THE
NEW AGE
A SOCIALIST REVIEW OF RELIGION, SCIENCE, AND ART.

No. 1497 New Series. Vol. XXIX. No. 3. Thursday, May 19, 1921. [Registered at G.P.O. as a Newspaper.] SEVENPENCE

CONTENTS.

NOTES OF THE WEEK.

Nobody can tell from day to day what the morrow will bring forth in the present industrial situation. Since the motives and attitudes engaged in it are largely unconscious, all the parties, without exception, having abandoned themselves to chance, anything from one revolutionary extreme to its reactionary opposite is possible. The via media, on the cultivation of which England prides itself, as a nation, is altogether neglected on the present occasion; and we who preach it are as the pelican in the wilderness. It is certain, however, that, whether before or after the deluge, the principles we have been engaged in formulating will become part and parcel of our social practice, if for no better reason than that they alone will prove to work. A permanent industrial settlement, such as everybody professes to desire and few take the trouble to consider, is impossible in the existing crisis of the world without the adoption of specifically new principles. The war, it is not yet realised, put an end to an epoch in social evolution; and not all the ingenuity in the governing classes will succeed in pouring the new wine of the new age into the old bottles of the pre-war era. The sooner, therefore, it is realised that something new is necessary, something hitherto unheard of, strange, "revolutionary" and even, at first, a little unintelligible, the sooner will our English genius for the practical be able to assert itself. There is no road back, except through social chaos into new world-wars; the road forward, though strange, is open.

* * *

Neither our own efforts nor the efforts which we are glad to know our readers have made, have, so far, produced the smallest visible effect upon the Miners' leaders. At the ruinous cost of millions a week to themselves, tens of millions a week to the nation, and hundreds of millions to the world, the Miners are engaged in carrying on a negative war by means of a passive defence, and not in the least, as they unfortunately suppose, against unusually malign or stubborn employers or State officials, but against economic facts of which the Owners and the public are no less victims than the Miners themselves. We shall have a word to say of the Government in a moment, but, at the outset, it is advisable to repeat that a primary part of the initiative necessary to be taken ought to be taken by the Miners' Federation itself. It is out of date, to say the least of it, that one of the most powerful Trade Unions in the world should have no better policy at its disposal than a demand for a joint Pool, and no better argument than enforced starvation with which to make it acceptable; and the disgrace of this helpless, hopeless and brutal situation is all the greater from the fact, the indubitable fact, that the creation of the only Pool of the least value to the Miners' Federation is immediately within the power and discretion of the Miners' Executive. What are they waiting for? It is clear that, for reasons of which commonsense approves, neither the Owners nor the Government are disposed to take the initiative in forming a joint Wages-Pool, or even of consenting to share in it. It is no less clear that the advantage of the Miners is to be found in this fact, since the refusal of the Owners to join in a Pool and, consequently, to acquire any control over it, is a virtual invitation to the Miners to form their own Pool and to make exclusive and absolute use of it. Why should there be any delay in setting to work upon it? What evil influences are blinding the eyes of the Miners' leaders to their opportunity? Be the answers what they may be, no full and permanent settlement of the present disastrous dispute is possible without the Miners' will to create some such a Pool as we have described.

* * *

While requiring an act, an exercise of initiative, a positive policy suitable to the situation, from the Miners, it must not be thought that either the Owners or the Government are in our judgment without responsibility or blame. By reason of their past and present claims, all their powers and privileges, and their acceptance of responsibility, both for the maintenance of the existing system and the general well-being of the community, the onus of finding a way out from the present impasse is in reality theirs, and not the Miners at all. What we wish to say is that the situation demands a new attitude from the Miners as well as from Labour in general, but only as a spontaneous act of self-creation, to signalise the coming-of-age, in the social sense, of the working-classes. Otherwise, it is historically and in fact the Government and the Owners upon whom the responsibility and initiative rest. Moreover, the "way out," open to be taken by the Government, even without a simultaneous initiative on the part of the Miners, is perfectly clear. The Government has only to guarantee a financial credit to equate the real credit produced by the Mining industry to restore the industry to full working order and to bring about a relatively permanent settlement in a day or two. It will be said, of course,

that we are proposing what has already been refused, and, let us add, properly refused—a subsidy to the Mining industry out of the pockets of the tax-payer. Nothing of the kind. What we propose is the adoption of the practice of the banks when *they* issue financial credit—but with this vital difference that, whereas the banks issue credit on account of future production, and recover it in ultimate prices, the Government credit we propose to give to the Mining industry would be on actual production and for the reduction of prices. Let us suppose, for instance, that to-morrow the Government were to make to the Mining industry the following offer. As and from the resumption of work, wages as reckoned before the stoppage should continue to be paid for a period of twelve months. The Miners, we presume, would have no objection to returning to work upon those terms. Next, the selling-price of domestic coal at the pit-head should be fixed at, say, a quarter of its cost. Is there any doubt that the public would be gratified by that arrangement? Finally, the Government would give a guarantee to the Owners that, at the end of the twelve months, the *difference* between their Costs incurred (including wages) and their receipts from Prices should be made up to them by a Treasury draft. Is there any Owner who would not be satisfied with that assurance? But whom else than the Miners, the Owners and the Community is there to be considered? If the Miners were satisfied by the retention of their present wage rates; the community satisfied by the reduction of the price of domestic coal; and the Owners satisfied by the guarantee of their legitimate costs, nobody of any real importance would be left to complain. The industry would be set going again to the satisfaction of the three parties concerned, the Miners, the Owners and the Community as Consumer.

* * *

The question is sure to be asked: Where is the Money to come from? What is the source of the Treasury draft which it is proposed to pay to the Owners to make up the difference between their Costs and their Receipts from sales? Since it is not to be drawn from the taxpayer or to rank as a Government debt—in other words, is not a subsidy—where is it to come from? The question, as we have said, is inevitable in the present state of ignorance concerning the nature of Money; but, in fact, the answer is simple. The Government will create or print the money in exactly the same way that the Banks do now. When a Bank issues a "loan," it does not "borrow" the money from anybody or anywhere. The deposits of the bank are not *diminished* as a consequence of bank-loans; on the contrary, they are increased. And just as nobody asks where a Bank whose credit is good "gets its money from," so nobody need ask where the Treasury, in our proposal of policy, would obtain the money to carry it out. Moreover, as we have already said, the difference between the creation of bank-loans "out of nothing," and the creation of Treasury credits apparently "out of nothing" is all in favour of the latter. Bank-loans are the creation of Money for future production, often speculative and, more often still, non-consumable production. Furthermore, although bank-loans raise prices by inflating purchasing-power and thus *immediately* tax the consumer, they are recovered a second time in the prices of the production when ultimately delivered. Our proposed Treasury-draft, on the other hand, is made after production has been brought about; it does not, therefore, inflate purchasing-power, since the "goods" on account of which it is issued are already in existence. And again, unlike issues of bank-credit, it enables prices to be reduced and not raised, thereby at the same time that it sets production going, facilitating the equally necessary process of consumption. There is not, in fact, a single argument against the Treasury credit we propose save this: that the monopoly of Credit now exercised by a dozen or so nondescript individuals would be impaired.

Here or nowhere is our America, Carlyle used to say; and there is not the least doubt in our minds that the key of the world-situation is to be found with the key of the coal situation. In fact, a single key will open them both. From the standpoint of the coal industry what we are witnessing to-day is the breakdown of the financial system, a breakdown which is necessarily reflected in, though it was not caused by, the breakdown of our real credit. For nobody doubts that the theoretical and practical ability of the community to produce and deliver coal remains what it was. We have the mines, the men, the plant and the need. What has failed us in the situation is not, therefore, anything real or natural; nor is it a failure of good-will, for there is nothing more extraordinary in the present chaos than the good humour of all the suffering parties. What has failed us is neither nature nor human nature, neither God nor man, neither the mechanism of production nor the mechanism of transport and delivery, but the financial instrument by means of which the two mechanisms are brought into active and fruitful relation. And this situation, we have just pointed out, is exactly repeated in the map of the world. In the world it is writ large as in the coal-industry it is writ small. Is it not the fact, for instance, that in power of production the world is at least as well equipped as in the years before the war? All the producing countries are over-producing, we are told, with their warehouses already bulging with unsold goods. The mechanism of transport was never so efficient and abundant, though the major part of it, like that of the producing mechanism, is compelled to be idle. Since, here again, we have the men, we have the goods, and we have the ships, what is lacking but the Money—the mere financial machinery of paper tokens—to set the two in active co-partnership? People waste a lot of time in attempting to discover the cause of the world's industrial ill-health in this, that and other far-fetched circumstance. The obvious truth, however, is that the world's ill-health is due to the failure of the financial system to work the industrial system. Instead of acting as the agent and servant of real Credit or the power to deliver goods, the present financial system acts as the dictator of real Credit, and, in the end, as its destroyer.

* * *

Our suggestion that the Treasury should literally "make" money, and keep on making money, as a necessary and normal part of the process of Production and Distribution may appear, at first sight, as something startling; we hope it will, for the more it is thought about the more sensible will it appear. On the other hand, the suggestions of "practical" men, like Lord Weir, the longer they are thought about the more absurd they must appear. This gentleman, Lord Weir, who owes his title and part of his fortune to a war which he is always complaining has left us a "poor nation," has now proposed, as an immediate remedy for the refusal of the Miners to work for lower wages, that they should work both for lower wages and for longer hours. Rather, we would say with Mr. Herbert Smith, that the Miners and the community with them should eat grass than that such a reactionary and half-witted proposal should be adopted. It is easy to see, however, the error in Lord Weir's mind; he shares it, unfortunately, with the mass of his "business" colleagues. It is that Prices are necessarily determined by Costs, and that they cannot be reduced save by the prior reduction of the Costs that now determine them. If Lord Weir and his business colleagues, however, will only spend upon the problem of civilisation a vulgar fraction of the intelligence they devote to their private affairs, they will speedily discover that the formula that Price must equal Cost is in the most practical sense unworkable, the evidences being around us. And they need only a little further reflection to discover that the considerations applicable

to Cost are different from the considerations applicable to Price, and that, in short, the two terms are only indirectly related. Cost, as was said in these pages last week, is the Consumption involved in the process of Production; it is the estimate of credit consumed. Production, again, is measurable in the values obtained as a consequence of consumption. And real Profit is the surplus of Production over Consumption. We have only now to define Price as "the means of distributing this surplus" to realise that Price depends, not upon Cost or Consumption nor upon Production without regard to Consumption, but upon the relation between Production and Consumption. Perhaps a big business brain, such as Lord Weir's, is now in a position to see that the true formula of the Just Price is as follows:

$$\text{Price} = \frac{\text{Consumption}}{\text{Production}} \text{ or } \frac{\text{Values destroyed}}{\text{Values created}} \text{ or } \frac{\text{Depreciation}}{\text{Appreciation}}$$

To state it simply, the Just Price is that fraction of Cost that Consumption is of Production.

* * *

We are not alone in seeing the ultimate origin of the present industrial situation in the manipulation of the Money monopoly. It is safe to say that increasing thousands of people now share this knowledge with us; and among them, we are gratified to learn, are British financiers of considerable standing, whose names, we hope, will appear with their influence in a very little while. Developments may shortly be expected. A recent correspondent of the "Times" has observed, for example, that the current reduction of the Bank-rate is "the first definite admission of the failure of those in control to carry out the principal recommendations of the Cunliffe Committee"—recommendations torn to critical pieces at the time of their publication by Mr. Arthur Kitson—and that it means, in effect, "the practical abandonment of the effort to restore our currency to a gold basis by artificial expedients." That the fraudalent "gold standard" can ever again be restored by natural or artificial means we take leave to doubt, unless it be assumed, as is possible, that humanity will prove incurably insane; but as to the consequences of the recent attempts of the financial oligarchy to restore the gold standard, Mr. Wiggleworth's account agrees with our own. Not only have they failed to restore the gold standard itself, but they have increased our debt 25 per cent., destroyed foreign, colonial and home development, created several millions of unemployed, provoked an unprecedented series of strikes, and diminished both actual and potential production all over the world by an incalculable amount. The "Times" watchdog of the financial interests barks at this point to protest that these effects are exaggerated; nor could they possibly have arisen from the increase of the Bank-rate by a mere one per cent. This counter-explanation, however, is a little wanting in precision; and it is signficant that the "Times" City Editor is sufficiently impressed to propose that "a fresh monetary inquiry might be undertaken." The immediate policy, in other words, of our Financial Bolsheviks, is clear: to concede to the growing discontent another Financial Inquiry, controlled, of course, by the same set of experts as before, though in all probability under different names. In the meanwhile, things may continue as they are.

* * *

We may be certain, however, that not only will things not continue as they are, but they will get either immediately very much better or, only a little less rapidly, very much worse. It is inconceivable that an unemployment and strike epidemic afflicting quite three-quarters of the population and complicated by the universality of the same phenomenon over the whole world, can be allayed by common means, or that it can continue for many weeks without fatal results. As a matter of fact, it is practically certain that the almost immediate issue of the situation, if it is not rioting on the scale of revolution, will and must be the preparation of the next war; for it is a truth of experience as well as of wisdom that what a nation ought to do, and ought to do voluntarily, and fails to do, it will be compelled to do, and, as it were, by the wrong end. Consider, for example, our proposal (which other countries, such as Russia, might well adopt) for issuing public credit against real credit with the view of enabling Consumption to take its rightful place in the inseparable trinity of Production, Consumption and the Community. We suggest a hundred millions as the sum required to set the coal industry going again; and we should propose to extend the method to other industries as they demanded it. Let us suppose that for a year of this method of procedure the Government were to issue a thousand millions of financial credit—how much more is it than the annual cost of the late war, whose purpose was almost wholly destruction? And there would be no "debt" at the end of it, but such an enhancement of read Credit that the real and visible wealth of the community would be enormously increased. The alternative, as we say, is the issue of credit in even vaster amounts for war or the preparation for war. If we will not instrument our own consumers, and provide a peaceful market for ourselves and our neighbours, we may be sure that we shall have to instrument the consumers of destruction and to export arms in place of goods and credits. It is the law; and history is strewn with its terrible examples. The Trinity of Credit can no more be denied with impunity than the Trinity of the Universe.

* * *

Lord Northcliffe's excursions into international diplomacy are as childish as his exercises in journalism; and it is scarcely necessary to warn our American friends to sup with the "Times" with a long spoon. The visit of the Japanese Crown Prince to this country is clearly designed and timed to coincide with the deliberations of the Commonwealth Conference and the renewal of the Anglo-Japanese Alliance, with or without conditional clauses. Yet, in face of this obvious and intelligible fact, Lord Northcliffe's "Times" was at pains to publish the following disclaimer: "On the assurance of Japan herself, the visit of the Crown Prince is entirely devoid of special political significance. . . . . That it is made at a time when the Anglo-Japanese Alliance is about to come up for reconsideration is an accidental coincidence, and nothing more." There is the voice, in its infantile lispings, of the perfidious Albion of the world's just apprehension. Not content, however, with this tale told to the Marines, Lord Northcliffe has seized the occasion of the 25th anniversary of the death of English journalism to "jolly" the innocent millions of England and America with his personal assurance that the differences between the capitalist-financiers of the two countries can be settled without war. Oil, for instance? "There is nothing very dangerous in the oil discussions." Cables, shipping, foreign trade, the Navy, the Anglo-Japanese Alliance? All trifles which Lord Northcliffe can brush aside. What, however, our mixed Napoleon fails utterly to understand is that wars are not made for the fun of the thing but from a necessity that only the highest creative intelligence knows how to circumvent. It is an undoubted fact that under the existing system foreign trade and more foreign trade is essential to an industrial nation. It is an obvious, if not undoubted, fact that there is less and less of it to go round. The "jollying" Lord Northcliffe and our pretty Polly-pacifists will, perhaps, tell us what is to happen when two industrial nations, each with a "vital" need to export nine-tenths of its production, find themselves competing for life in a contracting market. We are mistaken if there is not something "very dangerous" in the ensuing discussion.

A Pentecost Interlude.

MAN and human nature need to be transcended after they have been fulfilled. To be a source of life and not to be a receptacle of life is the higher destiny of Humanity. Geon and Sophia are the goal of Europe. Humanity Universal, Man, is the goal of Europe. Geon and Sophia are destined to transcend Europe. Humanity itself will be transcended and surmounted by Super-human Humanity. The Superman is the goal of Europe. Universal Humanity, however, must be reached before it can be transcended. Europe must be reached before Universal Humanity itself can be reached. Europe, however, needs to be transcended. Before she can be fulfilled and surmounted by the Superman and by Universal Humanity Europe herself must become the goal and the transcendence of European nations and of all nations. Europe must be reached. Europe herself must needs be the goal and the self-fulfilment of the world, before she can become the world's entelechy. Universal Humanity itself must create itself in Europe. Superman himself, the fiery being, the goal of the Sun and of the Geon, needs to create himself in Universal Humanity. In this hour, however, and during this Æon, Europe is the Superman himself and Universal Humanity itself. Geon and the Sun are Europe to-day, the origin and the consummation of values is Europe to-day, the place, the process, the power of the Entelechy. The Entelechy of the World is the World itself. Humanity is Europe to-day, and the synthesis of history is Europe. The future of the Species to-day is dependent upon Europe. Aryandom, Christendom, Socialism to-day are centred in Europe. Europe herself at this hour is only dependent upon her own essence. Her essence is that she is the entelechy of the world, the focus of the world's forces. Europe is dependent upon herself alone. Humanity Universal is the content of Europe. The world is her own body. The Earth is the material of Europe. Europe is the form of mankind. It is she, therefore, that is the spirit of the world. Europe is the Spirit. Therefore does Europe depend upon the Infinite itself. Europe is herself alone. Upon the Eternal alone and upon herself she is dependent. And because God is the Infinite and because Europe is Aryandom, Christendom and Socialism, Europe will rise from the dead and out of her shame.

* * *

White humanity is in danger to-day and is on its evolutionary trial in this fateful hour. The principle of the Western hemisphere is in danger. The civilisation of Personality is undermined and shattered in this infinite moment of crisis, shaken and undermined, although Pleroma of Man can only be revealed and lived after the reign of Personality, of the Individual, has been established and freedom attained by all men. Europe is that continent of the world where Humanity knows itself and knows God and the universe in the mode of personality. Christianity is the immortality and the spring of Europe. Julius Cæsar is one of the creators of this continent. Alexander the Great and Peter the Great are among the builders of this continent. Charlemange and Napoleon are among the giants and divine beings who are the founders of this continent. N. U. Lenin and Auguste Comte are among the personalities and incarnate gods who are the builders and the permanence of this continent of liberation. Europe is the continent of human awakening. Europe is heroism and personality. Incarnations of God are universal persons. Europe is the principle of humanness proper. Humanness proper is freedom and consciousness. And the Superman's humanity is the immensity, universality of his individual, unique, personal, incarnate consciousness. Europe's giants and fathers, and the mass of Europe's humanity also, are the consciousness, the awakening of Universal Humanity. And the value of Europe for the Race consists in this truth: that Europe has transformed individuality into personality, lifted up the level of human love *from the depths of individualistic gregariousness on to the heights of personal universality*. The beginning of Europe is Aryandom. The dogma of personality is Aryan revelation. The end of Europe, however, is Anthropos, universality. Europe is that continent of the world where Prometheus and the Grail are the same mystery and are one. Aryandom has given the three religions of the white race. Europe proper, however, has given Christianity to the world, has given more than all religions, something higher than any religion. For Life, Humanity, Pleroma are the end of all religion. Christianity demonstrably is conceived to be Pleroma itself, the World itself, Geon. Of this religion which transcends Religion the continent of Europe is the telluric instrument. Europe herself is the synthesis of the Aryan race and of the extra-Aryan mankind. In Europe alone have the Prometheus and the Grail become one mystery. Man and God have become one in Europe. Aryandom and Sophia have potentially become one. Aryandom is a stock of humanity, Europe is a civilisation, an essence, a pleromic, abstract, incomprehensible element permeating the human whole. Christ is the Grail, the Descent, the Gift. The Nordic mankind is the Prometheus, the Ascent, the Conquest. Not in Palestine and in Eternity only, but also in Europe and in history did the universal Grail of Humanity become personality, flesh, concreteness.

* * *

The White race is in mortal danger at this hour, in this Æon, of evolution. The principle of personality and, therefore, the future of the world is in infinite and mortal danger, jeopardised as it is by the Diabolos who rules and breaks up Europe, by that Satan who is not the Lucifer because he is not functional, not correlative in the economy of life, and who is therefore evil itself—stench and putrescence and death—the Devil. The unfunctional, uncorrelative evil is Diabolos himself. Diabolos is the Devil. The Aryan humanity of Europe, the Aryan character, owes to the Human Kingdom a service and a function to-day. Aryan Europeans, White Nordics, must exercise their solar omnipotence and their function of reason in prostrate Europe to-day. Aryan and solar men are in the world to give justice to the world, to impose reason and frame and law upon Species. Even to the Devil does the Aryan Man owe a service and a conqueror's grace. The dignity of Satan must be conferred upon the useless, silly, sickening Evil One who produces liberalism, jewishness and cosmopolitanism in the world. By producing an antithesis to the Evil One, a radical antithesis, the First Truly Born, the Aryan, will create a life in the world, a new dynamism, a proper motion. Only nausea and mischief, only chaos and disorder are the product of the Evil and terrible One when he is not an antithesis proper, not the negative function proper to creation. Satan is the correlative and function of God. Into this real and holy antithesis of God must the clumsy and treacherous devilry be converted which is the worship of Efficiency—cosmopolitanism, mediocrity, the Judaism of Christians, the commercialism of souls. Aryan Europe has to choose between her doom and between converting the Devil of mischief and disorder into the Satan of antithesis and function. To the Judaism of souls, to chaos—the retrogressive tendencies of internationalism and agnosticism—the Solar personality, the Logoic strength of Aryandom, must be opposed. To the mighty fire of Japan, Islam and Israel, must the conception of Universal Humanity, of the organisation and organism of the world, be opposed. The goal of history is not the humiliation of Europe or the collapse of the Aryan dispensation. The goal of history is the organisation of the world and the glorification of the Species. Hope, therefore, is with that continent and that race which are the entelechy of humanity. Hope is still with Europe.

M. M. COSMOI.

Our Generation.

THERE is a period in all long standing and stubborn diseases when the patient experiences a sort of unexpected release: he realises that the malady is incurable; he gives up hope, and all the torments of hope, and sinks into a contentment which is really apathy. Then he suddenly discovers that an unexpected happiness is vouchsafed him—where it comes from he does not know; but his couch is changed into a lotus land, while everything around him, and every symptom of disease within him, remains as it was. Very often this condition is the harbinger of recovery; the frenzied, blind struggle of the will against uncomprehended obstacles sinks to rest, and out of the unconscious a new hope, a new confidence and strength are born; everything seems to be easier, and everything does become easier. If one dared to be hopeful about England, one would say that this is its condition at present. It is in a state of apathy which is not without its solace; it has ceased to struggle, except officially, against its diseases. The State alone, "the coldest of cold monsters," sends perfunctory troops to Ireland—*something* must be done, after all, to show people that the State is the State—or turns its glass eyes upon the starving miners. But as for the people generally—*they* have given up hope about either. Ireland or the strike. They really are living and thinking on the assumption that both these evils will continue to last for a hundred years. And the miners—so difficult has creative action become—will probably starve for longer than they might, simply because—given the spiritual condition of men generally—starving may be more easy than coming to a settlement, even than surrender. The public are simply not interested in the remedies which are officially recommended for public diseases; and while this condition is partly inspired by a general indifference to ideas and a general doubt that the diseases are remediable, some part of it must be derived from the universal recognition that all the remedies which have been officially applied have failed. When responsible public action is proved again and again to be useless, foolish or disastrous, as the case may be, people lose faith in public action, and in all action, indeed, outside the routine of their daily life. And so Parliament has in recent years become a laughing stock; partly because it has failed to bring even relative order into the affairs of the Empire, and partly because people are no longer interested in public affairs, not even when it touches their pockets and their liberties. A real remedy for some one of its diseases is the only thing that will awaken England from its psychological sleep.

The vogue of Mr. Edgar Rice Burroughs, the author of the large "Tarzan" series, is unlike that of most popular novelists. While Miss Ethel M. Dell and Mr. Zane Grey satisfy temporarily desires of the unconscious which cannot be manifested in civilised society, and thus permit their readers to turn back to more easy and more primitive forms of life, they never encourage them to go back beyond man, to return, not merely to "nature," but to the animal kingdom. I am speaking psychologically when I say that Mr. Burroughs does: and the popularity of his novels shows that in Tarzan he has created a popular myth out of a general desire. People really desire, for example, to read passages such as this, taken from one of his books. "He (Tarzan) became an English lord, ate burnt flesh when he would have preferred it raw and unspoiled, and he brought down game with arrow or spear when he would far rather have leaped upon it from an ambush and sunk his strong teeth in its jugular . . . . he craved the hot blood of a fresh kill." It is, apparently, the custom of this popular hero to bay at the moon. We see him "rise from the vanquished foe, and placing a foot on the still quivering carcass, raise his face to the moon and bay out a hideous cry that froze the ebbing blood in the veins of the witch doctor." A sentence which Bernardin de St. Pierre would hardly have thought of; yet Mr. Burroughs is our Bernardin de St. Pierre. Add together the effects of the failure of thought, of prevision, of ordered communal action in our time; the apparent insolubility of the problem of civilisation; the terrible difficulty of life for a generation who live in the midst of an unsolved problem; and the mood of hopelessness which issues out of it: set this over against rag-time jazz, the cinema, Mr. Burroughs—the zoo generally, the bliss of animals, of lack of control, absence of responsibility, absence of thought, and the temptation to fall headlong into the latter is almost explained. "Tarzan" is read by I do not know how many hundreds of thousands. We are solving with indubitable success the possible problem of a future conflict with the lower races; for we are becoming them.

A report upon the Leeds Industrial Drama Scheme has been handed to me. I am puzzled by it, for what aim its promoters have, outside the establishment of amicable relations between employers and employed, it is difficult to see. Of course the usual platitudes about the "broadening" effect of literature are produced; the scheme is "to provide a stimulus, by free lectures followed by actual presentation of plays by first-rate composers, to study the best in drama, literature and history"; but it is to "provide," also, "a subject for the industrial debate [whatever that may mean] of employers and employees, with a constant widening of interest and sympathy between leaders and their fellowmen and women in industry." There it is: with Shakespeare as welfare-worker in chief what firm would not do well? The tact of the framers of the scheme takes our breath away. After each performance there is to be an informal discussion of the play among managers and workmen. "It is fully realised [however] that a gathering of managers with their work-people to discuss a stage-play might produce a rather stilted and artificial discussion. It is therefore suggested that among firms lending a hand in this introduction of good things to those who could do with more pleasure in life, there shall be a general change about for the subsequent talk on the play. The staff of one works would meet over tea with the managers of some other works, probably in quite a different line of business, to facilitate each discussion." They shall meet together, in what may be the last act in a tragedy greater than any of Shakespeare's, and not a man will say what is in his heart. Really the spectacle of so many societies, educational, philanthropic, literary, religious, getting people to go to theatres, distributing Bibles, introducing Shakespeare and Dante into the forecastles of ships, and above all, being satisfied that *this* is good, is one of the most hopeless of our time. How enormous the wrong must be when well-meaning people can see only such a small part of it! Or how small must their ——? But in the end we find that their actions have subconscious wisdom; whatever is unjust seems to thrive the better for them.

Several people have complained about the gloominess of these notes. They are perfectly willing, it appears, to live without complaining in a world a thousand times more gloomy than these notes could ever hope to be: but that the gloom of this world should be mentioned in order to be lessened—well, that is too much for them. People are really more timid in their thoughts than they are in their feelings: they will suffer anything so long as no one tells them that they are suffering it. They are really sad with composure, but they cannot with composure admit that they are sad. They are like sufferers from an incurable disease, who sleep badly, have not a comfortable hour in the twenty-four, and make a virtue of bearing it with a grin because they have not the courage to get a medical diagnosis. People object to gloomy facts because in them the gloom which they feel is brought into consciousness. Therefore ——?

EDWARD MOORE.

Towards National Guilds.

WE concluded our last Notes with the statement that the real Cost of Production is Consumption. What has been consumed in the course of Production is the real and only sacrifice or cost incurred; and when, as usually happens, the value of the things produced is greater than the value of the things consumed, the result is a real Profit represented by the difference between values Consumed and values Produced. Profit, in short, *equals* Production minus Consumption.

This week we propose to go out to grass and to consider the true nature of Production. Nebuchadnezzar was driven by a neurosis to eat grass; and Foulon, our readers, of course, know, in another state of neurosis bade the citizens of France to go and do likewise. Quite recently Mr. Herbert Smith told the Government that rather than accept the Owners' offer the miners of England would eat grass; and, finally, for our present purpose, we may be reminded of the Scriptural equation and Butler's novel that "all flesh is grass." The bearings of these observations on the subject of Production are now about to be made apparent.

Our colleagues, "M. M. Cosmoi," have been trying to exhibit life as a continuous process of embryological development. According to them and in the words of an old Hermetic axiom: the stone becomes a plant, the plant an animal, the animal a man, and man a god. It would follow from this that, cosmically and anthropogenetically considered, the various kingdoms preceding Man are in reality Man in primitive embryological form. The Mineral Kingdom, for instance, is Mankind in its very earliest and most primitive form: it is the true Stone Age of Mankind. The Vegetable Kingdom, again, is Mankind in the plant-phase of its embryological history and development. The whole Animal Kingdom, once more, is Mankind as Animal; and, to complete the circle, Mankind in its present human form is, as Victor Hugo said, the tadpole of an Archangel—the embryological form of the God-Man that is to succeed Man as we know him. Without venturing to discuss the exalted theory, we nevertheless find a piece of evidence for it in the facts of assimilation; for on the well-known principle that living things repeat their racial history, the instance of the phases of human assimilation may be said to confirm the plan just referred to. Mineral, Vegetable, Animal and Human being the sequence of embryological phases through which, presumably, Mankind has passed, we find this order repeated in the actual process of assimilation: namely, Mineral (solid, liquid, and gaseous); Vegetable (shall we say in the form of grass?); Animal (let it be mutton). The mutton we assimilate as food has repeated for us two, at least, of the stages through which Mankind has passed. It represents a Mineral converted into a Vegetable and thereafter converted again into an Animal. Finally, when taken into the Human, it is "converted" into Man.

Let us examine the sequence a little more closely. When a farmer lays down a field to grass, what in reality is he proposing to do? He is proposing to make or produce grass by permitting the Vegetable Kingdom to convert or assimilate the Mineral Kingdom. He is, as it were, facilitating the process of digestion by employing the Vegetable Kingdom to "feed on" the Mineral Kingdom with a view, of course, to bringing the Mineral Kingdom a degree nearer to the powers of Human digestion. Growing grass is, in other words, a stage in Human feeding; a phase delegated to the Vegetable Kingdom because of the superior ability of the Vegetable Kingdom in assimilating the Mineral Kingdom. Similar considerations apply when the process is carried a stage further. When stock is put out to grass, or hay is fed to them, the object the farmer has in view is the further conversion of the Vegetable into the Animal Kingdom: a conversion that brings still nearer to man's powers of assimilation a type of matter that originally was Mineral. The animal "digests" the vegetable, as the vegetable digests the mineral; and both phases are pre-digestions as regards the food of Man.

It is obvious that in each of these pre-digestive processes something is sacrificed; in other words, a natural *cost* is incurred. A pasture must be "manured" or "fed" on proper mineral diet; furthermore, energy must be expended and consumed in rolling and bush-harrowing it. The cost, in short, of the conversion of the mineral into the vegetable kingdom is the "consumption" involved of mineral and human energy. Again, when the grass or hay is undergoing conversion into flesh, the natural cost of the process is the grass or hay *plus* the energy (or stored food) of the human labour employed. In other words, the full Cost of producing meat is (*a*) the cost of producing grass *plus* (*b*) the cost of producing meat out of grass; in each of which items there are the two factors of (*a*) raw material and (*b*) human energy. Carrying the process one step further, it will be seen that the real Cost of producing "Goods" (other than food) is the sum of the things consumed in the process of making food, *plus* the accumulated food-energy of the human labour employed throughout the whole series.

We are now in a position to answer the question, What is Production? And the answer is that Production is the conversion of relatively unassimilable into relatively assimilable forms of matter and energy; it is the pre-digestion of matter and energy that enables them to become more readily digestible by the human organism. Naturally the whole process is related to Man; since Production that has no human use is not Production in the human sense. And, equally naturally, the "digestion" here contemplated includes, not only human food, but the means to the satisfaction of human appetites and desires in general. All Production, in short, is the assimilation of the given Universe to the powers and needs and desires of Mankind. It is a vast process of the conversion of the world of matter and energy to human use.

Real Credit, we may remind our readers, is the correct estimate of our ability to satisfy our needs. Considering the sequence of processes just described, it will be seen that each successive phase *enhances* our real Credit. Minerals are valuable *because* they are a necessary pre-condition of Vegetables; and Vegetables, again, are valuable because they are a pre-requisite of Animals; and, once again, Animals are valuable because they are a pre-requisite of the satisfaction of human needs. Furthermore, it will be seen that (in the chosen example) each conversion results in a superior value *because* such conversion brings the material nearer to the point of human assimilation. We cannot eat stones; therefore grass is more valuable (or has a greater real Credit) than stones. We cannot eat grass (pace Mr. Herbert Smith); therefore mutton has a greater real Credit than grass. And we cannot satisfy all our needs with mutton; therefore the goods produced by the energy we derive from mutton have a superior Credit-value to mutton itself. There are thus *degrees* as well as quantities of real Credit; and their range of value varies from the less to the more assimilable or, as we say, the "useful"; and, to cut the matter short, all Production may be said to be the conversion of inferior into superior forms of Credit.

To recapitulate. The Cost of Production is the Consumption entailed. Production is the process of assimilating the given world to the use of Man. It consists in converting inferior Credit-values into superior Credit-values. Inferior and superior relate to ability to satisfy human needs. The Production of the superior involves the Consumption of the inferior; and the real Profit is the difference in Credit-Value between the values consumed and the values produced.

NATIONAL GUILDSMEN.

Drama.

By John Francis Hope.

I INTENDED to write about the production of "Reggie Reforms" at the Everyman—but I can forgive the management in much less space than an article. Those who saw Mr. Nicholas Hannen in Henry James' "The Reprobate" will not need to be told that he gave a delightful performance of Reggie; he really acts in farce, because he understands it. When he begins to understand Shaw, it will be a pleasure to watch him. All that I remember of Mlle. Edmée Dormenil, whose name was printed in extra large capitals on the programme, is legs, long black legs that stretched into the fourth dimension. She was supposed to be very alluring—and as, at the repetition générale (a new institution at the Everyman), they gave us tea and cigarettes, we will let it go at that. Let us hope that Reggie has been reformed out of existence.

But an article by "Rob Rab" in the "Daily Herald" of May 9 chimes aptly with my present mood. I am rather tired of the theatre; and I have even welcomed the present industrial crisis because the restriction of travelling facilities has limited my activities to some extent. So when "Rob Rab" talks about the "People's Theatre and the Player," I am willing to listen. He protests against the habit of talking about the theatre and ignoring the actor, the particular point of his objection being an article on "That People's Theatre," by Mr. Herbert Farjeon, in the May Day Annual of the "Daily Herald." Mr. Farjeon is very pessimistic about a People's Theatre; he thinks that we shall not get it until we get a People's Country—and then, I may add, we shall not want it. But he thinks that a bridge to the People's Theatre might be built by "theatrical propaganda societies, societies entirely unconcerned with artistic ethics and aiming exclusively at political subversion?" Plays like "Bill the Bolshevik, or Bashing the Boss on the Bonce," would, he thinks, find "willing audiences"—but, even so, would that bring The Revolution (I think The Bloody Revolution is the cliché) any nearer? People who are willing to be audiences are not necessarily willing to be revolutionists; and, if Andrew Undershaft's gospel of "money and gunpowder" does not inspire a revolution, what reason have we to expect that cruder stuff, like "The Brutal Capitalist and the Virtuous Worker," will do so? Mr. Farjeon forgets that we have had plenty of politically subversive plays produced, but I have not noticed any extraordinary increase of the membership of the societies that have produced them. Even a play like "The Right to Strike," produced commercially, did not obtain the same measure of public approval as, say, "The Skin Game," or "The White-headed Boy" —to say nothing of "Chu Chin Chow" or "The Garden of Allah" or "The Wandering Jew," and a dozen others.

It will not do. A revolution may be needed in the theatre, but a political revolution cannot be made by the theatre. There is a sense in which all art is "politically subversive"; even sentimentality, such as "The Heart of a Child" (which Mr. Farjeon derides) is politically subversive. I know of nothing more revotionary than the doctrine of Love as preached in innumerable plays, novels, magazines; if people were only willing to attempt to act what they applaud, the whole superstructure of government would come tumbling about their ears—and bury them in its ruins. But they are quite content to let the pickle girl, in "The Heart of a Child," marry a lord, or the house-painter, in "Love among the Paint-pots," marry a lady, without insisting on an all-round application of the same principle. The fact is that it is only the boys who try to imitate what they see—and hang themselves or shoot their playmates after a visit to the "pictures." Mr. Farjeon forgets that a politically subversive play, "The Grain of Mustard Seed," was one of the successes of its season; we all babbled about its "wit," but I do not know whether the Herald League has adopted it for purposes of propaganda. Certainly it was not, in Mr. Farjeon's phrase, a "passionate, fearless, conscience-stirring play" (we only expect these qualities in sermons); but its portrayal of the corruption, the opportunism, the ineptitude and powerlessness of politicians in everything except the trickery of beating the man was more "politically subversive" than any denunciation. People who could not see the point might upset whelk-stalls, but not governments; those who could see the point either trusted in Providence or applied for Government jobs. There is a lot of human nature in politics; and human nature generally believes that this is the best of all possible worlds, and everything in it is a necessary evil, as I think Mr. Bradley once said.

But I am forgetting "Rob Rab." He is more concerned with the revolution in the theatre, the revolution which will restore freedom to the actor. He contends that "there is a spirit abroad in the theatre today which will at least contribute to the development in this country of a dramatic achievement worthy of the tradition of—to cite at random—Webster, Dekker, Wycherley, Sheridan, even of Shakespeare." It is interesting to notice that the actor thinks of artists, not propagandists, as his ideal; he is not concerned with Mr. Farjeon's "plays written with an express view to upsetting the existing social system," but with plays that will give the actor a chance to exercise his art. He is concerned with the theatre as an organ of culture, not as a bellows of revolution; and it is significant that the Actors' Trade Union, of which "Rob Rab" is an active member, indicts the capitalist control of the theatre on the ground that it is destructive to art. He is in revolt against "the drawing-room play with its persistent tinkle of first-act tea-cups in which sexual storms are ever abrew, and across the stalls is wafted the Jockey Club perfume of expensive divorce proceedings." A certain critic has just retired with a valedictory curse on the drawing-room drama of adultery; and it is practically impossible to be eternally interested in the question: "Did she fall, or was she pushed?" It is good news that what "Rob Rab" calls "this clamjamphrie is not in favour with actors. Actors want to act, not to provide an excuse for trick lightning and realistic sandstorms." I have remarked again and again that we get better acting at the insufficiently rehearsed performances of the subscription societies than the same actors give in a commercial production. The subscription societies, like the Actors' Association itself, is limited by economic conditions; I see that the chairman of the Phœnix, replying to a criticism, remarks: "We are painfully conscious that one rehearsal on the stage is a preparation wholly inadequate to the merits of the work produced and unfair to the players who so generously assist. But this is all we can at present afford. With the support of your journal, we hope the obvious remedy may not be long delayed." I share that hope, because I am certain that the only "people's theatre" worth having is not one which has exchanged capitalist for "revolutionary" control, but one in which the actor works freely as an artist. The only reform worth having is one which will restore drama as an art to the stage; and there are enough actors at present willing and able to staff a classical repertory theatre which in a very few months would make London as significant a name in the world of art as Paris is. Nowhere could a revolution be more cheaply made than in the theatre, nor one more valuable to civilisation; and instead of talking revolutionary cant with Mr. Farjeon, it would be better to go round with the hat.

Readers and Writers.

WE have received the following letter in comment upon some recent expressions of opinion in THE NEW AGE; and since it is representative, no doubt, of a fairly common attitude among our readers, I have pleasure in devoting my space to it.

Formerly, until I grasped Major Douglas's financial reform proposals, my sick mind, with its banking-account privileges which it saw no possibility of extending to all and sundry, took a hypocritical refuge in simple life utopias. [Neither I nor anyone I have met really wishes to live as in the Appalachian Mountains and to do without books and bathrooms; the ultra-modern state offers more attractions.] I also fancied that the world discontent was in some measure due to the lack of a "world-view" among us mediocre simpletons, such as was provided by simple folk in their dilly-songs and accumulative verses and which leads from the individual mind to a conception of the universe. Major Douglas's proposals legislate for the freedom and benefit of the individual quâ human being (consumer) and for the welfare of the community quâ humanity and seem to go to the root of the matter. A promising satisfactory modern state of affairs. But alas! M. M. Cosmoi's articles on World-affairs argue from the *Aryan* mind to humanity (instead of from the individual mind to humanity) and so we are permitted if not urged to excommunicate anti-Aryans, which is elimination, not correlation or synthesis—and is, I submit, illogical (or anti-logoic) not in accordance with a gospel doctrine, and moreover suicidal. (Has not *Einstein* shown us that the observer is *part and parcel* of the phenomena he observes? We *can't* hit "demon" without hurting "deus.")

In the story of Mr. Frank Morris in some recent Notes in THE NEW AGE the writer, in spite of himself, first suggests that it is a *human* failing which determined Mr. Morris's judgment and then proceeds to blame the *racial* nature! Come now, I, if not you, and many other Gentiles, have acted and continue to act in an analogous manner in similar circumstances! Besides, I am sorry to say that the "fallacy" which on second thoughts Mr. Morris thought to exist is precisely the objection which *immediately* occurs to my honest Gentile friends who have been brought up on the Church catechism with great respect for the property of others as well as their own. They would really think the view you and I take of "Credit" was blasphemous dishonesty. It is a "human" not a "racial" view.

If the Protocols of the Elders in the book called the "Jewish peril" are a fake we can have no respect for the author, or for the *judgment* of the anti-Semitic editor. If they are authentic they describe a corrupt society *of which we are members,* and for the most part willing participators or would-be participators in its benefits. The "Beware" of the anti-Semite may (must?) appeal to the fear, greed and envy of beneficiaries and victims alike, rather than to their better feelings. Don't set us all fighting about it; there are Jewish names and noses in every village, and (I assert) anti-Aryan natures in every individual. The prophetic (pro-Jew) student of Daniel and Jeremiah is only too anxious to make us puppets in the hands of destiny before 1937. Personally I would rather not play into his hands.

In the magnificent philosophies of writers so different as Nietzsche, Tolstoi, M. M. Cosmoi and others I constantly miss evidence that the writers recognise that "life" is dynamic and static; and that "dynamic" and "static" are themselves relatives. (Conceive "dynamic" as *"becoming"* and "static" as *"being."*) "Truth is dynamic, love is static; Truth-and-love is everlasting life" must have been a startling new conception of "life" two thousand years ago. [Not accepted by the static truth-loving Jew, horribly misconceived by crusaders and inquisitors as a "new *static* truth." Nowadays the nominal Church view is accepted as a *static truth* called Love; and so the muddle goes on.] Any definition which implies complements and *rules out* antitheses describes "life." "M. M. Cosmoi" say humanity, humanity, humanity; I who mean the same thing say biology, biology, biology, and I wish I were not too sophisticated to say simply with Bunyan, "Life, eternal life."

If then we may conceive "life" as dynamic and static, every expression of life becomes a duad, or a pair of movements looked at as one. [The light ray (dynamic), the prism (static) = colour; optic nerve (dynamic), prism of eye (static) = sight, and so on.]

Starting thus (with the complements of life) and I submit, only thus, our creed may be trinitarian with impunity. Our creed may also be unitarian with impunity. I do not wish to attack any trinitarian preferences; three is a mystic number; but "five are the flamboys under the boat" (elusive life itself), says the Somerset dilly-song. Nor do I wish to make a "static truth" of my choice of "two, with power to add to its number." It is, I think, love of static truth (and how I love it myself) which leads to the other-fellow-is-wrong attitude, crucify him.

Unless he solicits support from, and is captured by, anti-Semitism, Major Douglas has, in my opinion, a grand objective. We want to live ensuring the freedom of the individual and the welfare of the community. A system requires reconstruction, and our legitimate propaganda is to change men's minds so that they agree to this—not to change their hearts or to condemn them for their bad hearts. That a change of mind precedes and effects a change of heart is not to the point; that a change of environment (system) changes minds and hearts is also not to the point. At last Major Douglas can make a *system* the scapegoat; at last we need not seek justification for crucifying just another Jew or two. I sincerely hope therefore that the proposals will not be identified with anti-Semitism.

I apologise for a tedious, ill-expressed individual point of view. My intention being to show a possible view of life starting from which individualism can be expanded to embrace (synthesise) humanity. That there are other views more adequate in this respect than mine I feel assured; if, however, they lacked a fundamental conception of life based on complements I should be surprised.

It will be seen that the major charge brought against certain of my colleagues is that they are in danger of becoming, if they have not already become, anti-Semitics in the popular sense of the word; and they are warned that this vulgar error is likely to mitigate against the success of their propaganda. The Jewish race, it is implied, is in no peculiar sense different from the other races of mankind. In fact, it consists of individuals whose only spiritual affiliation is not with their race (a negligible intermediary, it is suggested), but with humanity at large. The individual in relation to humanity—that, we are left to conclude, is the consideration of value; all others, based on race or religion, are valueless.

* * *

This typically Protestant attitude—Matthew Arnold's "signal return to the individual conscience"—commands, and must command, the respect of every modern Western mind, it is an essential aspect, indeed, of the "religion of the Logos" which my colleagues, "M. M. Cosmoi," are engaged in re-stating. But surely our correspondent is missing the application of his own doctrine of complementaries when he ignores, as of no account, the steps of the ladder leading from the individual to humanity. That there is, in the last analysis, only the individual vis à vis humanity, we are all, of course, prepared to admit; but not only is it obviously true that individuals vary in their realisation of Humanity (some having practically none, others an almost complete conception of their universal alter ego), but both the facts of the case and the conception of human functionalism require us to interpose between the two poles of the individual and humanity groups or blocks of individuals, functionally differing from each other, and specialised by race and history for their peculiar work. The difference between our correspondent and ourselves is, in fact, precisely the difference between cosmopolitanism, in which racial and national distinctions are obliterated and ignored, and functionalism, in which the unity of mankind is preserved together with its specific differentiations. Where my colleagues affirm an articulated humanity with specific racial organs, our correspondent sees only a humanity composed of individuals. The one is analogous with the higher organic kingdom; the other,

surely, with some such creature as the polyp or the sponge.

* * *

It appears plain to me that before the question of anti-Semitism can be rationally discussed, and particularly before THE NEW AGE is charged with that high misdemeanour, our correspondents and critics should make up their minds on which side they stand. Are they for the dissidence of dissent implied in Cosmopolitanism, the practical effect of which would be the abandonment of the attempt to organise humanity functionally? Or are they for the functional organisation of humanity? The question is of primary importance for the reason that the "Jewish problem" really turns upon it; since, whereas the specifically Aryan genius looks forward to an *articulated* humanity, a humanity functionally organised, the specific Jewish genius favours cosmopolitanism. There can really be no doubt about the matter, whatever our views may be of the values involved. Is there the smallest possible doubt, for instance, that the Jewish genius is directed towards de-nationalising and de-racialising the world, in contradistinction to the European, Aryan and Christian genius which is no less plainly directed towards a diversity in unity? And the fact is none the less significant for the observation we can all make, that, at the same time that the Jewish genius is bent on denationalising and deracialising the rest of the world, the Jewish race and people is contradictorily bent on maintaining its own racial and national ethos; while, on the other hand, the best Aryan minds (as partly exemplified by our correspondent), while engaged in organising the rest of the world functionally, are careless and neglectful of their own ethos. The Jewish race preaches cosmopolitanism while it practises the most rigid racialism and nationalism; the Aryan peoples preach nationalism, internationalism and the functional organisation of the world while actually practising cosmopolitanism.

* * *

Without attributing to the Jewish race any malevolent conscious design of dominating the world—reduced to individual atoms save for the racial block of the Jews themselves—it is certainly strange that every attempt to decentralise the power resident in the control of Money should find itself opposed by this people first and foremost. After fourteen years of experience of our methods, our readers should give us credit for not making hasty statements or jumping precipitantly to baseless conclusions. We know very well what we are about; and I can assure my readers that the remarks complained of about the Jews and particularly concerning Mr. Frank Morris were not made without ample justification. It is simply not the case, for instance, as has been suggested, that Mr. Frank Morris casually examined the Scheme and as casually pronounced it impeccable only thereafter to reconsider his first judgment. Mr. Frank Morris was given and took every opportunity both of examining and criticising the Scheme; and it was after the fullest satisfaction of his curiosity and criticism that he left us with the assurance that he had nothing further to object. Nor is Mr. Morris the only Jewish financier to whom the Scheme has been submitted with similar results. Others could be named, of even greater notoriety, who have pronounced the Scheme "the only plan capable of saving civilisation," but who have nevertheless added that they thought civilisation "not worth saving." Moreover, while allowing everything possible for the stupidity, selfishness and conservatism of Labour and political leaders, it is still true to say that the control of their minds is largely included in the control of their purses, and that the control of the latter is exercised mainly by cosmopolitans. It is our experience to know what most of our readers can only guess or doubt—the reality of the control of public opinion by the directors of the existing system of Finance. It is a system merely, our correspondent suggests; there are no "villains" in the piece. Even he, however, would, I think, come to another conclusion if he were daily faced with the coincidence of interest in the system and hostility to public criticism of it. That the present system is profitable for the few, in power as well as in possessions, cannot be denied. Lucifer himself scarcely wielded the power of modern Financial control. Why should it be supposed improbable that the present holders of this power should deliberately seek to conserve it, especially when they have the means in their hands, and the implied consent of the majority of their subjects?

* * *

The mildness of my colleague's suggestion that, on the whole, it would be more seemly for Jewish financiers to refrain from taking the principal part in the present discussion, in which not only their personal interests but their racial point of view, are involved, is very far from anti-Semitism. If it is anti-Semitism to cast a doubt upon the impartiality of their minds in this matter, what, in heaven's name, must the attitude of the "Morning Post," the "New Witness" and "Plain English" be called, to say nothing of the even more extreme attitude of certain races and nations? Mr. Zangwill may gratuitously denounce "the Goyim called Christians"; the Jewish race and people may employ their genius in levelling the rest of the world that Israel may command it from its racial hill; the utmost of its energy, open and secret, may be directed to maintaining and strengthening the present financial system and in opposing every effort to change it—and all without provoking in THE NEW AGE more than the gentle suggestion that, on the whole, we Europeans would prefer to discuss the subject of Credit among ourselves. Whereupon we are charged with anti-Semitism. It will be fortunate for the race if it encounters no worse.

R. H. C.

The Temptation of Slavery.

PEN in hand he sat at his desk. He was writing, adding figures, ruling lines, adding and ruling by habit, his thoughts far away. He had been ruling lines and adding figures for so long that he could do it now without thinking. He worked like a machine. That, in fact, was the burden of his thoughts: he was a machine, a machine, not a man but an automaton.

The sun shone on the window; the hot light came through, warming his hair. He hated the sun. It seemed to mock his captivity, brand him: it spelt his imprisonment in large illuminated letters, brought it glaringly home to him. In the winter his position was offence enough to his pride, it was twice bitter in the summer. They called him a clerk. He laughed rudely at what he called their cant. They might call him by any soft name they liked. It didn't alter facts. He was a slave. He knew there were people who said it was nonsense to talk like that. But they weren't chained to a desk day in and day out—every, every day except for those holidays which on his return made the humdrum of his bondage more revolting than ever. Oh, he hated his job. Heavens! how he hated it, and them—those fox-eyed, silver-haired autocrats, driving up in their great cars, brushing grandly through the office, disappearing into luxurious privacy. And what to do? To work? On the contrary, to set fresh traps for getting more and still more work from *him!* He fumed when he thought of the injustice of it, the wicked disparity between his life and theirs. He knew there were people who couldn't see the injustice, who said it was nonsense to talk like that—the men in the motor cars deserved their fortune. Hadn't they risked their money—launched boldly out—taken initiative, shouldered responsibility—made patent their all-round superior capacity? His head buzzed to hear them.

What did all this superiority amount to? Money. They had had the money. Where their treasure was there was their superiority. Let someone give *him* the money. . . . .

It was he who had founded the Clerks' Right to Responsibility League.

. . . . . .

He was thirty-two when his chance came. It was a double event, the coincidence of a lifetime. The offer had come first, an offer to join in a promising venture—big business. He jumped at it to fall short by a baffling three hundred pounds. Three hundred pounds capital was the only condition he couldn't straightway subscribe. Money again! Hadn't he always said it was a matter of money? He ground his teeth. They closed empty. Then the miracle happened —an uncle died. He was left a legacy of two hundred and fifty pounds. The news came to him on a sunny morning. The sky was all blue. A gay breeze fluttered the tassel of the dingy blind-cord. There were no trees or flowers for it to play with. It was one of those days when he cried out loudest for freedom from his slavery—when the sun and the wind together called to him, chuckling, daring him to come on, try his wings.

. . . . Two hundred and fifty pounds! His heart leapt, sank—two hundred and fifty was still fifty short of three hundred—leapt again. He remembered his savings in the Post Office. He had, he knew, a little more than fifty pounds saved up there. He rushed to the 'phone. The offer was still open. Within the two minutes' conversation limit he had closed with it. He felt transformed. He trod on air. In the purple of his excitement he couldn't distinguish one feeling from another. But dominant undoubtedly was the sense of triumph. He was richly aware of that when he found himself framing the sentences in which he would "give notice." Heavens! how he hated them, the fox-eyed, silver-haired——! They had called him a clerk. He called a knave a knave. He laughed and laughed—hard laughs. It was his turn. He drafted his letter of notice. It excessively conveyed his triumph, his hatred, what *he* called *them*. He copied it out, sent it in by an office boy. With his shout to the boy he got a thrill, an ecstatic affirmation, assurance, of his new estate. The boy was to hear in his voice that he was no longer a clerk, a slave like the boy himself.

He lunched, as he had never lunched, with the men with whom he was already in spiritual partnership, the material bond had, of course, still to wait upon his money. They talked rapidly, with a kick, and a punch, with a way and a will in every word. . . . He was to leave England the following week. There was the chance of a good thing abroad. It was to be up to him to "get in" there before "the other fellow," their rival in the Promethean game.

. . . . . .

He sat at his desk writing, ruling lines, adding figures—for the last time. It was his last day at the office. . . . The sun shone on the window, the hot light came through warming his hair. A calling little breeze played with the tassel of the blind-cord. The men working round him shot envying, admiring glances at him. In another hour he, alone of them, would be free. In forty-eight hours he would be on his intrepid, responsible way to romantic lands and adventures. . . . The evening before he had received a presentation from the C.R.R.L. There had been speeches of congratulation. He was the first of them to carry their theory into practice. He was a jolly good fellow.

. . . . He was adding and ruling by habit, his thoughts far away—with "the other fellow." . . . It was five o'clock. His friends began coming up to say good-bye. Hoped he wouldn't forget them—Jolly hours together—*Jolly*!? Oh well, in spite of those fox-eyed ——! they had had some fun together, hadn't they? They grouped about him chatting, laughing, reminiscent. They would miss him from the tennis club—river parties. The Dramatic Society would lose its "star." The C.R.R.L. would have to find a new Demosthenes. Chess—dominoes—dances—billiards—office larks. They went over the jolly things they had done together. He looked white, racked.

. . . . He walked home to the pitiful suburb he lived in. His thoughts were far away—with "the other fellow." He felt faint. All that week he had hardly slept. He half fell into a chair, sat there for hours. . . . Job had been safe—Pay had been good—Fifty pounds, all his savings—suppose—oh, *damn* that other fellow—Two hundred and fifty pounds! He could have bought a motor-cycle—and now suppose—he could buy a motor-cycle—Jolly—with the other fellows—and still put a bit by—Fifty pounds, all his savings—*Two hundred and fifty!* It was really rather—Because suppose—At any rate there were no risks—no responsibility. . . . . Well, they hadn't got his money yet. . . . .

. . . . . .

. . . . . Pen in hand he sat at his desk. He was writing, adding figures, ruling lines. R. G.

Views and Reviews.

SOVEREIGNTY.

WE heard so much of M. Duguit when Señor de Maeztu was writing what Mr. Laski calls "a curious volume, 'Liberty, Authority and Function,'" that a translation of his most representative work* is welcome. Theories of jurisprudence may not be the raw material of revolution, but they are frequently the mould which shapes the product of revolution; and M. Duguit's study of the trend of French law is certainly affiliated with some of the theories of reconstruction with which we are familiar. The theory of sovereignty, for example, which M. Duguit denies, has been challenged by many different schools of thought; the extreme challenge, of course, coming from the conscientious objectors; yet we may ask ourselves whether the challenge of sovereignty is politically as powerful as the assertion of it. "The Revolution of 1848," says M. Duguit, "was made in the name of national sovereignty"; but although M. Duguit asserts that "the dogma has declined" since, and has been powerfully attacked by the theorists of the "Action française" and of revolutionary syndicalism, it cannot be denied that the Russian and German revolutions re-affirmed it again. When we reflect on the centralising tendency of power in the Federal republics, on the creation of such bodies as the Supreme Council and of our own peculiar Super-Cabinet, we may well doubt whether the eclipse of the theory of sovereignty is really an index of a political fact.

Actually, I find myself agreeing and disagreeing with M. Duguit at the same time. When he says that "the idea of public service is to-day replacing the old theory of sovereignty as the basis of public law," I sympathise with the idea at the same time that I doubt its universal application. When he says: "Obviously the sovereign cannot admit a federalist organisation": I think of the German Empire, and refuse to follow his reasoning. So much turns on the question whether we regard sovereignty as a theory or a fact. Nietzsche said something to the effect that an instinct became weakened by being rationalised; and the fact of sovereignty, the power to command, is deliberately weakened by the theory of sovereignty. Every definition is an attempt to impose a limitation; and M. Duguit says that the idea of sovereignty "ought to disappear at that point in social evolution when subjects demand from their rulers something more than the ser-

*"Law in the Modern State." By Leon Duguit. Translated by F. and H. Laski. (Allen and Unwin. 10s. 6d. net.)

vices of defence, of police, and justice." But the service of defence, as we have seen recently, may concern every one of the facts of life; and if the idea of sovereignty is to prevail here, it prevails everywhere. So many of M. Duguit's arguments seem like boomerangs; they come back and knock him silly. Mr. Laski mentions, for example, M. Duguit's denial of the existence of rights; "he urges that the sole fact upon which a theory of the State can usefully be built is the fact of social interdependence; and from that tissue of relationship he postulates a system of duties for each of us relative to the function that is our lot. That clearly involves, however, the existence of such a social organisation as permits the full development of our capacity for that purpose; and this, of course, involves the condemnation of much of the present social order. But if this bows out rights at the front door, it is only to admit them again at the back; for if our virtue is thus to be what T. H. Green called our positive contribution to social good, obviously we must demand, have the right to demand, that nothing shall hinder the performance of our service." We cannot make bricks without straw; we cannot do our duty without rights, which cannot be limited merely to the necessary conditions of the performance of a function. Give the brickmaker the straw and clay he needs for his bricks, he wants beer for himself, he wants the inalienable and imprescriptible rights of man if he is to perform his functions efficiently. The part implies the whole, as the advocates of scientific management in industry have discovered.

But even here there is a manifest contradiction in M. Duguit's argument. If sovereignty is eclipsed, and we have no rights, his whole theory of the State collapses into Voluntarism. There is no one to command us to perform our duties, there is no one even to determine what are our duties—unless M. Duguit's advocacy of judicial review of practically everything implies (as it did in Señor de Maeztu's work) the transference to tribunals of this very necessary function. But judicial review is not a panacea; it is hotly contested in America, its home, and the recall of judicial decisions by popular vote has been advocated by a former president. Mr. Laski tells us that "the most eminent of American judges since the classic time of Marshall and Story has told us that he would see the disappearance of the power over Congressional legislation without regret." Dicey mentions, also, that "Courts are, from the nature of things, unsuited for the transaction of business . . . . A man of business . . . . must make it his main object to see that the business in which he is concerned is efficiently carried out. He could not do this if tied down by the rules which rightly check the action of a judge. The official must act on evidence which, though strong, may not be at all conclusive. . . The more multifarious, therefore, become the affairs handed over to the management of civil servants the greater will be always the temptation, and often the necessity, extending to the discretionary powers given to officials, and thus preventing law Courts from intervening in matters not suited for legal decision." Dicey, while emphasising the decline of respect for government which M. Duguit also emphasises, also mentions a decline in reverence for the rule of law which makes us very sceptical of the value of M. Duguit's prescription.

The whole question really turns on sovereignty. In any theory of the State there must be somewhere some authority beyond appeal. Is that authority to be the Executive, the Legislature, or the Judiciary? Is it to be the people as a whole, or the people organised in occupational or any other associations? Who are the real rulers of society? Professor Gray says that they are undiscoverable. The juristic theory of sovereignty, whether asserted or denied, does not alter the fact of sovereignty; M. Duguit himself shows that "when we attempt to test the theory by its applicability to politics, the real problem becomes not so much the statement of authorities as the measure of influence." Even so, it is better to define sovereignty as an influence not subject to judicial review than to suppose that it has been eclipsed by the idea of public service. Nothing more clearly demonstrates the failure of M. Duguit to suppress the idea of subjective law than his assumption that the fact of sovereignty has disappeared because he can state a case against the theory, a case that is by no means received with unanimous agreement. He admits himself that the idea of public service " is so widespread that every statesman repeats it to nauseation even while in fact he tries to obtain the greatest advantage from his position"; but the real rulers do not even make the profession. A. E. R.

Review.

The Swarthmore International Handbooks.

Edited by G. Lowes Dickinson. "Causes of International War." By G. Lowes Dickinson. (The Swarthmore Press. 2s. 6d. net.)

In a Foreword prefixed to each volume of this series, the Editor explains that its aim is to present facts "in a certain light and with a certain object. That light is Internationalism and that object the peace of the world." This limitation of object is significant. To the normal mind the peace of the world is an object only in so far as it is the condition and means to a larger object—the development of man. In itself it is negative. With the international idea it is otherwise; but in the present volume Mr. Lowes Dickinson offers neither a definition of internationalism nor enlightenment as to its nature; seeming to desire the extinction rather than the extension of the "community-sense." His analysis brings us no nearer to an understanding of the causes of war, psychological or economic. To say that States make war "because they pursue political and economic power" only raises the question, which Mr. Lowes Dickinson does not answer, why they pursue power at all. "In war," he says, "none of the individuals concerned need be, and in fact, commonly, none of them are, at all angry with one another." Yet "all that an ordered society inhibits—the blow for a blow, the being judge in one's own cause, the exaction of one's own remedies and one's own revenge—all this, repressed in disputes between individuals by the cold arbitrament of justice" (By nothing else, Mr. Lowes Dickinson?) "comes back a million-fold enhanced when one State deals with others." What a light is thrown upon the complacency of the first extract by the admissions of the second! Does the author really believe that the state of mind revealed can be cured by suppressing its manifestations? How far he is from an understanding of the immediate, or economic, cause of war may be gauged by his judgment that the armament trade is the only industrial danger to peace. "Trade and commerce, as a whole, do not profit, but lose, by war, and, in a general way, they are aware of that. Most likely what is called international finance works in the direction of peace, so far as it works at all in politics." Blindness such as this is a potent aid to the makers of war.

LETTERS TO THE EDITOR.

PROPAGANDA.

Sir,—I shall be glad to hear from any persons in this district who may be interested in Credit-Reform.

12, Aberdeen Road, Clifton, Bristol. W. ARTHUR EVERS.

* * *

CORRECTION.

Sir,—May I correct the mistake occurring in (4) of the third section in last week's "Æsthetics"? Instead of "Attainment I call Attainment" this line should read "Attainment I call Beatitude."

D. MITRINOVIC.

PRESS CUTTINGS.

Mr. Ezra Pound has just arrived in Paris from London. He says that after a visit of several months to the Riviera he will return here to remain indefinitely. His reason is that he finds "the decay of the British Empire too depressing a spectacle to witness at close range," and that if he were to stay longer in London he might eventually "shake its dust from his shoes in too discourteous a manner." Having a number of pleasant memories of England in the last ten years, he finds that he can retain them more easily by being away now.

With regard to present conditions in England, Mr. Pound declared that he looks upon credit control as the focus of power, and that he can see no economic improvement without revision of the credit system. He holds that money should not be available to non-essential industries until necessities are provided for, and that free credits would work out to better advantage than the high rates of interest, which contribute much to the present low production both in England and America.

"England is largely insensitised," Mr. Pound continued, "suffering from the same poison that exists in German kultur and in the American University system, and which aims at filling a student's head full of facts to paralyse him with data instead of developing his perspicacity. I suppose the word sensitive gives an impression of feminity. And yet any scientist is anxious to have his instruments highly sensitised. It is one result of the war which had its most serious effect in this weakening of civilisation—something more insidious than is at first apparent.

"The situation is evident in the fact that England has not yet noticed the one real contribution to creative thought which has been made in five years. It is found in C. H. Douglas's book published some months ago, 'Economic Democracy.' The underlying idea is elaborated in Mr. Douglas's new book, 'Credit-Power and Democracy.' He is working to frustrate both the extreme revolutionists and the Junker party in England, which is just as stupid as that formerly existing in Germany, as well as foreign capital, which is indifferent to the undermining of the Empire, even to the point of bringing about another war, so long as its own ends are served. That sort of thing is obviously not given much publicity under the present censorship."—"New York Herald" (Paris).

This small volume, "Credit-Power and Democracy," forms a complement to Major Douglas's previous work, "Economic Democracy." The titles are not alluring. Nor is one tempted by a superficial examination of the contents, for finance is not a popular subject, and the terms inseparable from its treatment do not form part of the average reader's vocabulary. It is only the determination to know if "there is anything in it" that makes you settle down to close study. Never is it better repaid. These books contain an idea which vitalises some hitherto inert economic and industrial problems.

The contention of the authors (for Mr. Orage has added a practical exposition of his friend's ideas, as applied to the mining industry) is this:—Credit, which may be defined as a correct estimate of the capacity of the community to deliver goods, is inherent in the community, being the joint result of the efforts of the producer and the demands of the consumer. It is therefore a communal property, and should be communally administered for the benefit of society. At present, however, the bankers have seized the control of credit, and they administer it for private profit. By combining credit-issue and price-making, they have established a system which is ingeniously adapted to filch from the community any advantage that accrues from the use of credit.

Industry is financed by a series of credit-issues. The manufacturers borrow credit from the banks, for business purposes; to repay these advances, the value of all credits must appear in selling prices. Every article must be sold at a price which will cover all expenditure, plus profit. The factory cost of the total production would consist of expenditure of raw material, wages and salaries, and a sum representing a proportion of the cost of upkeep on the whole of the plant. In this way, the consumer is forced to buy and pay for many times over the whole of the plant used for manufacturing processes, since the purchase price is included in the selling price of the articles produced. This system of credit-issue and price-making distributes purchasing power both in respect of capital production (tools, factories, etc.) and ultimate products (necessaries and services) but it takes back, in the prices of these latter alone, practically the whole of this purchasing power. In other words, the consumer buys both plant and product, but only gets the product.

Other factors are introduced to further dilute the purchasing power of the consumer. Production is tapped at the source by credit manipulated in the interests of the financier, and only a small stream is allowed to trickle to the community. Hence appear such phenomena as economic sabotage, "making work" and the frantic hunt for foreign markets, leading to war. The illimitable advantages which might be derived from association and improved processes are either neglected, or diverted from the consumer into the hands of the financier, the banker, and the industrialist.

Society is thus formed pyramidally, the psychological motive of will-to-power being expressed economically in the control of credit, which is the very life-blood of the community. The policy of industry rests with finance, the bank being its organ. Consequently energies are turned towards capital production instead of the necessaries of life. How can the community successfully reassert the will to freedom?

On the various proposals of Nationalisation, a Levy on Capital, and National Guilds, Major Douglas turns a merciless criticism. He will not have the gold standard as a basis for credit, and refutes the "producer-credit-control school." The measure suggested by our authors would operate far more effectively, with a minimum of disturbance. The community, through decentralised local authorities, must control credit-issue and fix prices.

Stated thus, in a generalised form, the solution may convey little to the reader. But the issue is brought down to earth, and worked out in a practical scheme which cannot be adequately summarised. We mention but two of the startling conclusions—that, in virtue of being a consumer and consequently a creator of credit, every individual is entitled to a share of dividends; and that the just price of any article would be below cost price, as measured by the existing system.—"The Nation."

The formation and propaganda of the National Guilds League were in themselves a criticism of the Labour movement for being insusceptible to a new idea—that of "control" or self-government in industry. History repeats itself. The N.G.L. is now crystallised, and is, in turn, insusceptible to the new idea—that of credit-power, or the fact that ultimate control inheres not in administration but in finance.

The credit proposals of Major C. H. Douglas and THE NEW AGE, which "G. M." obviously has in mind, are not a negation of the policy of the N.G.L. They simply imply that if industrial control is the workers' way out of Capitalism, it would be foolish for the workers to ignore Capitalism's most powerful and, withal, most skilfully concealed weapon of credit manipulation. Critical analysis of the nature and use of that weapon is more than indulgence in intellectual controversies: it is constructive and creative work.

The Building Guild may yet repeat the experience of both the Russian Bolsheviks and the Italian metal-workers by being pulled up short through inability to manipulate the credit inherent in the labour power of its members. "Control" means more than control of shop and factory, or even of the machinery of Government. It means also control of the financial factors that dominate and determine economic policy; in short, it means control of the issuing of financial credits.

Within the postal movement the original Guild propagandists were derided as wild visionaries, yet their policy is now accepted as axiomatic. Stress of economic circumstance will eventually result in a similar acceptance of the principles underlying the Douglas proposals.—J. W. GIBBON.

Published by the Proprietors, THE NEW AGE (A. R. ORAGE), 38, Cursitor Street, E.C.4, and printed for them by BONNER & CO., The Chancery Lane Press, 1, 2, and 3, Rolls Passage, E.C.4.