appears inexplicable to the nations of the East except on the assumption that England has adopted Czarist Russia’s attitude, and will henceforth crush and torture Eastern
peoples without mercy. Turkey is not a treacherous Ally—"the most faithful and patient Ally that England ever had," Sir William Russell, the Times.' Crimean War correspondent. The Turks bowed their economy to all her subject peoples; so did Persia. The popularity of the Turkish and Persian Governments with their own subjects, and with all Asiatic peoples, is far greater than the popularity of any European Governments. On the ground of popularity, their sway should be extended not curtailed. If we condemn the Turks for the atrocities which happen in their country, peoples should be extended not curtailed. If we condemn the Turks for the atrocities which happen in their country, the Czecho-Slovaks and the Jugo-Slavs. It is time allowed to know that the Turkish rule is not regarded with their own subjects, and with all Asiatic peoples, is far greater than the popularity of any European governments.

The Restoration of the Turkish Power would be a liberation, and its extension would be welcomed by all Muslim peoples. That is the truth—the very opposite of what we have been saying.

The unreasonable attitude of a small majority of your Town Councillors, who are representatives of certain financial corporations, has brought about a strike and a suspension of municipal services. The Joint Strike Committees are anxious to save the public from any inconvenience, and with the desire to serve the best interests of the community have decided that until such time as the Council concedes the demands we have decided to assume control and resume all municipal services.

Eventually the Government stepped in, with a dragnado in the Squatters way, but with a creditable perception of realities. A special train brought Colonel Mcentz, Minister of Lands, and Mr. N. J. de Wet, Minister of Justice, over the thousand-mile journey from Cape Town. Both are lawyers. Examining the situation, the legal mind reached the highly ingenious conclusion that in entering upon the Council's property and usurping their functions, the Board of Control had committed a "trespass"; for which the reparation prescribed is that you stop doing it. A settlement which gave the strikers a substantial victory quickly followed. Representatives of the municipal workers, to be known as Departmental Advisory Boards, will sit on the several departmental committees of the Town Council. The employment and dismissal of men will be exercised not by the Council, but by departmental managers acting in consultation with the Advisory Boards. A number of minor points were conceded. Amongst them a 48 hours maximum for all employees and payment during the strike. A dozen reactionary Councillors resigned. The Labour members offered to resign if the rest would follow their example. Labour will contest every vacant seat.

This Johannesburg experiment will be fruitful. On the mines the workers are considering Boards of Control. The principle of direct consultation has been accepted by the "model" Municipal Council at Durban. As to the manner in which the Great Experiment functioned, its orderliness, its consideration for the public, let the adversary witness. Thus the "Rand Daily Mail," reactionary, but on occasion fitfully and timidly sympathetic: "Though people may differ regarding the running of the town's services without the consent of the Council, one must admit that what was done was done in a way which reflects credit upon those in

\* Results of the bye-elections for 12 vacant seats were announced in the Rand Press on May 9. "Labour" won 10 of them, and thus secured a majority in the Town Council.
control." Even the Federation of Ratepayers’ Associations—the spearhead of "property"—urged the Council to rescind the obnoxious retrenchment resolution and accept Joint Advisory Boards "for the time being." And ex-Mayor O’Hara, a power in the "caucus": "The one bright spot of the strike had been the conduct of the men, who were perfect examples of what the Britisher ought to be." To the music of such embarrassing eulogy Johannesburg took modestly the "first step towards National Guilds."  

**Economic Democracy.**

**By Major C. H. Douglas.**

**CHAPTER IV—(continued).**

A little consideration will at once suggest that this type of organisation carried out to its furthest limits is pyramid control in its simplest form, and it is clear that successive grades or ranks decreasing regularly in the number of units composing each grade, until supreme power and composite function is reached and concentrated at the apex, are definitely characteristic of it.

The next step is to split the functions of the higher ranks so that each unit therein becomes the head of a separate little pyramid, each of which as a whole furnishes the unit composing a larger pyramid; in every case, however, eventually centralising power and responsibility on the same man, represents the power of finance and of control over the necessaries of life.

Several points are to be noticed in the conditions produced by such an arrangement: Firstly, there is fundamental inequality of opportunity. The more any organisation, whether of society as a whole or any of the various aspects of it, approaches this form the more certain is it that there cannot possibly be any relation between merit and reward—it is, for instance, absurd to assume that there is only one possible head, for each railway company, Government Department, or great industrial undertaking. There is no doubt whatsoever that the intrigue which is a commonplace in such undertakings has its roots almost entirely in this cause, and contributes in no small degree to their notorious inefficiency.

Another objection which becomes increasingly important as the concentration proceeds is the divorce between power and detail knowledge. This difficulty is recognised in the appointment of official and unofficial intelligence departments which, of course, are in themselves the source of further abuses.

Having these points to some extent in mind, American industry has developed what is most unquestionably a very important modification of principle—that of functional control in place of individual control; that is to say, the individual is only controlled from one source in regard to one function—say time-keeping. In respect of such matters as technical methods he deals with an entirely different authority, and with still another in respect of pay.

The real objection to this is the effect on the source of specialised authority of so narrow a function as is demanded by much so-called scientific management, but there is very little doubt that the underlying idea does contain the germ of an industrial system which would be in the highest degree efficient if its psychological difficulties could be removed, and it is significant that this form of organisation produces its own type of personality.

It will be seen, therefore, that we have, in the industrial field, a double problem to solve: while retaining the benefits of mechanism for productive purposes, to obtain effective distribution of the results and to restore personal initiative.

The proposition which is being urged from orthodox capitalistic quarters as a means of dealing with this situation is a little ingenious. It consists of an intensification policy by which, in some mysterious way, all the unpleasant features, by being exaggerated, are to disappear, and it is usually summed up at the moment in the phrase, "We must produce more." A fair statement of this demand for unlimited and intensified manufacturing would no doubt be something after this fashion:—

1. We must pay for the war and for betterment schemes.
2. This means high taxes.
3. Taxes must come from profits and earnings, which are parts of one whole.
4. High earnings, high profits, and low labour costs, and low selling and competitive costs, can only be combined if increased output is obtained.
5. High earnings will mean wider markets.

Now this is a very specious argument; a large number of people, whose instincts warn them that there is a fallacy somewhere, have not felt themselves able to offer any effective criticism of it, since some practical knowledge of technique is involved. The labour attitude has either been a simple non-positivism, or a re-statement of the evils of capitalistic profit-making, together with sufficiently pungent inquiry into the qualifications of the holders of the major portion of the securities representing Government indebtedness, and their title to rank as the winners of the war, and the chief beneficiaries of the peace. All this is quite to the point, but it is not even the chief economic objection to such a policy.

First of all, let it be admitted that a considerable amount of manufacturing will have to be done, firstly, to reinstate the devastated areas, and afterwards to meet the accumulated demand, and these together will provide an outlet for a very large amount of manufactured goods. These goods will not, of course, be furnished for nothing, and the money to pay for them will in the main be supplied by loans, which to begin with clearly mean more taxes for someone where the work done is on public account. But, says the super-producer, this money will be distributed in wages, salaries and profits, which will enable the whole population, at any rate of this country, where we propose to do our manufacturing so long as labour and other conditions are favourable, to buy more goods, or, conversely, save more money, and eventually enjoy more leisure and freedom.

Let us give to this statement the attention it deserves, because on it hangs the fate of a whole economic system. If it is true as it stands, then the whole system which stands behind it, that of the cartels, trusts, and combines, and the other machinery of competitive trade, are justified at any rate by national self-interest. In order then to make this analysis it is unavoidable that we should enter into some detail with regard to the accountancy of manufacturing; not forgetting that the unequal distribution of wealth is an initial restriction on the free sale of commodities, and that in consequence what we are aiming at in order to meet the final contention of the argument, is not an expansion of figures, but an equalisation of real purchasing power.

Now, purchasing power is the amount of goods of the description desired which can be bought with the sum of money available, and it is clearly a function of price. It is a widely spread delusion that price is simply a question of supply and demand, whereas, of course, the upper limit of price only is thus governed, the lower limit, which under free competition would be the ruling limit, being fixed by cost plus the minimum profit which will provide a financial inducement to produce. It is important to bear this in mind, because it is frequently assumed that a mark-up of costs will bring down prices irrespective of any intrinsic economy involved in large scale production. Unless these goods are all absorbed, the result may be exactly opposite, since deterioration must go on succeeding costs.
Cost is the accumulation of past spendings over an indefinite period, whereas cash price requires a purchasing power, and therefore is the factory cost, since it is quite possible to conceive of a limited company in which the shares were all held by the employees, either equally or in varying proportions, according to their grade, and the selling costs were internal—that is to say, all advertising was done by the firm itself, and the cost of its salesmen, etc., was either negligible, or confined to the capitalist through purchases for immediate consumption. These facts are quite unaffected by the perfectly sound argument that increased production means decreased cost per piece, since it is the total production price which has to be liquidated.

Already there is not very much left of the argument for the innate desirability of unlimited, unspecified and intensified manufacturing under the existing economic system, but more trouble yet is ahead of it. While the ratio of plant charges to total wages and salaries cost is less than $1$ over the whole range of commodities, a general rise in direct rates of pay may mean a rise (but not a proportionate rise) in the purchasing power of those who obtain their remuneration in this way. Without proceeding to add selling charges and profit it must be clear that a charge of 15s. 11d. on the world’s purchasing power has been created, of which only about 6s. 6d. is distributed in respect of the specific article under consideration, and that if the effective demand exists at all in a form suitable for the liquidation of this charge, it must reside in the banks. But we know that the total increase in the personal cash accounts in the banks in normal times is under 3 per cent. of the wages, salaries and dividends distributed, consequently it is not to these accounts that we must look for effective demand. There are two sources remaining: loan-credit, that is to say, purchasing power created by the banks on principles which are directed solely to the production of a positive financial result; and foreign or export demand. Now loan-credit is never available to the consumer as such, because consumption as such has no commercial value. In consequence loan-credit has become the great stimulus either to manufacture or to any financial or commercial operation which will result in a profit, that is to say, an inflation of figures. An additional factor also comes into play at this point. All large scale business is settled on a credit basis. In the case of commodities in general retail demand, the price tends to rise above the cost limit, because the sums distributed in advance of the completion of large works become effective in the retail market, while the large works, when completed, are paid for by an expansion of credit. This process involves a continuous inflation of currency, a rise in prices, and a consequent dilution of purchasing power.

The reason that the decrease in the consumer’s purchasing power has not been so great as would be suggested by these considerations is, of course, largely due to intrinsic cheapening of processes which would, if not defeated by this dilution of the consumer’s purchasing power, have brought down prices faster than they have risen. There are thus two processes at work; an intrinsic cheapening of the product by better methods, and an artificial decrease in purchasing power due to what is in effect the charging of the cost of all waste and inefficiency to the consumer. And it is clear that under this system the greater the volume of production the larger will be the absolute value of the waste which the consumer has to pay for, whether he will or no, because as the bank credits are created at the instance of the manufacturer and repaid out of prices each article is produced definite, by the ratio of its book price to all the credits outstanding, the absolute purchasing power of the money held by any individual.

These facts are quite unaffected by the perfectly sound argument that increased production means decreased cost per piece, since it is the total production price which has to be liquidated.
The whole argument which represents a manufactured article, no matter what its description and utility, as an access of wealth to the country and to everyone concerned so long as by any means it can be sold and wages distributed in respect of it, will, therefore, be seen to be a dangerous fallacy based on an entirely wrong conception, which is epitomised in the use of the word "production," and fostered by ignorance of financial processes. Manufacturing of any kind whatever, even agriculture in a limited sense, is the conversion of one thing into another, which process is only advantageous to the extent that it subserves a definite requirement of human evolution. In any case, it shares with all other conversions the characteristic of having only a fractional efficiency, and the waste of effort involved, although being continually reduced by improvements of method, still can only be paid for in one way, by effort on the part of somebody.

If this effort is useful effort—"useful" in the sense that a definite, healthy and sane human requirement is served—the wealth and standard of living of the "production," and fostered by ignorance of financial processes. Manufacturing of any kind whatever, even agriculture in a limited sense, is the conversion of one thing into another, which process is only advantageous to the extent that it subserves a definite requirement of human evolution. In any case, it shares with all other conversions the characteristic of having only a fractional efficiency, and the waste of effort involved, although being continually reduced by improvements of method, still can only be paid for in one way, by effort on the part of somebody.

If this effort is useful effort—"useful" in the sense that a definite, healthy and sane human requirement is served—the wealth and standard of living of the community may thereby be enhanced. If the effort is aimless or destructive, the money value attached to it does not alter the result.

The financial process just discussed therefore clearly attaches a concrete money value to an abstract quality not proven, and as this money value must be represented somewhere by equivalent purchasing power in the broadest sense, misdirected effort which appears in cost forms a continuous and increasing dilution to the purchasing value of effort in general.

Now, it has already been emphasised that, at the moment, economic questions are of paramount importance, because the economic system is the great weapon of the will-to-power. It will be obvious that if the economic problem could be reduced to a position of minor importance—in other words, if the productive power of machinery could be made effective in reducing to a very small fraction of the total man-hours available, the man-hours required for adapting the world's natural resources to the highest requirements of humanity—the "distribution" of the problem would, to a very considerable extent, be accomplished. The technical means are to our hands; the good will is by no means lacking and the opportunity is now with us. But it should be clearly recognised that waste is not less waste because a money value is attached to it, and that the machinery of our enumeration must be modified profoundly since the sum of the wages, salaries and dividends, distributed in respect of the world's production will buy an ever-decreasing fraction of it.

It is one of the most curious phenomena of the existing economic system that a large portion of the world's energy, both intellectual and physical, is directed to the artificial stimulation of the desire for luxuries by advertisement and otherwise, in order that the remainder may be absorbed in what is frequently toilsome, disagreeable and brain-destroying labour; to the end that a device for the distribution of purchasing power may be maintained in existence. The irony of the situation is the greater since the perfecting of the organisation to carry on this vicious circle carries with it as we have just seen a complete negation of all real progress.

The common factor of the whole situation lies in the simple facts that at any given period the material requirements of the individual are quite definitely limited—that any attempt to expand them artificially is an interference with the plain trend of evolution, which is to submit to the dual mental and psychological necessity; and that the impulse behind unbridled industrialism is not progressive but reactionary, because its objective is an obsolete financial control which forms one of the most effective instruments of the will-to-power, whereas the correct objectives of industry are two-fold; the removal of material limitations and the satisfaction of the creative impulse.

It is for this reason that while, as we see, the effect of the concrete sum distributed as profit is over-rated in the attacks made on the Capitalistic system, and is of small and diminishing importance as compared with the delusive accounting system which accompanies it, and which acts to reduce consistently the purchasing power of effort, it is, nevertheless, of prime importance as furnishing the immediate "inducement to produce," which is a false inducement in that it claims as "wealth" what may just as probably be waste.

If by wealth we mean the original meaning attached to the word: i.e., "well-being," the value in well-being to be attached to production depends entirely on its use for the promotion of well-being (unless a case is made out for the moral value of factory life), and bears no relation whatever to the value obtained by cost accounting.

Further, if the interaction between production for profit and the creation of credit by the finance and banking houses is understood, it will be seen that the root of the evil accruing from the system is in the constant siphoning of purchasing power from the individual in favour of the financier, rather than in the mere profit itself.

Having in view the importance of the issues involved it may be desirable to summarise the conclusions to be derived from a study of the methods by which the price of production is based on cost under the existing economic arrangements. They are as follows:

1. Price cannot normally be less than cost of product.
2. Cost includes all expenditure on material, labour, and interest.
3. Therefore, cost involves all expenditure on consumption (food, clothes, housing, etc.), paid for out of wages, salary or dividends as well as all expenditure on factory account, also representing previous consumption.
4. Since it includes this expenditure, the portion of the cost represented by this expenditure has already been paid by the recipients of wages, salaries and dividends.
5. These represent the community; therefore, the only distribution of real purchasing power in respect of production over a unit period of time is the surplus wages, salaries and dividends available after all subsistence, expenditure and cost of materials consumed has been deducted. The surplus production, however, includes all this expenditure in cost, and, consequently, in price.
6. The only effective demand of the consumer, therefore, is a few per cent, of the price value of commodities, and is cash credit. The remainder of the home effective demand is loan credited by the banker, the financier, and the industrialist, in the interest of production with a financial objective, not in the interest of the ultimate consumer.

It will be necessary to grasp the significance of these considerations, which can hardly be over-rated in its effect on the break-up of the existing economic system, in order to appreciate the result of a change in the control of credit and the method of price fixing, with which it is proposed to deal at a later stage.

SEARED.
We lay upon the sun-warmed grass,
And, distantly, I heard you pray.
Of foreign ports and towns you'd known,
The life you'd lived, the oats you'd sown,
And many a scud of tale relate;
And all the while you thought, I knew,
That I hung on your words, and envied you.
Your stupid tongue went rambling on,
As silent on the grass I lay;
And then you turned a pitying glance
On me, and slyly said: "Good chance
May cast your lot as fair, some day."
I sighed . . . and watched a lothsmyle snail
Dropp'd a green leaf with its slimy trail.
MARGUERITE SANDERS.
In School.

VIII.

INCOHERENCE.

In my last article I laid down this rule based solely on experience: teach the boy to release his best thoughts, especially as described in a later article, but it is as well to give one Newbolt's IN this barrier belongs of obviously good ideas struggling for expression against a natural verbal incoherence. The actual method which did more than anything to break down this barrier belongs to a special province and will be described in a later article, but it is as well to give one instance here of how coherence does not always come into line with decent thought. The following effort founded on, though not in the least a paraphrase of, Newbolt's poem, "The Death of Admiral Blake," was written by Lamb a year ago when he was 15. The ending, though it fails actually, suggested better results in future.

"Captains, I thank you most heartily for the help you have given me in the Battle of Santa Cruz which we have just won now; without your help I do not know what would have happened.

"All that I hope for now is to step on England again, or at least see my motherland, and to see my home in beautiful heathery Dartmoor, or to see my wife again; but if I die before I reach England give me an honourable burial."

"My end is coming fast: I feel it, yet I still hope to set eyes on England. You, captain, how far are we from home? Can we see it? How I wish we were in harbour!

"'Nay, I lose hope; I will not see England again, so, Captains, one by one shall you say farewell to me, for I depart on the longest journey I have ever had. I may still live for an hour, during which time you will comfort me. I say that you must not leave my body till it is covered in the grave. I am sure you will do these things which I have asked you. Now I am—— '

"And he pronounced a different word by his great silence."

Nine months later Lamb's style had begun to show real signs of power, as in the last paragraph of the following extract from "An English Village on a Sunday in Summer."

"The little village of Badmington in Northern Gloucestershire has not awakened from sleep; only a few drowsy eyes are opened to the fact that to-day is Sunday.

"Then the plodding of a walking horse and of a farm-labourer, and 'Nice morning, Jakes,' and 'Yes, surr, sure it is.' Then the sound of a cantering horse, the church bell tolling seven o'clock, and the steady plod of the farm-labourer. These are the first impressions of a sunny Sunday morning in summer on a person's just awaking.

"The hour-old sun in the joy of its youth flings with all its strength the joy of which he is full at the earth, causing it to shine and glitter with the joy of being played on. And it, in turn, gives his joy to the maidens and men, who laugh and talk in their joy."

"There is a certain strength in these monosyllables which, I think, does much to atone for the terrible confusion of pronouns.

The reader may remember a still better expressed passage by the same writer describing the departure of a young boy to school, which I chose as an example of unconscious style in my second article.

I cannot say that Lamb has proved the only exception to the rules about style and thought, but as a teaching principle I should be unwilling to abandon it, especially as I have since found it supported in the following passages from Montaigne, whose theories on education are remarkably sound and much in advance of the common practice of the present day.

Let us keep four or five years to learn words only, and to teach them together into clauses; as many more to make exercises, and to divide a continued discourse into so many parts, and other five years at least to learn succinctly to mix and interweave them after a subtle and intricate manner. Let us leave it to the learned professors."

Now, as regards the production of subject-matter everyone is familiar with school text-books written by the learned professors giving "skeleton outlines" of essays, elaborate instructions on how to arrange subject-matter, the use of headings, sub-headings, and so forth. This is, in fact, the conscious method of teaching and if an orderly arrangement in writing of facts that have recently been brought to the notice of the form is required, then it is doubtless an excellent method, though one which I have never known a boy to adopt with even approximate success. However, that is no doubt due to a lack of perseverance on my part. It is, of course, extremely suitable for examinations purposes, because examinations are mainly a test of knowledge, and if the knowledge is well arranged so much the better. It is also not without utilitarian value in after life, and, within its proper limits, I have the utmost respect for the method and the teaching it implies. What I object to in the text-books is the extension of its application to all forms of English composition. Encyclopaedic articles are neither written nor read for pleasure. I can well remember as a child being told to write English compositions on these lines, and also being given Bacon, Lamb, and Macaulay as essayists upon whom to "model my style." I suppose I must have realised unconsciously that there was an incompatibility somewhere, for I can remember my vague objections being answered on more than one occasion by words of wisdom to the effect that "when you can write as well as Charles Lamb you'll be able to disregard these rules."

If the child's unconsciousness is to be brought into play we must dispense with all formulated rules and simply let it run its own course. This is not equivalent to saying, "Don't teach at all." The teacher's function is to encourage, "a spritely and clear imagination" in the pupil, methods for which object will be stated in a later article.

I have very often advised my form before they begin the actual composition to make rough notes of what they are going to write about. I don't believe a single boy has ever followed the advice—the unconscious resistance was probably too great. And on analytical reflection I think they were right in disregarding it. The pen can and often does act as a thought-stimulant; but the setting out of a list of thoughts or a "skeleton outline" is a direct hindrance to the unconscious flow of ideas. Boys are taught to begin to write by first making a tour of the mind-house and systematically bolting all the magic doors of genius. After all, is it likely that Addison, Steele, or Leigh Hunt wrote their essays on the lines suggested by school text-books? I doubt it; Montaigne admits that he wrote "indif-
\begin{verbatim}

ferently of whatever came into his head." Many sub-
jects seem to call for a rambling or discursive treat-
ment, and the very charm of most essays would be
dispelled by the least sign of conscious applica-
tion. Critics may talk airily of \textit{ars celare artem}. I think
analysis would prove that in most instances the phrase
was an unnecessary subtlety describing a simple mani-
festation of the greater powers of unconscious art,
involving no sort of concealment whatever.

Let us make the whole matter clear. If the teacher
wants a recapitulation of given facts he must ask the
child to model his style (for the occasion) on that of an
encyclopædia or school history—it is the best style for
the purpose that has been devised. But if he wishes to
give the child a chance of self-expression, if he wants
him to produce something in the nature of a creative
effort, he must adopt entirely different methods.

Here is an instance from the class-room. At the end
of last year I gave to a lower form the subject "Chris-
tmas Eve" to write upon. Several boys wrote a sort of
comprehensive account in disjointed paragraphs dealing
with such aspects as Christmas Eve in the town, in
the country, among the poor, among the rich, in the olden
times, in the Antipodes, and so forth. As if there was
any object or merit in stating that "the Christmas
Eves they spend in Australia are very different to the
ones we spend here. There it is like our Summer, as it
is lovely and hot; while here it is cold and the snow is
on the ground."

The subject was treated more successfully by
Stuart (aged 13). "On Christmas Eve morning you wake up
with a kind of thrill, knowing that there is only one more
day before Christmas. When you go downstairs you
look into every corner to see if there are any presents
for the morrow hidden there. You pass a room, which
you have been strictly forbidden to enter ever since
the Christmas shopping began, and instinctively your
hand grasps the door-handle, but alas! it is locked.
Then you put your eye to the keyhole, but again you
meet with disappointment: all is dark within.

"The whole day is spent in excitements and disap-
pointments, and when at bed-time you hang your stock-
ing at the foot of your bed you say to yourself, 'Al-
though I have had many disappointments to-day I will
keep awake to see Father Christmas to-night.'"

"Eight o'clock strikes and you are still awake,
watching the reflection of the flames on the ceiling and
making fancy pictures of the corner. Nine o'clock: you
are awake still, but not for long. Your eyelids have
become heavy and drowsy, and the dustman has already
paid his nightly visit. And when at ten o'clock the door
softly opens to admit Father Christmas, he finds not a
wide-awake child, but one who has long ago reached
the land of slumber."

Let me hasten to add that I offer this only as an
example of the spontaneous as opposed to the compre-
hensive or encyclopædic treatment of a subject. Its
expression, especially towards the end, is far from being
spontaneous. The ending, in fact, is too "faultless," too
much like a Christmas magazine story. No boy who had
been in my own form for a term would have dreamed of writing "land of slumber."

This style of writing has to be discouraged. A
simple, merciless, in fact thoroughly enjoyable method
of not only discouraging, but of eradicating it alto-
gether by a process of verbal vaccination will be de-
scribed in a later article. But after it has been ob-
dicated a temporary incoherence very often follows.
Unsupported by clichés the writer finds it hard to walk for
a time. Hence to a large extent the crude expression of
many of the boys' productions quoted in these notes,
though it must also be remembered that they are in
no case specimens of a Christmas story is at all
times preferable to artificial pretentiousness.

\end{verbatim}
never have heard has never existed? As a matter of fact, every detail of the "Saga," save the names which are purposely designed to conceal the real circumstances, was taken from life and from a life better known to Mr. Haigh than perhaps to me. It is true, no doubt, that the Basuto recited no such stories to a passing traveller; it is also true, as I have observed before, that they will never recite such stories again; but that they, or natives not far from them, did recite such stories there is Mr. Haigh's positive assurance to prove. It is not, perhaps, a matter for war.

We must indulge an acknowledged authority even when he nods a negative to our certain positive. But for the honour of The New Age that first published the "Saga" and of the author who experienced it, I must be allowed to say that for once Sir Harry Johnston is wrong.

I have often observed at a music-hall that a trick-dancer is sure of applause if he only dance long enough. The moment has come, I feel, to applaud the performance on the philosophical tight-rope of Miss Dora Marsden in the "Egoist." For months, if not for years, this writer has been contributing to the "Egoist" an article or a chapter a month on the immensely difficult subject of "Philosophy: The Science of Signs"; and in April, issue, under the title of "The Meaning of Error," she arouses my admiration for her performance to the clapping-point. I hope that my frivolous contemporaries will not convey the impression that I think as little of Miss Dora Marsden's work as of the tertiochonian exercises of the music-hall. On the contrary, I not only admire her skill and persistence to the point of loud applause, but I respect and appreciate the substance of her prolonged essay. Her chapter on "The Meaning of Error" is as clear in style as it is illuminating in meaning; and I would commend it particularly to students of "truth" who are troubled by the apparent contradiction between an "idea" and "reality." As I understand Miss Marsden's explanation, the brain is for her a laboratory in which "ideas" can be both made, and, so to say, born. When allowed by the patient observer to be "born," that is, to arise from the natural working of the mind, the resultant ideas are truths of discovery. It is only when the process is impatiently "forced" that the resultant "ideas" are likely to be errors, in other words, ideas incapable of being "realised" in the world without. The explanation confuses, I must say, all my own experience. "Ideas" tend, by the diligent patient observer, usually to prove nothing better than "notions"; on the other hand, the ideas that arise, apparently without effort and from nowhere, are as often fruitful and "true." The latter are born, the former are made. These are the creatures of the brain; but those are the creations of the mind.

Mr. G. R. S. Mead's edition of Plotinus (in the Bohn Library) has probably acquainted more people with the Alexandrian doctrines than ever read them before in all the centuries since Plotinus' death. The translation employed by Mr. Mead was that of Thomas Taylor; and even of this no more than an anthology of Plotinus could be published in a single volume. The complete French edition of Plotinus by Bouillet I have seen and begun to read on several occasions; but apart from the objection that a borrowed work of this difficult kind is always doubly difficult to read, I do not myself find metaphysics and the French language a well-matched set. As regards the language, I have discovered the language of brilliant common-sense; but the higher flights of imagination are, it appears to me, almost impossible in the language. Much, therefore, as I wished to read the whole of Plotinus I am certain that I should never have read him in French. A complete English translation, on the other hand, has been wanting, certainly since the days when Coleridge wrote that "no writer better deserves, or is less likely to obtain, a new and more correct edition." Taylor's English is as impossible as Plotinus' Greek, and, even if the reader goes through this edition it is now inaccessible. Lately, however, I have been told or have read that Mr. Stephen McKenna (not the novelist of the same name) is preparing a complete translation; and, as luck would have it, after a couple of hundred years, he has been anticipated by a few months. For a complete translation in four volumes of the works of Plotinus has just been published by the Comparative Literature Press of Madison, New Jersey, U.S.A. (12 dollars). The translator, Professor K. S. Guthrie, has long been a student of Plotinus; and, dipping into these volumes, I promise myself the really pleasant experience of reading Plotinus without all the legs up. The work contains an inestimable concordance, and is in all other respects answerable to the demand of Coleridge. My readers shall hear again of this bridge between Greek thought and Christianity.

R. H. C.

Drama.

By John Francis Hope.

It is, I suppose, the primal curse of Ireland that the incidents of any story told about her are always more interesting than the essentials. Mr. Lennox Robinson's essay in the new mythology, "The Lost Leader," produced at the Court Theatre, has for its subject the mere parlour game of guessing what Parnell would do if he were alive to-day—and failing to discover the answer, The Irish difficulty is spiritual, said Mr. Lloyd George last year; the only possible solution is religious. Parnell in this play announces the same platitude, recommends Faith to the Ulstermen, Charity to the Sinn Feiner, and, although he does not use the word, Hope to the United Irish Leaguer. He has a programme, of course, so simple that it could be written on a half-sheet of notepaper, like Mr. Balfour's fiscal policy or Mr. Lloyd George's "five points" at the last election; but what that programme is, we do not discover. Parnell in the play does really die, as everybody else has died, without settling the Irish problem; for spiritual solutions are only valid in the politics of the Kingdom of Heaven, and there would be no Irish, or any other, problem to be solved if the change of heart declared to be necessary were really effected. "It needs no ghost come from the grave to tell us that, my lord," said Horatio, disappointed with the report of the revelation made by another revenant; and the only programme demands that a politician is that he should "table his Bill." It is the incidents of the story, the means whereby Mr. Lennox Robinson gets Parnell on the stage, that provide the real interest of the play, and give scope for the really fine acting in it; the pow-wow at the Standing Stones on Knockpatrick in the third act, is the platitude of the drive of a P.S.A., which even Mr. Norman McKintiel cannot make impressive. The hypnotic scene in the first act, the recognition of Parnell by the blind beggar in the second act, are these are the scenes that move the play. The real excitement and the hushed thrill of the audience that shows that the actor has gripped their attention is felt then; it is, indeed, a long time since I have witnessed anything more simply affecting than this recognition scene, and never have I seen so convincing a demonstration of hypnotic suggestion as that given by Mr. Arthur Whitely. This comedian manifested unsuspected powers of steady, rhythmic, quietly impressive delivery, putting all the magical qualities of poetry into the delivery of prose and producing slowly but surely the hypnotic effect. The car listened to, followed that voice sinking ever more deeply into the softness, the stillness, of the land dreamless planner; and I dare swear that half the
Economic and Political Action. II.

My first article dealt only with the outpost of Mr. Scott's main line of defence, which is a theory of the relation of economic to political conditions. Being for a century at least the occasion of much academic dispute, this has suddenly become a summary statement of the fate of Europe. With the main principle which Mr. Scott lays down most guildsmen will agree; but they will dispute energetically the wholly arbitrary conclusions he reaches in it. He has learned from Hegel (with, I think, some help also from Mr. Ruskin) to despise economic in relation to political conditions. Labour has, however, put down the mighty from their seats and has exalted them of less degree. Syndicalists—real or professed—have regularly condemned the political activities of Labour and advised them that by the economic road alone can they attain to power. Seek a labour monopoly and make it complete and all these things shall be added unto you.

This, says Mr. Scott, is most distressing. Political activity seeks (at least implicitly) the good of the whole; the economic only that of a class. The political is the universal; the economic cannot be shared, and is therefore a lesser good.

General arguments of this kind are intended to prove a great deal; but as usual they are certainly valid only against the extreme opposite. Wherever the applicability to more carefully defined positions remains for those holding them to find out.

I propose to define a position which does not reject Mr. Scott's principle, but accepts equally the conclusion he thinks is false, and perceives the compatibility of the two merely by carrying analysis further than Mr. Scott has done.

What we condemn is the idle dream of Labour that it can enter into its social kingdom by the merely political means to which it has committed itself. Apart from the proved impossibility in fact, two considerations have been adduced by guildsmen in season and out of season. The old Labour Party was intended to represent a mere economic interest in Parliament, a procedure which (though regularly pardon ed in coalowners and railway directors) is a corruption of citizenship.

Again, though Parliament might represent the central mind of the community and give expression to the general will, to burden it with non-political things like economic administration was a mistake in principle. We beseech Mr. Scott to observe that attention to purely political affairs, no matter how successful, can end in accomplishing nothing which the machinery of government. I agree that the State ought to be the spirit of the community, that parliament is its organ, and the government its executive. But what manner of community it is, and what spirit therefore the State shall express depends on how it is organised. We maintain that a community can only be ordered decently by centralising its authority and delegating its powers. To either of these things the existence of the wage-system is a fatal obstacle, and no single means is sufficient for its abolition. We object in principle to seamen or shipowners using their economic power to force their political ideas on other people.

If, in fact, the mind of Labour continues to be devoted exclusively to abstract politics, one of two things must happen. The wage-system may become more firmly fixed than ever. That at least is not so probable as it was, because political agitation has come upon a new end. Its previous status was doubtful. Only in the last few years has it received the recognition it deserved from revolutionaries. The dictatorship of the proletariat fills up the gap between the political activities in which all good Socialists are to engage in the meantime and the new society which will by and by come with power. From the official declaration of the
Spartacus Union, for example, it is not difficult to learn what underlies such an idea. In another form it is the same appeal to the unforeseeable purposiveness of the natural order which Mr. Scott deplores. But it is necessary precisely because no satisfactory account was ever given by Marxism of the part to be played in the social movement by economic organization. Mr. Scott says that the Socialist movement took to direct action because the way of politics seemed to have failed them. This is only part of the truth, and it is not the most important part, if you accompany it as Mr. Scott does by the suggestion that "direct action" is an appeal to the immediate and the constructive work of thought. By fitting themselves for control, by the gradual extension of their bounds to include all the personnel necessary to the conduct of the industry, the Trade Unions are, in fact, doing the constructive work. They are on their own ground. They have found themselves. By fitting themselves for control, by the gradual extension of their bounds to include all the personnel necessary to the conduct of the industry, the Trade Unions are, in fact, doing the constructive work. They are on their own ground. They have found themselves.

Paradoxically enough, it is the Syndicalists who finally take to politics, for exactly the reason which Mr. Scott almost willy-nilly paradoxically. The explanation is really simple enough. From the term "political" it seems impossible to expel a certain ambiguity. Economic action can only be made to appear less real than political if you take the latter to mean "having regard to social life as a whole." The other sense of the term—that in which politics can justly be referred to as a mechanism—is plainly narrower than this, and even narrower. "Political" here does not include "economic": it is a plain error, of which I hesitate altogether to acquit Mr. Scott. The real problem of political theory is how far and to what extent they can be correlated. Admitting that the common life expresses itself in endless association: and takes form in institutions, and that the State is only one such association and parliamentary government one such institution, on what grounds do we give it priority over the others?

With any formal statement of the relations of society to the State and of the nature of associations, and so on. Mr. Scott, you agree. But to no member of his school can I recollect having seen the recognition that political thinkers are no longer interested in the mere ascertainment of the supremacy of the State. They desire to know how it can be made compatible with the life of those other social groupings which—(even if we admit them to be theoretically subordinate)—direct and contain what must always be the more obvious and clamant activities of men. Insist as you like on the all-inclusive character of the State; say even—what is much more to my taste—that in it the spirit of the community finds expression; you have still to remember that the men whose living makes up its life produce wealth and continue the race and worship their gods and associate to do so, driven by impulses and traditions always powerful and seldom more than half-conscious. To treat these associations as fictions or creatures of the State is not merely useless. It is a bad solution which does them violence. Constructive thought can fall in other ways than by falling back on the obvious. It can, for example, be content with principles which were important a generation ago. Nowhere, except in the writings of the adherents of national Guilds, is there an attempt to work out this problem in the detail which it demands. By the help of the ideas of function and autonomy something can be made of it. Mr. Scott might be induced to go back to Plato and consider again the organisation of a community on a basis of function. In this way, perhaps, it may be possible to combine the supremacy of the State with the freedom of men in church and guild; and even to reach some solution of the difficulty of political and economic power.

The penalties which Mr. Scott has to pay for his cavalier attitude to the matter are patent enough, and are naturally associated with his identification of the formal integrity of the State as a fact and its universality in principle are perfectly compatible with an existing irreconcilable antagonism of the interests of Capital and Labor. In the first place, he assumes without discussion that the State is bound to the adversarial type. About this ancient problem nothing need be said here except that on Mr. Scott's own premises to isolate one aspect of economic life, and specially associate it with the State is absurd. In any given case there are, no doubt, usually more consumers than producers. But that proves nothing at all. Of course, if you intend to treat the State as a single association amongst others and to decline to give it any priority over them, then to say that the State is the association of consumers is natural enough. It is fairly general, and it does not mean much. Mr. Scott, however, has no intention of doing anything of this sort. Why, then, should he fail to see that the State is as closely identified with producers as with consumers does not apply. Secondly, his antagonism to economic organisation actually leads Mr. Scott to the appalling suggestion that any interference with existing property rights by the State is robbery (p. 167). In spite of its commonplace with a recent decision of the Court of Appeal, I shall pay Mr. Scott's intelligence the tribute of regarding this as a slip. Thirdly, the meaning of the precedence of economic power over political remains to Mr. Scott a mystery. On pain of the unpardonable social sin of disintegrating, Mr. Scott would tie down the Labour movement to the politics in which it has failed—or, perhaps, even to Liberalism. But he does not tie down the employer, for the good reason that he cannot. It is no use saying that he objects equally to anti-social pressure from employers. The two are not, in fact, on a level, and to treat them as if they were is merely one means of letting Labour have the kicks and its masters the halfpence. It is easy enough to bring out the enormity of the selfish worker who tries to use what power he has in order to improve his status and occasionally oversteps the mark to use it in favour of his prejudices. But when we discover the employer maintaining his privileges by the same means, the curious illusion that the status quo is right, at least in principle, continues to blind us. Has it ever occurred to our idealists, we wonder, to consider the nature of power and its various forms? Its location in a society and its just distribution throughout it is from this point of view the study and the task of the statesman. When we refuse to look for it, to appraise it according to responsibility in function, nothing happens except that the State from being the central mind of the community is turned to be the tool of a class bent on profit and the
perpetuation of its own power. That in a society based on the antagonism of Capital and Labour, political power, and the economic power which precedes it, should not be used by the employing class for ends in which they wrongly, if sincerely, believe, would not perhaps be self-contradictory. But without sharing the vulgar prejudice against miracles, I do not care to base a political theory on such a possibility. Mr. Scott will perhaps reply that no social change can possibly succeed which does not consist in making men better citizens, and that this is the proper end from which to start. I agree with this view. I should like to see men good enough to uproot slavery. Mr. Scott apparently only desires to see them good enough to improve it. My view is at least more ethical.

When we realise what it really is, Mr. Scott's central assumption is so incredible that we can scarcely believe that he means it seriously. Who can believe that the constructive thinking of the community is on the side of the wage-system and its numerous variations? In respect of a love of the obvious and a single-minded devotion to narrow and immediate ends nothing can hope to equal the Capitalist weekly Press. By any test you care to select, even by the quite insufficient appeal to the contrast of economic and political action which Mr. Scott and our rulers stand convicted of irrationalism. If Mr. Scott argues that such a vice is the peculiar danger of the modern mind, I shall be the last person to object; if he maintains that the obvious and Mr. Bergson is, afterwards, a typical modern, and that the vicious naturally fall back on his philosophy as a defence, I shall admit that he is probably right; but I shall try to persuade him to look further afield for his examples. A failure of the constructive impulse which leads to the obvious that everybody agrees with is a more dangerous thing than that which takes barricades and sabotage. After all, it is only about the Socialist cause that its adherents have said that in supporting it light is needed more than heat. The best political thinking is now, as it has always been, on the side of the dispossessed. It would be tempting to say it is on the side of the future, were it not so possible that the other side would win.

M. W. RODENSON.

Views and Reviews.

LO THERE!

The attempt to make Christianity mean something to this generation is the task to which Mr. Clutton-Brock seems to have set himself. Books and essays flow from him in such number that we could easily believe that "the love of Christ constraineth him"—were it not for the fact that he attempts to interpret Christianity instead of creating religion. There is an almost Pauline arrogance in the very title, to say nothing of the fact that he attempts to interpret Christianity. The doctrine is not the centre of Christian doctrine. Paul's version: "For the Kingdom of God is not meat and drink; but righteousness, and peace, and joy in the Holy Ghost"; has the supreme advantage of translating one mystery into the terms of another. Paul did not know Christ; and he quarrelled violently with those who had known Christ, and to whom He had communicated His experience.

Mr. Clutton-Brock also did not know Christ; and "if the Kingdom of God cometh not with observation, neither shall they say, Lo here, or, Lo there!" as Christ is reported to have said, we have no likely to come with definition. Even to make sense of the question: "What is the Kingdom of Heaven?" we must add two words to it: "For whom?"; for it we accept Mr. Clutton-Brock's contention that the doctrine of the Kingdom of Heaven is the theme of Christianity it was surely of that same Kingdom that He said: "In My Father's house are many mansions; if it were not so, I would have told you; I go to prepare a place for you." What we have to consider, then, is the question: "What is the Kingdom of Heaven for Mr. Clutton-Brock?" He defines it as "a reality to be perceived through, but not with, the senses, a reality of relation, like that of notes in a tune." But the tune lacks the characteristic quality of the Kingdom of Heaven; it does not grow, it does not leave the lump, it does not adapt itself to changing circumstances. It is finished, finite; we see, at a distance. Further, it is experience or know the whole of it, and the perception of the relation between its notes answers none of the questions that are asked. The tune is what it is because its component notes are in such and such relations with each other, infinitely related to one another, and quality that produce a total effect of concord or discord. But, to keep to the analogy, the question is: "What is the tune? Is it a good tune, or a bad tune?" The perception of the relation between its notes will not "value" the tune for us; "the Kingdom of God is within you," and the tune is valued according to its effect on the hearer. Values are imposed, not discerned; and they are imposed ad hoc.

The analogy of art and life is always misleading, for apart from any other consideration, the artist selects his material to produce a specific effect. But when we turn from art to life, we perceive no such selection, no such specific effect; if we did, there would be no mystery. We see the sanction of life given to the most contradictory forms of creation, or ideas of it; if we perceived only one relation between the facts of life, as Mr. Clutton-Brock implies, we would see nothing, and we found that relation admirable, there would be no difficulty in "singing and making melody in your heart to the Lord." But we perceive more than one relation; we may interpret life in the terms of love, but it can also be interpreted in terms of hatred and of indifference. And we evade none of the difficulties by uniting our perceptions, and declaring that "all's love, and all's law," as Browning did; for we are obliged so to enlarge the meaning of love that it includes hatred and indifference. "Love is more cruel than lust," said Swinburne; and the love that hurts is at least as real as the love that heals.

So, if we go the step further with Mr. Clutton-Brock, and admit that "we become aware of this relation only as we become part of it," we have not justified the ways of God to man; we have not identified him with any of the apparent relations. That relation will exempt us from none of the other relations; Job had faith in God, but he had to suffer for his faith; Christ, too, and perhaps the most pitiful of all cries broke from His lips: "My God, why hast Thou forsaken Me?" Mr. Clutton-Brock himself tells us that "since the Kingdom of Heaven is a relation, it can be attained to only by all men together, indeed, by the whole universe; and mankind and the universe exist so that they may attain to it. Unless we know this, we can find no meaning or value in the universe, or in ourselves." It is not true, of course; we can find all sorts of other meanings, we can even face the terrifying theory that the life and death of Christ symbolises the crucifixion of humanity as the end and aim of this
existence, we can even see some sardonic sense in the declaration of the Preacher: "He hath made everything beautiful in His time; also He hath set the world in their heart, so that no man can find out the work that God maketh from the beginning to the end."

That last quotation shows that the problem exists even for the man who has perceived the beauty which must accept the trial of faith, that the world has been in their heart, is one of the relations existing between man and the universe. If we make the assumption of faith, that there is a meaning and a value in the universe, then we must accept the trial of faith, that the world has been set in our heart so that no man can find out that meaning. As Bishop Blougram put it:

Some think, Creation's meant to show him forth, I say, it's meant to hide him all it can, And that's what all the blessed Evil's for, Its use in time is to environ us,

Our breath, our drop of dew, with shield enough Against that sight till we can bear its stress.

For "the Kingdom of God cometh not with observation, neither shall they say, Lo here, or Lo there! for behold the Kingdom of God is within you." It is obviously not a perception, even of a relation, for, in that case, we could say, Lo here, and Lo there; and as the ecstasy of beauty still leaves us, as it left the Preacher, confronted with the problem, if the universe, to such a man, still deliberately conceals its meaning, we have no reason to suppose that the ecstasy of love will be more illuminating, more particularly when we remember that cry: "My God, why hast Thou forsaken Me?" If the universe has a meaning, a value, it is obviously a Divine meaning, a Divine value; and the question is still relevant in spite of Mr. Clutton-Brock's exposition: "Canst thou by searching find out God, canst thou find out the Almighty unto perfection? It is as high as heaven; what canst thou do? Deeper than hell; what canst thou know?" A. E. R.

Reviews.

Such Stuff as Dreams. By C. E. Lawrence. (Murray. 7s. net.)

Mr. Lawrence has certainly chosen a very interesting subject; and if Blake saw angels on Peckham Rye, there is no reason why a clerk, living in the Theobald's Road, should not mind the eye in his head the figures of London's historical characters. But there is this difference between Blake's age and ours; we look for the brain lesion in the person who mistakes imaginary people for real ones, while in Blake's time the "seer" was credited with inspiration from one world or the other. A splinter of bone embedded in or pressing upon a circumscribed area of the brain is capable of altering our relations with reality completely; Fitzroy Stone believed in the "materiaality of matter," in the solid reality of "gas-lamps and paving-stones" until he was thrown off a motor-bus and knocked his head against a gas-lamp post. Then he developed a sense of the "immateriality of matter," was assured of the "reality of the unseen," indeed, began to see it. It is significant that Mr. Lawrence accords him no prophetic vision of the future; Fitzroy Stone revived the past, with the help of books, from primeval times until Wellington, peopled the streets of London with the figures that once thronged them, and finally obtained from them a message which he transmitted to the New Religionists: "Do your damned duty, you damned rascal." But there "his triumph's straw-like flared and funked!"; he might repeat his new credo: "It is matter that does not matter!" but the visions themselves began to change in character, the accompanying moods attracted attention; and as the doctor said, it was "easy as winking. Simple as anything. Trephine!" The operation was successful; he saw no more visions; and disappointed with the world of reality into which he was newly-born, he died. He was wrong in both cases, when he denied the immateriality of matter and when he affirmed that "it is matter that does not matter." His philosophy certainly does not matter; what does matter is Mr. Lawrence's skill in developing such a theme in such a setting. He begins in his study of the New Religionist Pastor with an acid touch, and restores his humanity with a sympathetic study of Uncle Zeph. But he is too sane to write a wonderful book on such a subject.

Georges Clemenceau. By Joseph McCabe. (Watts and Co. 1s. 3d. net.)

"The Tiger" becomes in these pages something more than the journalist of tradition; indeed, if Radicals and Rationalists could be angels (alas! "the angels are all Tories," said Byron), Georges Clemenceau could already be photographed wearing the halo wrought by Mr. McCabe. Born in Vendée, the son of a doctor who helped to make the Revolution, he qualified as a medical man in 1865; and declared himself a Materialist in the Thesis which the President of the Faculty endorsed: "Seen - Verum." It was the subject of the thesis, Mr. McCabe does not make clear; he gives us the title: "The Generation of Anatomic Elements"; but leaves us ignorant of the argument, whatever it was. Clemenceau ridiculed "the immaterial principle," whatever that is, for no principle known to us is material; and thereby qualified for the approval of Mr. McCabe in 1919. "Indeed, the keynote of his whole career is struck here. It is 'No Compromise.'" We thought, from the quoted passage, that it was going to be: "Mr. Mysticism"; and we regret that so staunch a Radical should, when so young, have repudiated the work of John Morley, another Rationalist, before it was written. As Mayor of Montmartre during the Commune, he seems to have done wonders, and to have displeased both Thiers, whose police hunted him all over France, and the Communists, who condemned him and elected a "loyal" Mayor in his stead. "This is what some have called 'opportunism,'" comments Mr. McCabe; really, of course, he was sticking to principles that are nowhere in this study clearly defined. The result was inevitable. "That terrible year stamped two things on his mind for life. One was a love of the great, blundering, wronged, heroic people who had nearly lynched him. The other was a hatred of political sophistry, iniquity, smugness, and optimism. Two generalisations from one experience, both of them sufficiently vague to avoid committing him to any clearly defined principles, should be enough to satisfy any Rationalist; "I love the people: I hate the politicians": really, it sounds like Horatio Bottomley. We have no space to follow Mr. McCabe's exposition, but we wonder what he means when he says: "I conceal nothing which is known to me after an extensive study of him, and I trust that the reader has common sense enough to assume that his friends see limitations which they have no mind to write about."

LETTER TO THE EDITOR.

MORE THAN A SUSPICION.

Sir,—In my article last week these words occur:—

"The average consumer can almost certainly get most of his grievances redressed, either by personal appeal or through his own trade association. But always will remain the suspicion of profiteering. Probably it is no more than a suspicion."

I intended this last sentence to read:—

"Probably it is more than a suspicion."

Profiteering will, of course, continue until the wage-system is absorbed into National Guilds.

S. G. H.
Pastiche.

THE REGIONAL

II

The Place Capitole lay steeped and soggy in boredom, in a boredom needing a Laubert. (April, 9.30 p.m., like Piccadilly 3 of the morning.)

Michelet, perhaps heavy, at any rate no stylist, if my memory serves me, leaves more in the mind than Montesquieu, whose epigrams, after, say, 45 pages, breed mistrust of their brilliant generality. Montesquieu seems to strive for formulation; Michelet for a grasp on actuality. He wants really to feel how the thing works; why Utopias do not arrive; why Platos are never given republics to play with.

There was more play for rhetoric, naturally, in the ride out of London, than in anything one can find in the province; more visible objects upon which to erect giddy symbolisms. There are (axiom I) two great pulls against civilisation (i.e., any great coherence or concentration), namely, the jealousy of the poor and the jealousy of the province. For poor and province read also slave and barbarian.

To sustain my generalities let me take several sorts of definite and particular points of "decentralisation"—i.e., work against the capital.

1. Toulouse, dead after 9.30 p.m., unless the summer drives people into the streets. Toulouse, agricole, self-sustaining, in a state of equilibrium as pronounced as any of the implications of equilibrium rested by Myres in his "Dawn of History"—Toulouse gets nothing from Paris save a few fancy parasols, a few highly priced ladies' bags and "nuts" furniture. I am told by an elderly gentlewoman that the "Mercure de France" is read only by "veielles barbes"; the Northcliffe Press appears to be boycotted by the local anti-Clemencean organs.

Toulouse, like the rest of this south country as far as the Rhone, has abundant cheese, butter, etc. There is a cloth trade, and more wholesale cloth houses than tailors. Clemenceau's Isaura endowed the local literary society a century after the troubadour vein was exhausted. The funds still insure her celebrity; but the form of endowment is typical of provincialism. It rewards not the best work submitted, but the best local product. The Jeux Floraux are in result as dull as any other high school performance, and have had the same literary value as other high school performance, despite their six centuries of history. The capital, the vortex, is that which draws intelligence into it, not that which builds up walls for its own "protection"—i.e., isolation or "advantage.

These fragmentary statements are not made hap-hazard. They have (give me a few pages' or a few paragraphs' grace to prove it) a bearing on my thesis. Toulouse gets a certain number of widely circulated novels. But the exchange cannot be expected to alter the general semi-conscious jealousy. Toulouse is the ideal type of non-capital. It is big enough to weigh. It is not, like Marseilles or Bordeaux, a great port, and therefore a part of the "system" of international exchange, and likely to suffer the instant the flow and interchange suffer. It is not, on the other hand, either the "dead" or the "ornamental." These genres give us Arles and Nimes.

Arles is admirably by Roman remains; it is capital of ancient kingdoms, which commemorative tablets call upon the labours and remember, as flamboyantly as (and with less basis than) the sons of Erin howl for new kings in Tara (Taimhair) and the easily separable head of Sir E. Carson. Nimes is, in a small way, what Paris might be in a large way. It is also a thorn in the side of all proper economic theories—a pragmatic thorn. It is exquisite to look upon. Dust which makes Toulouse brick look like a dust-bin is in Nimes but a sort of pouder-d'asphalte. It but unifies the pale non-Celtic grey of the houses, of the arena, of the Maison Carrée. Various rulers, Roman emperors, and lastly Louis XV, bribed the inhabitants to be amiable. The result appears satisfactory. The inhabitants display a gentle and amiable pessimism. They deprecate their advantages and presume that things are ill-managed "comme tout qui se passe à Nimes.

Either Mr. Hobson must rage at this iniquity or we must grant a value to iniquities. Wholly "unjust" concentrations of power (l.s.d.) have undoubtedly helped civilisation. It is their function to provide models, to set standards of living apparently unattainable for all save a few privileged imbeciles. Only in the rarest of cases has a collective administration attained any state of discrimination, or public "taste," comparable to that enforced by individuals. This is not an argument in favour of despots, or a privileged class, or even of millionaires. The iniquity of Nimes' success—from any communist or syndicalist standpoint—is merely one datum.

Carcassonne hardly comes into the argument. On the hill a stranded (and restored) Dreadnought of very obsolete pattern; in the valley a market town, evidently undergoing a boom. I should say, a minor Toulouse, not important enough to feel Paris as hostile.

* * *

RUSSIA SPEAKING TO HER SINGERS.
(From the Modern Russian Poetry, & Zinaida Gippius; translated into English by N. Jaminzov.)

I have pleased thee with my meadows green, With my herbs and my tall white hemlock, With my waving corn spreading far and wide, With the golden hearts of my daisies.

 Thou mak'st poems of them, thou sing'st joyfully Of my playful self—as thou lovest me...

But who will cover my wounds with his love?

Who will look at my sins all-forgivingly?

Come! Love also the evil fogs That rise from my poisonous stagnant pools, Love the huge weeds alongside my walls, Love my poor drunken peasant. . . .

But if fear and contempt are all thou find'st In thy heart for my evils so painfully, Then go! Lose thy way in my forests' mists, Get burnt with my stinging-nettles!

I shall not lift the veil from my face For those who seek me, the beautiful one: Who cannot love me to bitter end— Cannot stand me, the ugly one; cannot bear me, the dirty one. . . .

ENGLAND'S ANSWER TO RUSSIA.

I have pleased you with my ever-green grass, My warm mists o'er the sweet pretty gardens, With my cosiness, tidiness, honesty, peace,

With my waving corn spreading far and wide,

But who will cover my wounds with his love?

Who cannot love me to bitter end—

* * *

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