NOTES OF THE WEEK.

We hope we are not wrong in detecting a changed tone in Mr. Smillie's references to Nationalisation. It is true that the Miners' Executive passed a unanimous resolution in favour of Fabianising the mining industry, that Mr. Smillie professed himself "genuinely convinced" that nationalisation was "essential," not only in the interests of the miners, but in the interests of the nation, the industry and the poorer consumers, and that the resolution was commended to the support and the subsequent active assistance of the Trade Union Congress. But such steps, after all, may be only measures of strategy designed rather to make the Government proposals impossible than Nationalisation inevitable. Both the "Times" and the "Daily News," moreover, are of our opinion concerning the change of tone. The "Times" says that the speakers at the Delegate meeting "seemed on the whole to be anxious to rely rather on argument than threats"; and the "Daily News" (with what inside knowledge we do not know) specifically asserted that the Miners were no longer committed irrevocably to Nationalisation; "there was room for discussion"; "there might be more ways than one of satisfying the Miners' demands." And, finally, there are Mr. Smillie's own words, in which he announced that if the Prime Minister [or anybody else?] could prove that the Miners' proposals were "wrong" or "unnecessary," the Miners' Federation would withdraw them; and "it was their duty to the nation that there should be time for consideration before drastic action was taken."

So far as this goes it is, of course, all to the good, for until Nationalisation has become a fact we may entertain the hope that this wearisome misadventure is not inevitable. On the other hand, it is somewhat alarming to discover how elementary a conception the Miners have yet formed of the significance and value of time. For twenty years in succession, they say, they have passed resolutions in favour of Nationalisation; and even now, such is their patience, they are prepared to give the public a further period for consideration. Very tolerant and easy-going, but all problems are not in space; some of them, indeed, are altogether in time; and we are probably not far wrong in thinking that Nationalisation as a policy has become discredited just by the lapse of time. Twenty years ago, that is to say, Nationalisation might have been the proper policy to apply to the Mining industry; the clock of the world may then have definitely called for it. Likewise ten years ago, we have no doubt, the time-conditions of the problem indicated a measure of joint-control as the appropriate policy. But policies, like other modes of adaptation to a perpetually changing reality, lose their virtue with the passing of their moment; and what would have been good twenty or ten years ago may be inadequate to-day. Yet certainly the case, we think, with Nationalisation that it has lost its virtue. Nobody really any longer believes in it—not even, we imagine, Mr. Smillie himself. It has been too long in coming; all its original potencies have been worn off in the course of its delay; the world has experienced too many examples of it to look forward with any hope to its general application; so that at this moment Nationalisation would appear to be a regression to the past rather than a step towards the future—a return, in short, to the empty husks of the Fabian nineteenth century. This psychological condition of the problem is certainly one to be taken into account, for obviously the solution of a problem depends to a considerable extent upon the state of mind brought to bear on it. If Nationalisation were to-day the adventure it would have been twenty years ago, the resultant psychological circumstances of its adoption might possibly provide the conditions of its difficult success; but, as it is, Nationalisation, we repeat, has lost its glamour; if adopted, it will be adopted in cold blood and from despair. Its failure under these circumstances is as inevitable as anything can be.

In addition to its failure to realise the importance of the time-element in policy, Labour appears to have a
most pathetic belief, or rather superstition, in the magic of mere numbers. We have seen that the Miners have referred their resolution to the Trade Union Congress which is meeting at Glasgow this week; and now Mr. Bowerman has announced to the world, as if they were Congress; and they represent between them no fewer of the Glasgow Congress; and they represent between them no fewer than five and a quarter million organised workers, men and women. Wonderful past all whooping! But without being so unkind as to remind the Trade Union Congress that the sum of five and a half million ciphers is only a cipher, we may put our criticism upon the ground that a system is indifferent to the mere numbers involved in it. Given a system guaranteed to produce certain specific economic effects, and it is quite irrelevant how many people are engaged in it; it is even a matter of small importance how many of its victims are dissatisfied with it. The only question of any practical concern is whether anybody has a notion of how the system can be changed. Now is it the fact that among the 5 1/2 million constituents of the eight or nine hundred delegates of the Glasgow Congress, so many and such persons have such a notion? We have yet to hear their names or to see any signs of their appreciation of the problem. But in the absence of any such idea it is impossible that the Congress should add anything to the solution of the question before it, how is it possible to mass force in one position or another, and, perhaps, to persuade that force to move in the direction of its instincts. What, however, it cannot do is to direct that force; since the idea of direction is lacking.

There is a congruity between the particular problem of the miners and the general problem of the Trade Union Congress which, moreover, adds to the incongruity of the reference of the one to the other; for it is unmistakably a reference of the blind to the blind. The particular problem of the miners, it is clear, is the reconciliation of the claims of Labour with the claims of the public. How, in practice, are the higher wages and better conditions of the miners to be obtained without cutting the income and worsening the circumstances of the community in general? And this, it will be seen, is only an illustration of the generic problem before the Trade Union Congress, of reconciling high wages with low prices. But if, as certainly appears to be the case, the Congress itself has no conception of the problems before it, how is it possible to mass force in one position or another, and, perhaps, to persuade that force to move in the direction of its instincts. What, however, it cannot do is to direct that force; since the idea of direction is lacking.

The situation is all the more deplorable from the fact that, thanks partly to National Guildsmen, and, more recently, to the analytic and synthetic work of Major C. H. Douglas, the specific problem of Labour and of the Trade Union Movement has been solved. It is no longer a matter of hope with us, or of demands for a Utopian "transformation of heart"—the solution of the particular problem of the reconciliation of high wages with low prices and the maintenance of advantageously favourable circumstances, be applied in any industry in which Labour is already organising with immediate results. Take the case of the mining industry, for example. On the face of it, the miners are in the presence of two irreconcilable sets of claims: the claims of the miners to a certain amount of improvement in their positions, and the claims of the community to a considerable amelioration in the supply and price of the commodity of coal. How do the Miners' Federation propose to attempt to reconcile them? As far as we have seen, by the roundabout and, at best, uncertain means of nationalising the industry, at the cost of an enormous addition to the public debt, and at the risk of permanently subjecting the miners to a bureaucratic management and the community to an increased cost of coal. But all these arguments and the miners' Federation and the Trade Union Congress are unnecessary. Is not the least reason why the mining industry should be nationalised, why the miners should be made State officials, why the powers of the bureaucracy should be enlarged; or, again, why the miners' Federation should not obtain a share in the control at the same time that wages are being steadily increased and the cost of coal to the consumer steadily and considerably reduced. All that is wanting to make these things possible, here and now, before the winter has set in, is a willingness on the part of the miners' Federation leaders to give as much attention and consideration to this solution as they have over and over again given to suggestions from other quarters. It is the tragedy of the situation, however, that such consideration is not forthcoming. We sit here like people bound hand and foot, and gagged into the bargain, while our national house is burning. We have the key of the water-supply while all the rest of the world proceeds to look for it.

The "Spectator" has discovered another "noble" Labour leader in the person of Mr. Barnes, whose speech at the recent International Conference on Labour and Religion it declares to be "fine." The upshot of Mr. Barnes' speech, however, does not appear to be so fine when he is examined from any other point of view than that of immediate capitalist prejudice; for what was it, in effect, but a plea for the rigours of the class-war and a defence of the Bolshevik doctrine of the dictatorship of the proletariat? The "Times" and the "Spectator," equally with Mr. Barnes himself, may be surprised to learn that his speech in denunciation of the "intellectuals" was, in fact, a piece of Bolshevik propaganda; but the slightest examination of the practical deductions to be drawn from Mr. Barnes' utterance makes its affinity by caricature with Trotsky's perfectly plain. He presented the presence in the labour movement of middle-class and educated theorists, "Oxford and Cambridge" men whose doctrines were "having a bad effect on the simple-minded workers." The movement, the "Times" paraphrased him, was being "led by the nose" by intellectuals "not of its own class"; and Mr. Barnes warned his fellow-workmen that they must no longer submit to intellectual patronage, but insist upon expelling middle-class intruders from a province which they only meant to exploit. Is not this Jacobinism and the class-war stripped and naked? Suppose it should have the least effect—and fortunately nothing that Mr. Barnes can say is likely to be more than ridiculous—would not its effect be to intensify the worst aspects of the worst form of the class-war—the war of intelligence with brute-strength?
But in that case also the issue is a foregone conclusion. Labour without brains is a lost cause; and Labour with only Mr. Barnes’ brains is hopeless.

The amusing circumstance that Mr. Barnes left Lord Curzon in order to deliver this warning against intellectual, and afterwards returned to a conference with him when his message to Labour had been got off his chest, ought to obscure the significant fact that Mr. Barnes is typical of Labour leaders in a certain phase of “successful” decadence. Time was when Mr. Barnes, as the Secretary of the A.S.E., found himself concerned about the wages and conditions of the working classes: but to-day, in the security of £5,000 a year and the office of a Cabinet Minister, he is convinced that the Labour problem is no longer a wages problem, but a “religious problem.” We should say it is—for Mr. Barnes, who can now indulge himself, his economic problem being happily solved, in aspirations after still another world—but for the mass of his late fellows, and for society as a whole, the lesser mysteries of economic justice are religion enough. The vulgar notion that it is “materialistic” to be concerned about the means of life and only “religious” to be concerned about the object of life would have come better from Mr. Barnes if, instead of a Cabinet Minister, he had been content to remain a Congregational Minister, or if, instead of aspiring to £5,000 a year (and keeping it), he had been content with £150. He would have some title to talk with contempt of “wages and stomach” if, in fact, he himself had ever revealed in action any of that contempt. As it is, however, his attitude is not only hypocritical, his message of religion is a lie. An unpretending atheist must be more pleasing to God than a plump sycophant of the type of Mr. Barnes. No wonder he wants no Labour “intellectuals” near him, but only intellectuals of Lord Curzon’s “class,” who can be trusted never to tell him what they think of him. No wonder he wishes the Labour movement to be religious and brotherly—its ascendency in his betrayal requires a good deal of charity to sustain.

Turning to a less repellent subject, we observe that several Labour leaders and journals have now begun to advance their recipes for the cure of high prices. Mr. Adamson, the Chairman of the Parliamentary Labour Party, does not agree, we are glad to say, with the inspired counsel of Mr. Brownlie to produce, produce, produce, and let who will have the product; but, unfortunately, his own ideas are of little more value. He would have “a complete re-organisation of industry and the installation in our workshops of more and more ‘up-to-date machinery.’” Here we see once more the old Labour and Socialist fallacy that what is really wrong with modern industry is Production, and, hence, that what Society has to do (and Labour in particular) is both to produce more and to create more machinery for still more production. The real problem, however, is not how to produce more, but how to get it distributed. At least one half the Labour employed to-day is engaged not in producing, but in finding a market for what is produced; and, as we know, that market is perpetually shrinking by reason of the mal-distribution of purchasing-power, the congestion of production is becoming less and less susceptible of relief by consumption. The “Daily Herald” and the “Labour Leader” are of a slightly different opinion from that of Mr. Adamson, but their opinion is still of little relevance to the situation as given. Both now affirm that what is needed is to “direct employment into productive channels”—in other words, to divert production from luxuries and waste to necessities and economy. What, however, is the value of repeating one of our phrases unless, at the same time, the whole of our analysis is understood? Drink deep, or taste not the Pierian spring. The question to ask is why employment is increasingly being directed to the production of luxurious services and goods and away from the production of necessary things; and how and by what precise means the diversion of this energy is to be effected. It is useless to protest that cinemas ought not to be built while houses are needed; or that motor-cars ought not to be manufactured before homes are ranged for unless it is realised that industry is directed from the pockets of the prospective consumers, and, hence, that it will only produce what consumers have the money to pay for—the protests will remain on the level of “religious” rodomontade, they will actually effect nothing. In general, once more, the problem is one primarily of the distribution of purchasing-power. Give to our forty millions of people a regular purchasing-power of, let us say, £1,000 a year (and it is not too much to provide), and the problem of Production is technical merely. Socialists, as such, have no concern with it; it is the business of engineers, inventors, scientists and the like. Our own concern—and that, we should like to believe, of the “Daily Herald”—is with distribution—with the distribution of purchasing-power.

If anything were necessary to convince us that we are justified in witholding the details of our scheme until they have seriously been considered by the only people who could, if they chose, make practical use of them, the publication in the “Dial” of England’s “class,” who can be trusted never to tell him what they think of him. No wonder he wishes the Labour movement to be religious and brotherly—and this country it is a neck-and-neck race which of the two is to have the honour (and the honours) of pioneering the new age of human society. Miss Helen Marot is properly satirical in the “Dial” of England’s boast to be always twenty years ahead of America; for by the adoption of the Plumb Plan, as we anticipated her in saying last week, official Labour in America has placed that country in considerable advance of official Labour in England. By that is meant that is by the adoption of the Plumb Plan, as conceived by its authors, “transcends all others which have been advanced” [published, let us say!] in that it enables Labour to “jump the whole period of State Capitalism and State Socialism” by setting up Labour as a claimant to the capital values inherent in “operating ability.” It will be gathered by attentive readers how nearly in one respect the idea here suggested approaches the ideas recently put forward in these columns—the idea of Labour credit. And when we add that Miss Helen Marot realises on behalf of American Labour that “furtherance of the present system of credit means industrial suicide”—it will also be gathered how closely American Labour thought has been following the thought of Mr. Barnes’ bugbears—ourselves! We shall say no more, for the present, either of the Plumb Plan or of our own. Our loudest shouts, unfortunately, do not penetrate the walls of the nearest Trade Union office in England; but our whispers are heard in America and Germany.
Foreign Affairs.

By J. B. Kerr.

The following letter has been received from Mr. R. B. Kerr, of British Columbia. It is, perhaps, of more than sufficient interest to publish, for I am not at all sure that the effect of gloomy prognostications—especially when they are plausible—is always that which is intended. Sometimes, indeed—so great is the strain of nationalism—there is a mood in which every prospect of trouble acts as an incentive to hasten or, at any rate, not to prevent its realisation. Again, I am struck by the fact that the problem of what is called the Pacific (surely, ironically) is similar in kind, though infinitely greater in degree, to the problem recently discussed in this column—the problem of Ireland: that is to say, it is insoluble by direct means. And, by the way, in reply to Mr. Spain’s courteous and temperate article of last week, may I ask how much nearer he has brought the solution of the Irish problem—has he really contributed to the solution by his affirmation that the Irish people alone are responsible for it? Is that an insoluble demand? I am afraid that it stands where it did. Mr. Kerr’s suggestion that Australia should open a considerable part of her territory to Asiatic settlement appears to me to be one of those ultra-rationalistic expositions demanded when even the most knowing instinctively will never be concealed or realised through reason. It is conceivable that the same end could be obtained indirectly and at an unforeseen consequence of some policy not ostensibly related to this particular problem; but never, I believe, will it be realised by direct propaganda. If it should really come to the clash predicted by Mr. Kerr, then it appears to me that the Western world would be quite content to risk the threatened Armageddon rather than acquiesce rationally in the policy directly designed to avert it. A sentence in last week’s “Notes of the Week” sums up tersely the relation between foreign policy and what is there called domestic policy. “Foreign policy,” it was said, “is only the extension of domestic policy; and a domestic policy directed to squeezing the maximum surplus of production out of our own population ends by forcing that surplus down the throats of foreign countries even at the cost of war.” The officials responsible for the conduct of foreign policy have no responsibility for its direction. They are given the practical problem of (a) safeguarding the supply of raw materials (b) controlling the markets for the profitable disposal of the surplus. It is a purely practical capitalist problem, and has, as such, no concern (save for the sake of prestige and appearances) with any other consideration. While the capitalist system continues to control domestic policy it must be expected to set this same problem to its conductors of foreign policy; and, be the personnel of the Foreign Office what it may, no great change in foreign policy can be effected unless it is preceded by a change in domestic policy. It may sound absurd, but it is conceivable (as any white man provided he has the weapons) that Australia could be made to support a hundred million people in comfort. Australia has, however, only four million people, and, owing to its great distance from Europe and the unwillingness of continental Europeans to migrate to a British colony, there is hardly any immigration. In about two hundred years, even with a low birth-rate, Australia would be likely to be well populated; but there is not the slightest prospect that within the next fifty years its white population will be more than negligible.

Japanese proper has probably now got nearly sixty million people. An educated Japanese friend tells me that the empire, including Formosa and Porto-Prince, now has over eighty millions. That does not include Southern Manchuria, a province of many millions which is occupied by the Japanese, and is rapidly being assimilated. Shantung, which to all intents becomes Japanese under the Treaty, has nearly forty million inhabitants. It may therefore safely be said that the Japanese Empire is getting well on towards one hundred and forty millions. The Japanese is there described as a Jap or a Chinaman will fight just as well as any white man provided he has the weapons.

Peace Treaty, has nearly forty million inhabitants. It may therefore safely be said that the Japanese Empire is getting well on towards one hundred and forty millions. The Japanese is there described as a Jap or a Chinaman will fight just as well as any white man provided he has the weapons.
If the British Empire ever attempts to fight the yellow race over Australia, it is manifest what the result will be. The Chinese would be avenged, and the same chance against Great Britain as Britain would have against China and Japan after their steel industry is developed. What then, is the alternative? Australia will certainly not pass a law to allow Asiatics to immigrate freely. It would be possible, however, to sell three quarters of Australia to Japan without causing anybody much real inconvenience. The north half is low land in the tropics, and can never be inhabited by whites. The south-west quarter is also nearly empty. Some of the money might be used to compensate the few white people living in the parts handed over to Japan, in case they should desire to move. The people of Australia will be well advised to consider some such scheme without further delay, and the peoples of other English-speaking countries will be wise if they make it their business to see that this is done. Now is certainly the accepted time. I do not for a moment believe that the rest of the English-speaking race will be willing to face annihilation for the benefit of four millions. It is best that they should say so frankly, and at once, as I am under the impression that the four millions of Australia are far from having a firm grip of the realities of the situation.

R. B. Kerr.

Production and Prices.

[Notes of a lecture by Major C. H. Douglas at a meeting of the National Guilds League, September 10.]

Before dealing with subject of lecture I propose to note on method by which conclusions are arrived at: Explanation likely cause of intense irritation! It is admitted by most persons that there is something seriously wrong in the world to-day—wars, strikes, etc., general discontent; various prescriptions for the disease.

(1) Super-productionists, the "Capitalist" party, who refuse to admit any fault in the system. The keynote of their remedy is more work and more of it.

(2) What may be called the ecclesiastical party; keynote of their policy is "a change of heart." Their attention is concentrated in hierarchical problems, administration, etc. The legal, military, bureaucratic mind is essentially of this type, and the Whitley Council, the Sankey Report, and the various committee schemes of the Fabian Society in this country, the Plumb scheme in America, etc., are examples of it. All these schemes are deductive in character; they start with a theory of a different sort of society to the one we know and assume that the function is to change the world into that form. In consequence, all the solutions demand centralisation of administration; they involve a machinery by which individuals can be forced to do something—work, fight, etc.; the machine must be stronger than the man.

Practically all Socialist schemes, as well as Trust, Capitalist, militarist, etc., schemes, are of this character, e.g., the League of Nations, which is essentially ecclesiastical in origin, is probably the final instance of this.

It may be observed, however, that in the world in which things are actually done, not talked about, where bridges are built, engines are made, armies fight, we do not work that way. We do not sit down in London and say the Forth Bridge ought to be 500 yards long and 50 ft. high, and then make a bridge and narrow down the Firth of Forth by about 75 per cent. and cut off the masts of every steamer 45 ft. above sea level in order to make them pass under it. We measure the Firth, observe the ships, and make our structure fit our facts. Successful generals do not say "the proper place to fight the battle is at X, I am not interested in what the other fellow is doing, I shall move all my troops there." The attempt to deal with one of the industrial and social difficulties existing at this time, which is embodied in these remarks, starts from this position therefore.

It does not attempt to suggest what people ought to want, but rather what they do want, and is arrived at not so much from any theory of political economy as from a fairly close acquaintance with what is actually happening in those spheres where production takes place and prices are fixed.

If we look at the problem of production from this point of view, the first thing we ask ourselves is why do we produce now. The answer to this is vital—it is to make money. Why do we want to make money? The answer is twofold. First, to get goods and services afterwards, to give expression, often perverted, to the creative instinct through power. Please note that these two are quite separate—whether a man has any recognisable creative instinct or not, he absolutely requires goods and services of some sort. We then have our problem stated; we have to inquire whether our present mechanism satisfies it, and if not, why not, and how can it be altered so that it does satisfy it.

Emphasising the fact that it is only half the problem, the only half I propose to deal with to-night, let us inquire to what extent we succeed in our primary object—that of obtaining goods and services when we produce for money under the existing economic system.

Production only takes place at present when at least two conditions are met, when the article produced meets with an effective demand, that is to say, when people with the means to pay are willing to buy, and when the price at which they are willing to buy is one at which the producers are willing to sell.

Now, under the private capitalistic system the price at which the producer is willing to sell is the sum of all the expenses to which he has been put plus all the remuneration he can get called profit. The essential point to notice, however, is not the profit, but that he cannot and will not produce unless his expenses on the average are more than covered. These expenses may be of various descriptions, but they can all be resolved ultimately into labour charges of some sort (a fact which incidentally is responsible for the fallacy that labour, by which is meant the labour of the present population of the world, produces all wealth). Consider what this means. All past labour, represented by money charges, goes into cost and so into price. But a greater part of the product of this labour—that part which represents consumption and depreciation—has become useless, and disappeared. Its money equivalent has also disappeared from the hand of the general public—a fact which is easily verifiable by comparing the wages paid in Industry with the sums invested in the Savings Banks and elsewhere—but it still remains in price. So that if everyone had equal remuneration and equal purchasing power, and there were no other elements, the position would be one of absolute stagnation—it would be impossible to buy at any price at which it is possible to produce, and there would be no production. I may say that in spite of enormously modifying circumstances I believe that to be very much the case at present.

But there is a profound modifying factor, the factor of credit. Basing their operations fundamentally on faith—that faith which in sober truth moves mountains of credit, the banks manufacture purchasing power by allowing overdrafts, and by other devices, to the entrepreneur-class: in common phrase, the Capitalist. Now, consider the position of this person. He has large purchasing power, but his personal consuming power is like that of any other human being: he requires food, clothes, lodging, etc.

If, as is increasingly the case, the personal Capitalist is replaced by the firm, the entrepreneur and the larger personal consuming power, represented by the stockholders, but it is still incomparably below the purchasing power. What happens? After exhausting the possibilities of luxuries, the organisation itself exercises
the purchasing power and buys the goods and services which it itself consumes—machinery, raw material, etc. In consequence, the production which is stimulated—the production which we are asked to increase—is that which is required by the industrial machine, intermediate products or manufactures, not ultimate industrial humanity. It is perfectly true that money is distributed in this process, but the ratio of this money to the price-value of human necessities—ultimate products—is constantly decreasing for the reasons shown, and the cost of living is therefore constantly rising.

Before turning to the examination of the remedy built upon this diagnosis it is necessary to emphasise a feature of our economic system which is vital to the condition in which we find ourselves, i.e., that the wages, etc., system distributes goods and services through the same agency by which it produces goods and services—the productive system. In other words, it is quite immaterial how many commodities there are in the world, the general public cannot touch them without doing more work and producing more commodities. It is my own opinion, not lightly arrived at, that that is the condition of affairs in the world to-day—that there is little if any real shortage, but that production is hampered by prices, and the Capitalists cannot drop prices without losing control. However that may be, this feature, in conjunction with those previously examined, has many far-reaching consequences—amongst others the feverish struggle for markets, which, in turn, has an overwhelmingly important bearing on Foreign Policy. To sum the whole matter up, the existing economic arrangements—

(a) Make credit the most important factor in effective demand;
(b) Base credit on the pursuit of a financial objective, and centralise it;
(c) This involves constantly expanding production;
(d) This must find an effective demand, which means export and more credit;
(e) Makes price a linear function of cost, and so limits distribution, largely to those with large credits;
(f) Therefore directs production into channels desired by those with the largest credits.

A careful consideration of these factors will lead to the conclusion that loan-credit is the form of effective demand most suitable for stimulating semi-manufactures, plant, intermediate products, etc., and that "cash"-credit is required for ultimate products for personal consumption. The control of production, therefore, is a problem of the control of loan-credit, while the distribution of ultimate products is a problem of the adjustment of prices to cash-credits. It is only with this latter that we are at present concerned.

We have already seen that the cash-credits provided by the whole of the money distributed by the industrial system, so far as it concerns the wage-earner, is only sufficient to provide a small surplus over the cost of the present standard of living, and that only by conditions of employment which the workers repudiate, and rightly repudiate. We cannot create a greater surplus by increasing wages, because the increase is reflected in a compound rise in prices. Keeping, for the moment, wages constant, we have to inquire what prices ought to be to ensure proper distribution.

Now the cost of this problem is the fact that money, which is distributed in respect of articles which do not come into the buying range of the persons to whom the money is distributed, is not real money—it is simply inflation of currency so far as those persons are concerned. These things do not buy machines, industrial buildings, etc., for personal consumption at all. So that, as we have to distribute wages in respect of all these things, and we want to make these wages real money, we have to establish a relation between total production, represented by total wages, salaries, etc., and total ultimate consumption, so that whatever money a man receives it is real purchasing power. This relation is the ratio which total production of all descriptions bears to total consumption and depreciation.

The total money distributed represents total production. If prices are arranged as at present, so that this total will only buy a portion of the supply of ultimate products, then all immediate products must be paid for in some other way. They are; they are paid for by internal and external (export) loan-credit.

If prices are arranged so that they bear the same relation to cost that consumption does to depreciation, then every man's money will buy him his average share of the total consumption, leaving him with a balance which represents his credit in respect of his share in the production of intermediate products (semi-manufactures)—a share to which he is entitled, but which is now almost entirely controlled by the financier in partnership with the industries' price-fixers.

It is a little difficult to state with any accuracy what proportion of cost prices ought to be because of the distorting effect of waste, sabotage, and aimless luxury.

I am making some rather tedious investigations into this, and I can truly say that I am convinced that even now prices are twenty times too high, and that with proper direction of production this figure would be greatly exceeded.

A Guildsman's Interpretation of History.

By Arthur J. Penty.

XV.—POLITICAL AND ECONOMIC THEORY AFTER THE REFORMATION.

During the Middle Ages the theory obtained that national prosperity and well-being had its foundation in agriculture rather than commerce. Work and not wealth or property was the bestower of all worth and dignity. Medieval economists deprecated any politico-economic movement that encouraged the people to give up the pursuit of agriculture for trade and commerce. Thus we read:

"Among manual industries none stood higher in the estimation of the Canon Law than agriculture. It was looked upon as the mother and producer of all social organisation and all culture, as the fosterer of all other industries, and consequently as the basis of national well-being. The Canon Law exacted special consideration for agriculture, and partly for this reason, that it tended in a higher degree than any other branch of labour to teach those who practised it godly fear and uprightness. The farmer," so it is written in A Christian Admonition, "must in all things be protected and encouraged, for all depends on his labour, from the Emperor to the humblest of mankind, and his handiwork is in particular honourable and well-pleasing to God." Therefore both the spiritual and the secular law protect him."

"Next to agriculture came handiwork. This is praiseworthy in the sight of God, especially in so far as it represents necessary and useful things." And when the articles are made with care and art, then both God and men take pleasure in them; and it is good and true work when artistic men, by the skill and cunning of their hands, in beautiful building and sculpture, spread the glory of God and make men gentle in their spirits, so that they find delight in beautiful things, and look reverently on all art and handicraft as a gift of God for use, enjoyment, and edification of mankind.

"Trade and commerce were held in lower esteem. 'An honourable merchant,' says Thirheimus, 'who does not only think of large profits, and who is guided in all his dealings by the laws of God and man, and
who gladly gives to the needy of his wealth and earnings, deserves the same esteem as any other worker. But it is always honourable to be a mercantile spirit, and with the increase of gain not to become avaricious. Without commerce no community, of course, can exist, but immediate commerce is rather hurtful than beneficial, because it fosters greed of gain and gold, and enervates and emasculates the nation through love of pleasure and luxury.

The Canonical writers did not think it was conducive to the well-being of the people that the merchants “like spiders should everywhere collect together and draw everything into their webs.” With the ever-increasing growth and predominance of the mercantile spirit, it appeared that matters were sufficiently justified in their condemnation of the tyranny and iniquity of trade which, as St. Thomas Aquinas had already said, “made all civic life corrupt, and by the casting aside of good faith and honesty opened the door wide to fraudulence; while each one thought only of his personal profit without regard to the public good.”

This attitude towards social questions came to an end at the Reformation, when, with the destruction of the power of the Church, power passed entirely into the hands of the capitalists, who came to dominate the State. The political philosophy which gradually came into existence under their auspices looked at things from a very different angle. It makes no attempt to interpret society in the light of the principle of Function, to conceive of society as a system of parts of which are organically related to each. There is little or no attempt on the part of Government to protect the interest of the labourer, to take measures to see that the fruits of his labour are secured for him. On the contrary, regard is paid only to the interest of the merchant, while the labourer is left to shift for himself as best he can, with only such doubtful protection as the Statute of Apprentices gave to the town workers. Though the claims of agriculture were not altogether neglected, yet the tendency in the long run was for statesmen and theorists to exalt manufactures above agriculture and exchange above production. This came about because it was through foreign trade that the money was made which was the main source of revenue to the State, and because there was a general tendency in the thought of the governing and merchant classes to identify money with wealth. The governing class of capitalists with their henchmen, the lawyers, consisted no longer of men capable of taking large and comprehensive views of society, but of men whose minds were entirely pre-occupied with its material aspects. They concentrated all their attention upon finding ways and means to increase the wealth of the nation, but for reasons perhaps best known to themselves they chose to ignore the problem as to how it was to be distributed.

External circumstances favoured the growth of this point of view in the governing class. The suppression of the monasteries had been followed by a period of great economic depression when the people felt the pressure of poverty. There was great dislocation of industry everywhere and a debased coinage had not improved matters. The low-water mark was reached during the reign of Edward VI. Under Elizabeth things were lifted out of the mire, and the country rescued from economic stagnation and depression by the encouragement given to manufacturers and foreign trade. The popularity of Elizabeth—for in spite of her religious persecutions she was popular—was due to the fact that the support she gave to the policy of William Cecil, Lord Burghley, had the effect towards the close of her reign of restoring the national prosperity. Immediately after the policy of Burghley was changed—a policy of war with Spain. England had become Protestant, and as she had hitherto been dependent for war material both as regards gunpowder and the metals necessary for the making of ordnance upon supplies that came from ports controlled by the Roman Catholic Powers, it was urgent if she was to retain her independence for herself to have a supply of those of her own. Everything, therefore, was taken to foster the manufacture of munitions of war at home, and to such an extent was the effort successful that when at last the storm burst and the Spanish Armada sailed for England it was found that the leeway had been entirely made up, and that English guns were as good, if not better, than those of Spain.

But the new policy did not end here. Agriculture was encouraged for military as well as for economic reasons. Measures were taken to make tillage as profitable as pasturage by removing the embargo upon the export of grain, while enclosures were stopped. The fishing trades were supported not merely for the wealth they produced but as a school of seamanship to train men for the mercantile and naval marine. This thing did much to mitigate the evil of unemployment which had become so chronic under previous reigns, but further measures were taken to definitely deal with it and to diffuse a general prosperity by the establishment of a great number of new industries that made goods in England which only hitherto had been obtainable from abroad. Industries for the manufacture of hardware, sailcloth, glass, paper, starch, soap, and other commodities of common consumption were successfully established. Mines also were opened. The assistance of German engineers was called in for this. A new method of pumping, which they had invented, made mining a more practicable and commercial proposition.

The circumstances of the age were particularly favourable to these new developments. The religious wars in the Netherlands and elsewhere led to the emigration of great numbers of skilled workmen who found a haven of refuge in England, and brought a technical knowledge of new industries with them. Moreover, there was the change of trade routes so favourable to English industry. During the Middle Ages these routes had been overland, and it was this circumstance that brought such prosperity to the Hanseatic towns of Germany, whose central European position was then so enviable. But with the invention of the mariner’s compass, the discovery of America and the sea route to India, overland trade routes gave place to sea routes, and thus took prosperity away from the Hanseatic and other inland countries and transferred it to seaports and countries with a good seaboard. This transformation, which occupied the space of about fifty years, was very profitable to English merchants and manufacturers, who now began to secure a larger and larger share of the commerce of the world, and helped enormously to restore the national prosperity.

It would have been a fortunate thing for England if the political speculation which accompanied these changes had kept its mental balance and reconciled in their true proportions the old with the new. But, unfortunately, such was not the case. Prosperity had been restored not by efforts to re-establish justice in the internal ordering of Society, but by seizing the opportunities which a period of economic transition afforded for the making of money. And so faith in the old order tended to decline, while confidence in the new increased. Capitalism had been able to restore prosperity, and so the opinions of Capitalists came to weigh more and more in the councils of the State. Success in the new order depended upon adaptability, and so the opinion grew that a country lived not by its wisdom or its justice, but by its wits. The State, which during the Middle Ages had concerned itself exclusively with the functions of military protection and the administration of the law, and since the reign of Henry VIII had given itself responsibility for the prosperous life of the people, now began to concern itself with the promotion of industry and commerce. Accord-
ing to the new dispensation, wealth, or to be more strictly correct, bullion, was the great alchemy. Success in the race for wealth was the goal of all the other desirable things. Hence, it was the first concern of the State to secure to it that there was always a large store of the precious metal on hand. To achieve this end, considered of such vital importance, every expedient was considered legitimate. The Government might prohibit the importation of certain commodities. This industry was to be encouraged to export by subsidising it with bounties, that was to be discouraged by the imposition of duties. Charters were granted giving private monopolies to certain companies. The test of success was to show a balance of trade in favour of the nation. Absolute governmental control over the gold reserve. This system of the control of production and exchange by the State is known as Mercantilism. It is, as its name implies, the interpretation of national policy in the terms of the counting-house. Its defect was that it placed the State at the mercy of vested interests, and was a source of political corruption, while it became a fruitful source of wars. In the Middle Ages wars had been territorial and dynastic. Now they became economic and were fought over tariffs, concessions and privileges. It was the inevitable consequence of the growth of the Government and the ideal of industry from a qualitative to a quantitative one, necessarily brought those who pursued it in collision with economic interests beyond the seas. The wars with the Dutch were deliberately provoked by the Navigation Acts which prohibited the importation in foreign vessels of any but the products of the countries to which they belonged. It was intended to strike a fatal blow at the carrying trade of the Dutch from which they drew their wealth and to secure our supremacy on the seas; and it was successful. The Mercantilists clearly grasped the fundamental economic fact, that under competitive conditions of industry the commercial advantage of one country is often only to be obtained at the expense of another, and that "Trade follows the flag, as Conservatives believe to this day. Mercantilism is not dead, it is the living faith of the commercial classes to-day in all countries of the world. Free Traders in these days are unwilling to face the unpleasant fact that the terms of the economic struggle are laid down by law and maintained by force. Though Adam Smith did say "As defence is of much more importance than Navigation, the Merchant may perhaps, be the wisest of all the regulations of England." People who believe in commercialism ought to believe in militarism. If one of these is to be deprecated, then the other is. To believe in commercialism and reject militarism is to live in a world of unrealities, as Free Traders in these days are finding out.

Mercantilism was not a social theory but a commercial policy evolved by men who were satisfied to assume that a policy which suited their own immediate interests must be good for Society. It began its career during the reign of James I, when Gerard Malynes, a specialist in currency, whose advice on mercantile affairs was often sought by the Privy Council, set forth his views in a series of pamphlets, in which he urged the Government to forbid the export of bullion. The idea was a Mediaeval one, and is altogether unintelligible, apart from the Mediaeval system of thought, which, refusing to divorce economics from normal considerations, placed the maintenance of the social order before the interests of capital and trade. Viewing the social and economic evils which accompanied the growth of foreign trade, it was natural that the Mediaevalists, like Aristotle, should regard its increase with alarm and suspicion, and seek to put obstructions in the path of its advance, and that the support of the State should be secured for obstructive tactics by the convenient theory that armies and fleets could only be maintained in distant countries if there be money to pay for them, and that such money would not be forthcoming when wanted if bullion were exported from the country. But Malynes, writing at a later date, urged his case upon other grounds and from the increased value for value—the operation of the exchanges—frauded the revenue.

Taking his stand upon such purely technical grounds the first Mercantilist found no difficulty in refuting him. If the increase of foreign trade was a good and desirable thing, and not merely an obstruction to our increase, the increased wealth was distributed—and in official quarters this assumption was taken for granted—then the Mercantilists were easily able to show that restrictions on the export of bullion impeded the growth of foreign trade. "They represented," he says, "that the exportation of gold and silver in order to purchase foreign goods, did not always diminish the quantity of those metals in the kingdom. That, on the contrary, it might frequently increase that quantity; because if the consumption of foreign goods was not thereby increased in the country, those goods might be re-exported from the countries, and, being there sold for a large profit, might bring back much more treasure than was originally sent out to purchase them." Thomas Mun, who is sometimes described as the founder of Mercantilism, and whose treatise, "England's Treasure in Foreign Trade," which he drew up in 1664, and published in the seventeenth and eighteenth centuries, retained almost canonical authority until it was displaced by "The Wealth of Nations," declared that "Money exporteth trade and trade increaseth money." He compared the operations of foreign traders to the seedtime and harvest of agriculture. "If we only behold," he says, "the actions of the husbandman in the seedtime, when he cast away much good corn into the ground, we shall account him rather a madman than a husbandman. But when we consider his labours in the harvest, which is the end of his endeavours, we shall find the wo-th and plentiful increase of his actions."

The sub-title of the treatise declares that "the balance of our foreign trade is the rule of our treasury," and the object is declared to be to exhibit the means by which a kingdom may be enriched. "The ordinary means to increase our wealth to foreign countries is by foreign trade, wherein we must ever observe this rule—to sell more to strangers yearly than, we consume of theirs in value. For that part of our stock which is not returned to us in wares must necessarily be brought home in treasure; every effort must, therefore, be devoted to increase our exports and to decrease our consumption of foreign commodities. Waste land should be used to grow hemp, flax and other articles which are now imported. We might also diminish our imports if we would lessen our demand for foreign ware in diet and raiment. The vagaries and excesses of fashion might be corrected by adopting sumptuary laws prevailing in other countries. If in our raiment we will be prodigal, let this be done by our own manufactures, where the success of the rich may be the employment of the poor, whose labours, notwithstanding, would be more profitable if they were done to the use of strangers." We may charge a high price for articles which our neighbours need, and which no other country can supply; but those of which we do not possess the monopoly must be sold as cheap as possible. Foreign materials worked up in England for export should be duty-paid. Our exports should be carried in our own ships, and our fisheries should be developed. Writing as a Director of the East India Company, Mun pronounces our trade with the East Indies the most profitable of our commercial activities, not only because we obtain its products cheaply for ourselves, but because our exports should be carried to our neighbours. This "may well stir up our utmost endeavours to maintain and enlarge this great and
noble business, so much importing the public wealth, strength and happiness."* Such was the faith of Mercantilism as it was most widely accepted. Apart from what he has to say about sumptuary laws, which has a fifteen century ring about it, it is the same faith as that of the average commercial man to-day. Subsequent writers sought to widen out the mercantile theory. They deprecated the exaggerated importance given to foreign trade and emphasised the importance of home markets and agriculture. Rejecting the notion that the national wealth depended on cash, they maintained that goods paid for goods and that nature and labour were the ultimate source of wealth. To this extent their thought showed a reversion towards the Medieval point of view. But, on the other hand, they were modernist, being the forerunners of the Free Traders. They attacked the elaborate system of prohibitions, duties, bounties and monopolies as an impediment rather than an encouragement to trade. Dudley North anticipated Adam Smith when he declared, "The world as to trade is but as one nation, and nations are but as persons. No trade is unprofitable to the public; for if any prove so, men leave it off; and wherever the trader thrives the public thrives also." Chas. Davenant, another of the school, maintained that loss by balance in one trade may be made up in another. ""Trade," he says, "in its own nature free, finds its own channel, and best directeth its own course." But he forgets that the same arguments may be turned against him. For while it is true that trade, when untrammelled, will find its own channel, it does not follow that the channel is a socially desirable one, and that while the loss in one trade may cause profit in another, one man is called to bear the loss while another gets the profits, and that the unequal distribution of wealth that follows such a policy is anything but socially advantageous.

The next development of Mercantilism is associated with the name of Adam Smith. I call it the next development because, though it is true the Manchester school reversed the economic maxims of the mercantilists, yet finally they only differed from them to the extent of carrying their ideas to their logical conclusion. The mercantile theory of Mun was a theory of business, of making money by foreign trade. As such it provided a theory or policy for a group of interests which it assumed was in the public interest, but it took no particular pains to explain how and why. The Free Traders who followed him attempted to give the theory a wider application, demanding the abolition of privileges in trade. But they went little further than making this demand. To secure acceptance of such proposals something more was needed. Free Trade would remain acceptable as an administrative proposal so long as political and economic thought was dominated largely by Mercantilist preconceptions, and it became necessary therefore to secure acceptance for the Free Trade policy by undermining what remained of Mercantilist political and economic thought. This is the work of Adam Smith. The Medieval idea of privileges for all he opposed the idea of the abolition of all privileges and unfettered individual competition, which he associated with the gospel of Free Trade. To the Medieval idea of the Just Price he opposed the idea that prices were best settled by competition. "To buy in the cheapest market and to sell in the dearest was a policy calculated to secure the greatest good of the greatest number. But such economic principles were incompatible with the Medieval and Christian ideal of human selfishness. Thes, concluded Adam Smith, such principles led to a poverty of nations. Not unselfishness, but enlightened self-interest was the ideal to be aimed at.

In his "Theory of Moral Sentiments" Adam Smith postulates the doctrine of sympathy as the real bond between human beings in their ethical relations. But in the "Wealth of Nations" he makes it clear that human sympathy has no place in economic relationships. "It is not from the benevolence of the butcher, the brewer, or the baker," he tells us, "that we expect our dinner, but from their regard to their own self interest. We address ourselves not to their humanity, but to their self-love, and never talk to them of our necessities, but of their advantage." This perverted attitude of mind permeates the whole of Adam Smith's writings. According to him the public welfare was secured not by the assertion of communal interests, by the subordination of individual interests to those of the community, but by the deliberate removal of all economic restraints in order that each individual might be at liberty to pursue the course of action that he might consider to be the least hindrance. Laissez faire, laissez passer was the key to unlock all economic problems, the sole panacea for all human ills, the only hope of social regeneration. Give free play to enlightened self-interest and natural liberty, and prosperity would soon shine in all its splendour on every hand urge individuals to pursue their own selfish interest and as suited them and ignored the rest, and he is therefore not to be blamed for the misinterpretation or misapplication of his principles. While he may be urged in defence of other men it cannot be urged in the case of Adam Smith. Most pioneers of thought have to complain that their followers have been true to the letter of their advice while their spirit has been neglected, but the governing class were true to the spirit of Adam Smith's gospel, if not to the letter. If Adam Smith really thought that he could on the one hand urge individuals to pursue their own selfish interests and at the same time forgo in the public interest any privileges they might possess, he is to be regarded as a fool of the first order, half-witted as Ruskin called him, entirely destitute of any understanding of the human psychology, for the heartless competition to which he condemned those without privileges made those who possessed privileges cling to them more tenaciously than ever.
An Open Reply to an Agitated Agitator.

DEAR BILL,—Your Open Letter calls the more for a reply because it is one of several letters I've received on the subject of those articles and the "Times." But I can't help wondering why it is that you and other agitators are so horribly upset by those articles and curse me so heartily for them. To begin with, you're wrong in saying that therein I was "lecturing Labour"—which you always so carefully separate from Capital. If you read those articles again, you'll see that they were addressed to the Employers. Moreover, the whole aim of the articles was to point out to employers how much better it would be if they took their workers into their councils, if they told them everything, or as much as possible, about the business they worked in, if they interested their people by letting them know what happened to the goods they made, and so on. All this side of my articles you ignore, and you rise in your wrath to denounce me for daring to "lecture Labour," and for urging the employers to use propaganda to refute the falsehoods of men like yourself. I urged the employers to tell the workers the truth and plenty of it. Why should you resent that? To put it bluntly, Bill, what you and your like appear most to resent is any attempt to bring about amicable relations between the two sides of a business. Your attempt to show the workers that it pays them not to waste so much energy and cripple industry by quarrels and strife. I know you'll tell me this is a mere argument to persuade the worker to work for the good of Capital. I don't believe it need pay Labour any less to work for the good of Industry, including Capital and the Employers.

By the way, let me return the compliment you pay my writing—that I am not writing against my convictions, that I believe what I write, etc. I believe the same of you personally, although I don't of your class; and I also believe that all you say of the added crime due to my sincerity is doubly a crime in your case, because you are devoting a greater energy and greater skill than mine to the task of breeding class war, setting Labour against Capital, ruining Industry and the workers with it. If I link the moral fervour of a saint with the mentality of a Boy Scout, you link the fervour of a fanatic with the mentality of a saint. You chide me for such writing as you think may bring about another Liverpool, if I quote the party of Mosley or of Manchester, or as this side of my articles you ignore, and deal worse. Perhaps it won't come to that; perhaps your writing will destroy Capitalism, but this is so easily translatable in action to killing Capitalists and burning buildings.

You may scoff at the bogey of Bolshevism. But if you don't know that there are men who openly advocate "following the example of Russia," and who have urged on a whole of Soviet and Workers' and Soldiers' Councils, and the rest of the governing system the Bolshevists began, I can only say you are further out of touch with Labour than I am. I admit these advocates of Bolshevism, or Sovietism, or whatever you choose to call it, don't advocate all its resulting atrocities; but then neither did the men who perpetrated the Russian revolution expect such an orgy of crime as did result. You may bring Labour to a point of smashing windows and burning buildings; you may not find it easy to stop it going further. And, honestly, Bill, don't you think you've too many windows about your house to start chucking bricks around about me and my like "inciting murder," etc.? What on earth else are you inciting people to? It is rather a joke, too, that you should be irritated by my assumption that any theory of mine is right, while you flatly and dogmatically assert that I am, and every other man is, a congenital idiot, or worse, if we don't agree with you. Your writing is not a single, isolated outburst, but is part of a general policy of excluding legitimate people, and even allowing that men who have been workers all their lives, and who are in constant touch with workers, can possibly be right in their theories and arguments if these differ one iota from yours. You declare them "out of touch with Labour," or, in your words, sneer at them as "Labour leaders who prove they are as well able to govern as the governing classes by being willing to copy all the vices of the governing classes." You arrogate to yourselves even the right to write on industrial matters, and scoff at anyone but yourselves being able even to think. I can only reply "remember the nauseating bilge." I can't think, because, you tell me, "this excitation of the glib surface of things that gives you the pleasant sensation of intellectual exertion is not thought." But, on the other hand, every Labour agitator in good faith of it is "sincerely trying" and "sincerely doing good." You have a sense of humour, Bill; or have you drowned it in "nauseating bilge"? If so, go out and beg, borrow, or steal somebody else's. It might allow you to laugh at yourself and your impudent assumption that you and yours only are right, that anyone who disagrees is a knave and a fool; that you and yours hold the sole right, title, and patent of Truth; that yours is the only genuine hall-marked, stamped-on-every-link brand, and all others are spurious imitations. I admire your cheek, Bill.

Why do you rage so against the "English caste system" which you struggle so desperately to foster and breed into a hatred between the castes? And why do you blame the unfortunate "middle classes" for all the misfortunes and sins of the country? I deny your dogmatic assertion that the middle class "provided the most incompetent officer class" in the war, or even allow that men who have been workers all their lives, and who are in constant touch with workers, can possibly be right in their theories and arguments if these differ one iota from yours. You declare them "out of touch with Labour," or, in your words, sneer at them as "Labour leaders who prove they are as well able to govern as the governing classes by being willing to copy all the vices of the governing classes." And mainly those privates and non-coms. of the old Army were Labour class. Have you not read in your papers of policemen and plasterers and workers of all sorts retiring with various ranks from Colonel down, and going back to their work? If you don't know these facts, you ought to before you so freely fling charges of ignorance at others. If you do know them, and misstate them, isn't it coming dangerously near that charge of foul and tainted wells of information you bring against the Capitalist Press? The middle class, too, according to you, are solely the cause of all the hostile criticism we can bring against the Capitalist Press? The middle class, too, according to you, are solely the cause of all the hostile criticism we can bring against the Capitalist Press?”
lieve, anything) that the middle class alone is responsible for it. And I also think (so far as you'll allow me to think) that this and other consistent attempts of your class to make Labour believe so is another criminal attempt class against class. You are one of the few agitators I know who have seen real war. I should have thought you'd seen enough to sicken you of blood and killing, instead of rousing you to inflame the worse passions in men and bring about more killings. You may tell me, as I know many agitators do, that you'd run through our streets than have the present "system" continue. If so, you are all working on the right lines.

I believe, rather, that the evils of the "system" may be altered, or removed, or improved away, that they are improving, by methods of reason and conciliation instead of throat-cutting.

I won't begin to argue here the questions of "super-production" and under-production, because, for one reason, there is little good in arguing with you who so firmly believe everyone but yourself mad. I'd rather address my arguments to some who are a little less convinced and on the eve of their belief. But it satisfies me to note that workmen-workers, Bill, who are earning their bread by the sweat of their brows-are also, in some instances, and in whole batches and blocks, becoming what you will call mad, and are coming to see that greater production may be a good thing after all, that no doubt, riles you and all the professional agitators immensely, and explains why you are reduced to invective instead of argument.

I thank you sincerely for your letter, and others for somewhat similar letters (although they, to be sure, fall short of your "nauseating bilge," "bechewed morsels wet with the saliva," "reckless prodigality of the ruling rich," "vile and poisonous growth" style of writing). It all encourages me, and leads me to believe that you and your class fear my writings may have some result on the lines I wish, and the lines you bitterly oppose. It is, in fact, almost the only encouragement I've had to continue my writings on this subject. And, by the way, do let me disabuse your mind on one point. You believe I am "not bought or believe you capable of such an attempt on your own; but we all know that dodge for an accepted practice amongst agitators, and you can't shake hands with pitchy ones without defilement. And we believe that your sources as just as tainted as you can call any of mine.

Yours, Bobb Cable.
Erivne have promised their help in the selection of plays, and none of these writers is either a priest or a pedant. Good" (Old Guard). But when did Mr. Galsworthy, for example, "see a joke, or Mr. St. John Erivne write a sincere play, or Mr. Gilbert Cannan feel a human emotion, or Mr. John Massfield write poetry? Mr. William Archer is in a category by himself; but his name is becoming so familiar as a judge or selector of plays that I expect to see him not when did Mr. Chamberlain’s Office, giving “comedy its due place in the repertoire.” Mr. St. John Erivne’s most famous feat was the destruction of the Abbey Theatre Company; he took Belfast (or was it Londonderry?) to Dublin, and provoked the Irish Revolution. The study of the personalities of the new movement reveals no new influence; on the contrary, with perhaps the single exception of Mr. Arnold Bennett (whose dramatic skill has developed with his commercial genius), it is a collection of played-out men who never were original, and who, now that Shaw is developing urbanity, do not even know where to look for an idea. Besides, ideas are only tolerable behind the scenes; on the stage we want drama, and not Le Penseur sprawling in various attitudes. The “great thinker” drama, wherein “sincerity will not be confused with solemnity,” is simply dead—as dead as the mystery drama of Miss A. M. Buckton, which has now, I believe, been added to the Church service. At the best, these people are only moralists, interested in the problem even more than they are interested in the milieu; they have acclimatized the genre play of the provinces, and have mistaken the self-satisfaction and local patriotism of their audiences for good taste in drama. But at worst (and so many of them reach this point), they are tractarians, not perhaps of the “Times,” but certainly of the “Leader,” and in the name of Art carefully avoid the production of anything like it. John Smith of Oldham with his boilers is the one touch of Nature with which they make the whole world kin. “A. B. W.” and Mr. E. A. Baughan are, of course, arguing at cross-purposes. “A. B. W.” talks of taste, meaning artistic taste, and says very truly that “the slaves of categories, they do not see that a bad Shakespearean performance—and our contemporary Shakespearean performances have a way of not being good—may be a less important thing in art than some five piece of wit in a quarter, that typical product of the commercial theatre.” Mr. Baughan, instead of replying to the challenge of taste, retorts with the serious, reformative purpose of his friends (did I mention that Mr. Baughan is a member of the Council of the British Drama League?), with the “sincerity” that will not be confused with the “familiarism” of Mr. Drinkwater’s “Abraham Lincoln”), and the comedy that will be given “its due place in the repertoire”—as curtain-raisers, I suppose. The one talks of drama as an art, the other thinks of it as a social movement with social reactions. It is, in effect, the old dispute between the Restoration comedians who had no morals to enforce in the theatre, and the followers of Jeremy Collier, who had nothing else. The painter may rave about the execution of a study of the nude, but the moralist can see nothing but the picture of a naked woman, and is only dubious in decision of the fact whether the sex or the nakedness of the figure is the more sinful. There is no possible basis of agreement between the two; they speak different languages, have different values—the one asks aesthetic enjoyment from art, the other demands moral improvement. The British Drama League may succeed in “impressing upon the Schools and Universities of the country the great importance of the drama as an educational force,” but those of us who want the drama to be a great dramatic force may well smile at the schoolmastery intention. The Church too, finds its theatre for some time; it is a fact that more people go to hear George Robey than the Bishop of London, and (who knows?) we may yet see curates filling their churches with the help of refined versions of the illustrious George—after I shut out the British Drama League has impressed upon the country the great importance of drama as an educational force.

What’s What and What Is.

Modern metaphysics before Kant have been summarily described as the attempt to discover that which is always subject and never predicate, and thus to determine what is ultimately real. The description is at least sufficient to indicate, by contrast, what is, as I think, a fair representation of Mr. Slesser’s metaphysical effort to establish the more truly knowing. He seeks to find the real in that which is always predicate and never subject. The knowable, the subjects of predication, are found in sense-data, and again in the “things” of experience in so far as these exhibit definite qualities and relations. But sense-data and “things” are not in any case at all, and so metaphysics, in the procedure in which all reality is to be by it “comprehended” (p. 13—an almost intentional reliance seeming to be put upon the ambiguity of this word), makes statements implying an order of reals which can only figure therein as predicate. As the realities in question are predicated only, these statements do not constitute knowledge of or about them, and as this their character as predicates is intrinsic, they are unknowable. But the fact that they are contained in metaphysical propositions is simply evidence that the real is not explicable in terms of sense-data or of the other objects of knowledge.

Have we here, then, a new evangel of that Unknowable which Spencer proclaimed as the proper object of human worship—that deity who regularly gave us the slip whenever a scientific discovery was made? Or does the “metaphysical ghost,” the “Thing-in-Itself,” again walk? The author’s indebtedness to the Kantian phenomenon is, indeed, obvious throughout. But the proper issue of his argument is not so readily to be found in the consideration of the relation of knowledge, as of phenomena only, to any presumed entities which “themselves are the correspondents” or “cause” them. Indeed, he rejects, on grounds of scientific economy, any such reference to “disparate noumena,” and seems to consider he has thus made up his final account with the Critical philosophy. In these circumstances it is all the more striking that in establishing the “being beyond knowledge” of one of his unknowables, Substance—and the general consideration would equally well apply to the case of the other two, Will and The Knower—Mr. Slesser should stress the analogy with his own procedure of the “cosmological” argument and the “argument from design” in natural theology. The true point of reference of his work to the Kantian criticism is, in fact, Kant’s classic discussion of the traditional arguments for the existence of God. As Mr. Slesser says, “Our final conclusion upon this matter cannot be more clearly put than in using the analogy of God to explain Substance... . The assertion of the being of God, predicated from known creation, is an assertion of a kind not dissimilar to the assertion of the being of unknown Substance from known sense-data. So far from such an idea of unknown Being being an unusual or eccentric doctrine, as some philosophers may assert, such a conviction is commonly prevalent in practically every religion, and is one of the actions of mind more widespread than any other sentiment which transcends Experience... . In this matter of the predication of Being of the Unknowable we find ourselves on the side of the vulgar” (p. 141).

* The Nature of Being: An Essay in Ontology.*

By Henry H. Slesser. (George Allen & Unwin. 10s. 6d. net.)
The cosmological argument, which is the more relevant here, contains, as Kant pointed out, two distinct arguments. The first purports to establish the existence of an absolutely necessary being, from the mere fact of contingent existence. "If something exists, an absolutely necessary being must likewise exist. Now I, at least, exist. Consequently, there exists an absolutely necessary being." But what is the nature of this absolutely necessary being? The answer to this question requires a second argument. To say that anything existent is absolutely necessary is to imply that its existence, as well as its other properties, must be contained in the very idea of it. Have we any idea which contains the existence of its object as well as its other properties? Yes, we have one, though only one, the idea of (God as) the subject of all positive predicates, of which existence is one. Combine the two arguments and it follows that God exists.

Kant rejects both arguments. The necessity concluded in the first is a necessity of thought, not a necessity of being. We are certainly obliged to refer back and back from effect to cause. But in experience we can never reach a last term in the series. The second, which is the only properly theological part of the contention, is just the "ontological" argument, whose fundamental fallacy is that it identifies the idea of a thing's existence (however intellectually necessary the idea) with its existence. Further, if this second argument were valid, the first would be superfluous.

Now, though Mr. Slesser, from the quotation given above, appears to confine his own doctrine to the non-theological part of the contention, his reasoning to "Being" really contains both types—he has his "ontological" as well as his "cosmological" argument. The former appears in his doctrine of the "conceptual relation of words to sense-data," the latter in his analysis of sense-data and of the more or less generalised entities which are invoked in scientific explanation of events. In all this he seeks to get quite back behind the modern metaphysics which is typically a theory of knowledge.

A phrase like "Words of Being" suggests something daring and mysterious—the old "conceptions implying of themselves the existence of their objects" are utterly put in the shade. Have we but to utter the words "substance," "will," "the knower," and, ipso facto, reveal the existence of entities beyond our ken? Perhaps it is the prevalence of such linguistic achievements that has led the publishers to announce on the wrapper that the conclusions of the treatise are mystical. But the obscurities seem to follow mainly from the vague analysis of terms on which the author founds his metaphysical procedure. Some analysis is enjoined by the fact that metaphysics consists of statements, but what is possible in the way of statement is discovered by Mr. Slesser principally through a consideration of the "parts of speech." He makes, on the other hand, practically no use of the analysis of judgment offered by the traditional formal logic, or even by a recent theory of knowledge. The problem "What are words, and what are the limitations which their use involves? . . . which is fully discussed in Logique, is here only considered in so far as it is necessary for our purpose" (p. 14), and it is a pity that that purpose excludes so much, otherwise in Mr. Slesser's own case the task of the expositor might not draw so largely on the equipment of the translator. For metaphysics this point is quite vital. In what follows there is certainly a useful and important discussion of the different purposes of language, and the distinction between the rational and the emotional connotations and effects of words, is clearly urged. Nevertheless it appears throughout the argument that (to take one instance) the word "Event"—one of the author's basic conceptions—is as portentous, as greatly abounding in edification and teleological significance for Mr. Slesser as it was for Shibli Baghagir.

It emerges that the result of science is to "predicate knowledge of sense-data," the problem of metaphysics is to "predicate being of knowledge." Now, for ordinary logic, to "predicate knowledge of sense-data" would be simply to say that sense-data are known. To "predicate being of knowledge" would, in like manner, be no more than to assert that knowledge exists, or that there are people who know. There is nothing particularly metaphysical, or even mystical, about that. But Mr. Slesser has for predication a meaning of his own, derived, one is almost tempted to believe, from the almost unrecognised and the more verbose types of oratory. It manages to contain, in addition to the logical meaning, the notions of prediction, of development, and of revelation, "inextricably mixed up together." Any statement whatever: not merely implies, but is prediction.

We may find the various meanings, however, differently distributed over the field of knowledge. Prediction comes out most prominently when we are dealing with sense-data. These are given in a series of continuous changes. But we can correlate them so as to predict the future occurrence of certain of them. It is a criterion of others, a prediction verified in the "event." Generalisation develops, graduating in language. But generalisation is possible below the level of language, because its elementary basis, the types imposed on sense-data by the fact that we have and use so many sense-data, is not confined to human experience—some of the "higher animals" can correlate and "predict." (Thus, so far, there are natural or "real" kinds in Mill's sense.) With the appearance of language, however, statement becomes possible. The chief contribution of language to knowledge are the noun, the verb and the adjective. The noun represents the stabilised expectation of event, the verb its actual eventuation. With the adjective we come by the definite concept implied by the noun. All these enable us to describe Event—to our good—but even in their terms our description is contingent; its verification depends on the actual event. The mutual relations of sense-data are alogical (surely Mr. Belfort Bax, epistemologist as he is, is come into his own), and while their existence, indeed, presents the natural classification above remarked, the classification itself is contingent. Still, there is other work for a man than just waiting to see. Possessed now of the concept, we are empowered to make two sorts of statement: (1) We can assert the relation of one concept to another—perhaps to one another—in words that are fully conceptual, of course. (2) We can assert the conceptual relation of things, or, rather, of nouns, which, again, symbolise sense-data. (1) and (2) are grouped by Mr. Slesser under the head of "formal statement," and here predication has rather its normal logical meaning. The truth of statements of class (1) is necessary (a). Statements of class (2) are still only contingently true; they can only be verified when we desymbolise them into terms of sense-data and observe the event. But statements of class (2), which are mere generalisations of certain of the sense-data, require the inclusion of certain very general concepts—space, time, and causation—which are formal, being based rather on the "things" of descriptive statement, as such, than on the nature of the sense-data. Being thus required, these concepts, too, are necessary (b). Here I may remark that this has had to be largely a paraphrase of Mr. Slesser's extended argument, and that he himself does not distinguish the two necessities just signalled, but seems to consider them identical; still, I should contend that this identification is now clearly a critical point and vitates his final position. In these necessities, whose is the need or want? In the former, that of one concept for another. In the latter, a need of our thought, or,
and mathematical principles), a necessity which we distinguished from our presumed need in thought for certain conceptions, we can see that it is quite possible for a thing which we do not know to be necessarily related to something we do not know. For the need is here not ours. Mr. Slesser certainly reproduces Mr. Russell's rejection of the "idealist" principle that we cannot know that anything exists which we do not know. But our author, in any case, restricts acquaintance to sense-data and ignores universals. This only confirms the fact, otherwise plain, that for him any such true judgments would fall entirely within the class of statements to be verified in event. The rejection gives no ground whatever for metaphysical statement of the sort he contends for. We seem to be left with this, that the reference of metaphysical statement to being beyond knowledge must be guaranteed by the mere use of the "words of being" themselves. Nothing that the author has shown us of the function of these words as predicates establishes the existence of such being. Is a word, then, a proof of existence? Something like this appears to be at the back of Mr. Slesser's mind. In his account of metaphysical truth he puts great emphasis on the analogy of religion, and seems to argue that we get in religion, if we trace the history of its affirmations, the essence of metaphysical assertion. But nothing more seems to be required in order to get a valid system of metaphysics than to take the characteristic words which figure in religious assertions and purge away their emotional reactions. When their effect on the hearers has thus been changed from edification to the production of simple intellectual belief in some existence, we have metaphysical truth. Mr. Slesser, in short, follows the modern custom, which finds some encouragement in Kant, of basing the validity of assertions on the fact that it is possible to make them. Only, it is one thing to show how the possibility of a statement follows from an analysis of certain fundamental principles of knowledge, and this is what Kant tried to do. It is another to base the possibility on mere history. W. ANDERSON.

In School.

XVIII.—APPRECIATION OF MODERN LITERATURE.

My experiences of school-teaching, which began soon after the war, ended some few months ago, and though I learnt many things concerning the mentality of children during that period I always felt that no amount of experience would lessen the frequent surprises afforded me by their eccentricities of literary taste. I could seldom foretell with any hope of accuracy the appeal which any particular passage of English literature would make to the form. Of course its opinion, would not always be unanimous, but when the collective mind did manifest itself its literary taste seemed at times surprisingly mature, and at others remarkably deficient. It is, however, difficult, if not impossible, for anyone to affirm positively the failure of unconscious appreciation. More than once I have been asked quite spontaneously by my form to read again to them some passage for which they had expressed positive dislike on hearing it for the first time. It may be that certain works of art strike the unconscious too deeply for the appeal to rise immediately to the conscious surface. Or it may be that certain psychological resistances will operate at first, and until these resistances are broken down or worn away appreciation will remain in the unconscious, simultaneously perhaps with conscious indifference or dislike. And it must be
remembered that until appreciation does become conscious it is practically speaking worthless.

One term I chose Le Morte d'Arthur to be read in class, but decided to abandon it after the form had read about fifty pages with apparently little enjoyment. However, at the end of term, as an exercise in English prose I asked them to describe one of the school plays, and three extracts from "Cargoes," by Mr. John Masefield—prose I asked them to describe one of the school plays, and three extracts from "Cargoes," by Mr. John Masefield—prose I asked them to describe one of the school plays, and three extracts from "Cargoes," by Mr. John Masefield—prose I asked them to describe one of the school plays, and three extracts from "Cargoes," by Mr. John Masefield—prose I asked them to describe one of the school plays, and three extracts from "Cargoes," by Mr. John Masefield. I considered that until appreciation does become conscious it is practically speaking worthless. However, at the end of term, as an exercise in English prose I asked them to describe one of the school plays, and three extracts from "Cargoes," by Mr. John Masefield—prose I asked them to describe one of the school plays, and three extracts from "Cargoes," by Mr. John Masefield. I considered that until appreciation does become conscious it is practically speaking worthless. However, at the end of term, as an exercise in English prose I asked them to describe one of the school plays, and three extracts from "Cargoes," by Mr. John Masefield—prose I asked them to describe one of the school plays, and three extracts from "Cargoes," by Mr. John Masefield. I considered that until appreciation does become conscious it is practically speaking worthless. However, at the end of term, as an exercise in English prose I asked them to describe one of the school plays, and three extracts from "Cargoes," by Mr. John Masefield.
of purification, Moses commanded that “he that is to be cleansed shall wash his clothes, and shave off all his hair, and wash himself in water, that he may be clean.” This insistence on cleanliness is perhaps the one point on which Jew and Greek agree; and if the degree of cleanliness achieved were not equal to what we now call “surgical cleanliness,” it was enormously greater than what Mr. Maynard calls the “sanctified cleanliness” attained by “the pious Catholic who dips his hand into the probably dirty font and crosses himself.”

My chief point is that Christianity has no use for the virtues of the Catholic saint, which in the main consist of the endurable offenses. It is one thing that Jesus did not turn away from the dirty man; but He said to the leper: “Wash, and be clean”; to the paralytic: “Thy sins be forgiven thee”; to the ophthalmicus: “Be healed”; and so on. He would not endure a dirty man, no, not for an hour; and He began His own ministry with baptism by John. Indeed, the most frequent verbal symbols of religion are symbols of purification; the one thing that we are not asked to do is to tolerate dirt. If we think of it, this is a natural development of the commandment that we should “love one another.” The only classes of people of whom I can think at the moment who find dirt attractive. For you cannot love a person who offends your every sense as heartily as you can a person whom it is a pleasure to behold; nor can that person do to you the full good that he may desire. The spiritual forces themselves do not emanate so freely from a body that is clogged with dirt. From one hand to another it is common religious teaching that those spiritual forces are dangerous to the impure body. If the body is the temple of the Holy Ghost, we may find in the well-nigh universal uncleanness of the race an explanation of the obvious rarity of Its presence; there are few places fit for Its abiding.

The democracy of dirtiness is no more apparent than its religion; “the great unwashed” want to be “the great washed,” and the miners demanded bath-rooms, not dunghills, in each of their houses. Indeed, when washing is made a common room of abuse, by working people, it becomes clear that “G. K. C.” is right when he says: “This extreme sensibility about dirt does act as a great force of social division. very destructive of democracy.” The ordinary workman is not satisfied with naming a man’s nationality; he commonly adds to it the “dirty” adjective. Thus we hear of the “dirty German,” the “dirty Pole,” or Frenchman, as the case may be—we even hear of the “dirty Jew,” a man whose very religion is a ritual of cleanliness! The extreme sensibility about dirt is undoubtedly a great divider; but the remedy is to abolish the dirt, and not deaden the sensibility to its deleterious effects. The only classes of people of whom I can think at the moment who find dirt tolerable are saints, tramps (these two are mentioned by Mr. Maynard), and the mentally defective or deranged; all the rest would be clean if they could, and demand “facilities” for washing. Democracy and dirt do not agree.

So, if I had to choose between Pharisaism and Catholicism, I should choose Pharisaism; for a “whited sepulchre” is at least more aesthetically agreeable than a dirty one. But the choice is between Catholicism and Christianity, and, once again, the verdict is against Catholicism. For the Catholic celebration of the Stoic virtues of patience, endurance, and so forth, is part and parcel of its general denial of progress; the assumption is that things always will be so, and the only admirable thing to do is to endure them, gladly if
possible, but at least with patience and long-suffering. Mr. Maynard, as I remarked in my previous article, admired the kindly woman who endured the agony of cancer and refused what he himself called "the mercy of morphia." But to the Christian, pain is not a sanctifier; it is a mere signal of distress that may indicate the nature or the location of something that has to be removed or cured. Christ Himself could not have cured a woman who was determined "to miss no step of her Via Crucis!"; it was of such people that He said: "And ye will not come to Me, that ye might have life." Such people make the Word of God of none effect by their traditions of endurance of unnecessary evils.

But Christianity is heresy; the "Divine Deposit" was made with the Catholic Church, which has lived on the interest derived from it ever since. We have never "the mercy of morphia." But to the Christian, pain admired the "heroism" of possible, but at least with patience the circumstances of the sailor's life than to bring to an example, and if we could live on one another's sufferings, of Jesus are elevated for our admiration and for our example, and if we could live on one another's sufferings, the Catholic Church would be justified. But the Divine Deposit, wherever and whenever it was made (and it is made in every age and clime, is as universal as the Catholic Church only claims to be), included a technique of healing that is slowly becoming a standard of values that does not exist disciplines to the rank of virtues, and a determination to abolish everything that the Catholic so hardly endures. It was "a new heaven and a new earth" that Jesus promised, and the necessary condition of entering it was that we should be born again.

A. E. R.

Reviews.
The Moon of the Caribbees, and Six Other Plays of the Sea. By Eugene O'Neill. (Boni and Liveright. $1.75 net.)

There is singularly little of the sea in these seven one-act plays, and far too much of the sailors. We doubt whether they could be performed with any success; most of them are incidents without any dramatic interest, contrived more to reveal the actual or probable study; a bad play is not necessarily good literature, and the altercations of the crew of the "Glencairn" do not repel us even with new swear-words. Nor do the novels of the Irish police and of the judiciary of the period is done with a fine skill in the matter-of-fact phrases of a man who can make jokes about anything, and bad jokes delight him perhaps even more than good ones. There is no necessary error of taste in choosing the last words of great men, for example, as the subject of a whimsical sketch; what they do say, what they are reported to say, and what they ought to say may legitimately be treated by the essayist. But to tell us that Joan of Arc, for example, said "Tramp, tramp, tramp; the boys are marching," is to fall from the graciousness of humour into unqualified irreverence. It is not funny; it is simply scurrilous treatment of one of the most dignified figures in history. There is a monologue by an under-talker concerning a corpse which, in spite of a few quaint phrases, does not create a character by putting the word "impashunt!" into his mouth, nor by taking out most of the aspirates. Still, those who find "reality" in drink, women, fighting, and bad language may prefer Mr. O'Neill's sketches to the literature of Conrad or the humour of Jacobs; but for us the incurable vulgarity of these sketches is not redeemed by a single quality that makes literature. They are "life," of course, but life selected for its grossness; and we prefer less crude subjects and treatment.

Free, and Other Stories. Twelve Men. By Theodore Dreiser. (Boni and Liveright. $1.75 net each.)

Mr. Theodore Dreiser is not immediately interesting; he wastes an extraordinary amount of space in telling us what any ordinarily intelligent person takes for granted, and telling us in a style that has not yet become personal. It is only as we read on (and somehow we do read on) that we become aware of his peculiarly vivid style; he says it almost as a complement of various of his characters that they are "avid of life," and his undoubted proximity derives from the same hunger. He not only wants to know everything, but he wants to tell his readers all that he knows; and this freshness of interest and vigour of impulse do at least secure him a hearing. Unfortunately, he has nothing to tell us then other than what So-and-so did, thought, felt, or said; he never rises above narrative to style, nor justifies his insatiable curiosity by creation. He is a journalist with artistic predilections; indeed, he never distinguishes the artist from the journalist, but gives the title to any reporter capable of writing a purple patch. But, apart from his rather pathetic desire to be regarded as an artist (he seems to fall into the fallacy that what is popular is not art), he is interesting because he writes of Americans as he knows them, without reference to European standards. He admires most the men who do things, and the more things they do the more he admires them; he is another Thoreau in his worship of the handy man, although he develops no social criticism from the fact of his existence. There are several studies of journalists, some of municipal politicians, some of what he will call artists, and some of mere human beings in various phases of inhumanity. He even descends to the study of the girl who nearly lost her virtue, and by the introduction of an "awful example" warns parents against bolting out their daughters. He is, as might be expected, most personal in "Twelve Men," for these sketches have an autobiographical or journalistic basis; and although he says nothing remarkable, he keeps our interest engaged by the sheer vigour of his interest. He tells his tale to the end; we do not hear it, we do not remember it, but we rise from it refreshed by contact with his amazing vitality. If only he could learn to write he would be worth reading.

The Curious Republic of Gondour, and Other Whimsical Sketches. By Samuel I. Clemens. (Boni and Liveright. $1.25 net.)

There is no particular reason for the publication of these sketches; Mark Twain, like the rest of us, was young once, and did things that (as he did not re-publish them himself) he apparently preferred to leave in the decent obscurity of journalism. These sketches reveal him in that fellow stage where the "joker" is just beginning to develop a sense of humour. The letters of a Chinaman to his friend are the only things in this volume that reveal the deadly simplicity of the stylist; the indictment of the methods of the Irish police and of the judiciary of the period is done with a fine skill in the matter-of-fact phrases of a man who apparently assumes that political phrases can be literally interpreted. "The land of the free" did not convey to the American the specific meaning attached to it by the Chinaman, although the Chinaman in no sense supposed that he was the unfortunate victim of a series of misdeeds. But for the rest these sketches reveal an insensitiveness that is merely youthful; the new-fledged joker is mainly concerned to show that he can make jokes about anything, and bad jokes delight him perhaps even more than good ones. There is no necessary error of taste in choosing the last words of great men, for example, as the subject of a whimsical sketch; what they do say, what they are reported to say, and what they ought to say may legitimately be treated by the essayist. But to tell us that Joan of Arc, for example, said "Tramp, tramp, tramp; the boys are marching," is to fall from the graciousness of humour into unqualified irreverence. It is not funny; it is simply scurrilous treatment of one of the most dignified figures in history. There is a monologue by an under-talker concerning a corpse which, in spite of a few quaint phrases, does not create a character by putting the word "impashunt!" into his mouth, nor by taking out most of the aspirates. Still, those who find "reality" in drink, women, fighting, and bad language may prefer Mr. O'Neill's sketches to the literature of Conrad or the humour of Jacobs; but for us the incurable vulgarity of these sketches is not redeemed by a single quality that makes literature. They are "life," of course, but life selected for its grossness; and we prefer less crude subjects and treatment.
LETTERS TO THE EDITOR.

ECONOMIC DEMOCRACY.

Sir,—I should like to ask Major Douglas where the "money" would come from to "run" and staff the Clearing House, which, I take it, would replace the banks in his financial scheme. It seems to me that it would have to come out of taxes, and that what we should be saving in prices we should be spending in additional taxation.

The idea of price being less than cost is so revolutionary that one cannot help feeling there is a "catch" in it somewhere. In the example given (Chapter X), where boots are sold for two-thirds of the cost, the whole argument would seem to fall to the ground if all the boots produced in a month were consumed in a month—if, in other words, production and consumption were equal.

In short, the cheapening of the boots is brought about by producing more than twice as many of them as are required, which, on the face of it, seems to be a very extravagant and wasteful proceeding.

One would also like to know whence Messrs. Jones and Co. (Chapter X) got the £500 to pay their out-of-pocket expenses before being reconfined by the Clearing House cheque.

These various firms are presumably financed initially by the Clearing House (the State?), and there would be many bad debts arising out of firms that did not "make good."

Whatever view your readers may take of Major Douglas's theories, they cannot, I think, fail to have found his articles immensely interesting and stimulating.

Major Douglas replies:—While I appreciate both the interest and the criticism of the writer, I must point out that he has not quite grasped the subject-matter of Chapter X.

The object of the sketch in that chapter is to emphasise the fact that money is not a real commodity; it is simply a mechanism which has to be adjusted to produce certain distributive results. In the earlier examination of the fallacy of the super-production propaganda now in full blast, it was shown (partly as a result of a mathematical analysis and partly by examination of many actual cost and time records) that the necessary distribution was not attainable by distributing money over a variable period of time in the form of wages—i.e., cost—and at a subsequent date collecting all this money in the form of price.

Further analysis showed that it was necessary to distribute more money than you collected, in the ratio of production to consumption.

Mr. Graham raises the point that the method fails to cheapen if consumption is equal to production.

Certainly it does, but it never is in a civilised country. There is always a preponderance of production of the comparatively permanent class-houses, tools, raw materials, means of transport, etc.—which take incomparably less time to produce than they do to consume—i.e., to depreciate—and it is the ratio of the whole production of the community to the whole consumption which fixes the ratio to be applied to cost, into which cost, of course, goes the cost of the bank and Clearing House. I think a perusal of the above further explanation will enable Mr. Graham to answer his own question.

"FREELAND."

Sir,—In the article on "Towards National Guilds," August 21, 1916, p. 275, is stated:

"Each of us at birth enters by right into the common inheritance of the productive machinery of society. It is an inexhaustible right—a right, in other words, which is normal to human society. Each of us, is, therefore, entitled to a proportionate share of whatever is produced out of the said social machine by the application of labour, even though we would be unable, for any reason, to operate the machine ourselves. The actual operators, it is clear, are entitled to more than the rest of us; they are entitled to receive the cost of their labour plus a proportionate share of the product, and in that way we would replace the infinitely small degree to our own intelligence and strength; thrown upon these as our only resources, we should be poor savages vegetating in the deepest, most brutish misery; it is to the rich the inheritance of the whole producers that we owe ninety-nine per cent. of our enjoyments. If this is so—and no sane person has ever questioned it—then all our brothers and sisters have a right to share in it, and, if that be so, the whole maintenance of the super-production propaganda in this country would be unproductive without the labour of us who are strong is true, and it would be unfair—nay, foolish and impracticable—for our weaker brethren to claim an equal share. But they have a right to claim a fraternal participation—not merely a charitable one, but one based upon their right of inheritance—in the rich profits won from the common heritage, even though it be by our labour solely."


Has a critical examination of the book or an account of the expedition been published?

W. H. A.

CONSCIENTIOUS OBJECTION.

Sir,—The passage quoted from Plato by Major Kellogg and "A. E. R." seems rather a beginning than an end to the problem of political citizenship and conscientious objection. It is an admission that conscientious objection is from the very nature of things impossible to escape citizenship of one State without becoming citizen of another that is probably equally objectionable. This will be so, I suppose, until we get such a neutralisation of citizenship as Veblen's "Nature of Peace and the Terms of its Perpetuation." Further, the alleged obligation cannot be based on the beneficence received. The recipient had them and the presumed "contract" thrust upon him willy-nilly, unless we accept some such hazardous theory as is propounded in Butler's "Freewill." On the other hand, he can rest a claim for immunity and compensation on the harm done him by bringing him and keeping him in such insanitary (physical, moral, and mental) surroundings. Finally, to be brief, it is useless to talk of community and political citizenship in the same breath. Communities don't coincide with political frontiers or suzerainty, and the State is but a piece of scaffolding that tries, with too much success, to conceal its limited usefulness under arrogant and bloated bunting.

It seems probable that conscientious objection to war, taxation, and other political institutions should be treated apart from various other social recapitulations of the same appearance.

HILDEBRAND COUSENS.

CONTEMPORARY CRITICISM.

Sir,—In your issue of July 10 to Mr. Edward Moore makes an interesting comparison between Mr. Chesterton and Mr. Bernard Shaw. I agree with Mr. Moore that they have much in common. Both are deficient in aesthetic feeling and in the sense of form. Each has a meagre vocabulary and a lack of stateliness in his style. In fact these two men, together with Mr. Lloyd George, Mr. H. G. Wells, and Miss Christabel Pankhurst, are the most representative figures in what posterity will probably remember as the "age of Lord Northcliffe."

I differ from Mr. Moore, however, in the relative influence he ascribes to the two men. He considers Mr. Chesterton "the national force." In this Mr. Moore is not quite grasped the distinction between a national force and a popular figure. There is only one test of force, viz., the amount of movement produced by it. Judged by this test Mr. Shaw is a greater force than Mr. Chesterton. Mr. Shaw has been wonderfully successful in carrying the world with him, while Mr. Chesterton is leaving no mark behind him.

Beyond question the two questions that are happening in our time are the dying out of superstitious fears...
and the fall of the birth-rate. Not long ago, the fear of the gods and of eternal punishment was as strong as the days of Epicurus. "Frightful to all men is death, from old named King of Terrors," said Carlyle. We all remember the fear of death in which Dr. Johnson passed his life. Yet, he says, the decay of faith, and is a refuter of Malthus. Nevertheless, the churches are emptier than ever, and the birth-rate of nearly all countries declines every year. Evidently the force exerted by Mr. Chesterton is not very great. Mr. Shaw, on the other hand, has always supported these movements, and has helped them much. He is a force. Unquestionably, however, Mr. Chesterton is by far the more popular, although the less powerful, of the two men. The kind of work done by Mr. Shaw, however efficacious, is not popular in England. This curious fact is worth inquiring into.

I think the reason is that the English are a very reverent people; they are always ready to cringe before the power. "An Englishman is all right if you kick him," said Mark Twain. Even titles and money-bags are reverence by the English, for Divine power? The might which can kick unbaptised infants into hell is indeed something to be venerated. Thus the tendency to revile and flout the gods which has been so characteristic of many peoples has never been understood in England. "Curse God and die," was the advice natural to the Semitic mind, but horrible to the English. Dante introduces us to a spirit in hell who has so great a contempt for God that he does not feel the pains of hell at all. That was an Italian spirit, not an English one. The pagans of antiquity never hesitated to revere the injustice of the gods.

"Fuimus Troes, fuit Ilium, et ingens Gloria Teucerorum. Perus omnia Jupiter Argos Transtulit." 

The English, however, have always been a "god-fearing" people, as they take a strange pride in telling the world: "If such a being can condemn me to hell, I will go!" cried John Stuart Mill; but Mill was not a typical Englishman, and the English are ashamed of that utterance. "I hate both bawd and blasphemy," said Mr. Birrell in a recent number of the "Nation." The limitations of the English mind were never stated more concisely.

It is thus obvious that an irreverent writer like Mr. Shaw must be unpopular in England. Greece admired Lucian; Rome adored Cælius, Lucretius, and Ovid; France is proud of Voltaire and Fontenelle. The English are ashamed of their Antiquity, both his eyes being torn out of the sockets. M. Nicholas Angerides and twenty brave little followers perished at his side in a vain attempt to save their beloved chief."

What a pathetic incident, and how well calculated to appeal to us in England, where boy scouts are known and Greek boy scouts in Asia Minor appear incredible! In the "Daily Telegraph" of August 2, 1919 we have this message from Constantinople:--

"Nothing is known here regarding the alleged brutal murder by the Turks of a Greek scoutmaster and twenty brave little followers perished at his side in a vain attempt to save their beloved chief."

Fielding Sir,—"R. H. C." is anxious to track the last line of a poem, "The Dead in the Desert," by W. P. R. Kerr. It was published in the July number of the "Monthly Chapbook" (Poetry Bookshop). The context is:

"No man remembers them, no man weeps for them: The years drift on over the desert sand. For the end of all their journeying and their seeking, Whatever they sought, their bones lie here in the desert."

R. L. FRASER.

ON THE TRANSLATION OF POETRY.

Sir,—Mr. Selver will not have to look very far afield for an example in English of a "downright verbal blunder of the groser kind." In the "Homage to Prosperity" of two or three weeks ago Mr. Ezra Pound represented "Cimborumque minas et benefacta Mari" by "the Welsh mines and the profits Marus made out of them" (I may have forgotten the exact words) instead of "the threats of the Cimbrians and the benefits conferred by Marius" in conquering them; or, perhaps a little more imaginatively, and the jack-boot of Marius." The Cimbriss have nothing to do with the Cymry, nor "minas" with mines; while "Marius" is merely a ghost raised by Mr. Pound. I admit that "et" is correctly translated "and."

If the line is meant as a joke, I beg Mr. Pound's pardon, the more readily as I have a great admiration for the "Homage to Prosperity." But is it worth while to spoil the reception of a vital piece of work for want of a blue pencil here and there before it is published? There is no reason why Mr. Pound should make free gifts to the pedants, who in any case would not understand his jokes.

ADRIAN COLLINS.

FIELDING

Sir,—"R. H. C." is mistaken when he says there is no sentimentality in Fielding. It was lucky for Fielding that he was born at the beginning of the 18th century. A hundred years later he would have displayed his weaknesses almost as freely as Thackeray displayed his, and, conversely, had Thackeray been born in 1713 instead of 1813, he would have avoided such a scene as that in which Artlind Pendennis says the Lord's Prayer at his mother's knee.

Excellent as the humour of "Jonathan Wild" is, the morality of the book is sentimental. Does a Nietzschean like "R. H. C." appreciate "The Life of a County Gentleman," for instance? It is necessary only to compare Allworthy with Matthew Bramble to realize that Fielding was potentially as great a sentimentalist as Thackeray.

"R. H. C."'s view that Fielding was not a creator, because in his first novel he reacted against Richardson, is very fanciful. What was the creator because he reacted against the romances of chivalry? HUGH LYNN.

A CORRECTION.

Sir,—In the course of my article in last week's issue I wrote, "Mr. Lloyd George, but not Mr. de Valera," not, as was printed, "Mr. Lloyd George, but not de Valera."

S. J. SPAIN.
Pastiche.

THE REGIONAL.

IX.

The Irishman (wailing): Why are you beating me?
The Irishman (howling): Ye h'killed moy Saircote!
The Jew (plaintive): It was two thousand years ago.
The Irishman (continuing his blow): Donsie matther, bigob, Oj justh heard it?

This brief apocryphal dialogue summarises not only the history of the Church militant of the Crusades, of all religious incursions to action, but also all of our attempts to put single and untempered ideas into immediate and in temperate practice (prohibition, etc.).

The idea—that is to say, the author's personal addition in Meyer's summary, "The Machiavellian circle occurs; the man good—may find himself on this side and then on the other of any given dilemma, first for concentration, then for freedom or for decentralisation; but this is not merely the "swing of the pendulum" cliché of opportunism. The Roman Senate was presumably a set of wooden-headed incapable of understanding Caesar's imagination; village elders, provincials; there are always these obstructionists. They could bring no argument but that of slaggers; only Caesar's obvious and material successes and the clarity of his prose have prevented his inclusion in the Sanctus exercitus nartorum with Jews and Socrates;

...sanctus exercitus nartorum with Jews and Socrates;...