TOWARDS NATIONAL GUILDS. By National Guildsmen

UNEMPLOYMENT AND WASTE. By...

World admiration for the miners' pluck and determination, speaking of, while they have lost the Government's terms. There seems to be no reason for expecting the dispute ever to end, except the sheer impossibility of its going on for ever. And after leading the men better accept the terms, or they would hardly have

The longer they stay out, the worse are fighting, they cannot hope to gain anything worth- speaking of, while they have lost the Government's £10,000,000. The longer they stay out, the worse is likely to be their plight, when they do go back. In any case, there is bound to be a large reduction of the men employed in the industry, and the longer the stoppage, the greater will be the number of those fired out. Oil will continue all the while to displace coal; and we have not yet had the sense to arrange for an industry to support its own ex-Service men.

As for the miners' leaders, it is difficult to find language to express our opinion of them. We have repeatedly pointed out how abominably the matter was mishandled from the first. And after leading the men into an impenetrable maze of wire entanglements, they left them to find their own way out as best they might. The majority of them evidently thought the men had not the courage to advise them in this sense, but flung the terms to the men (as some of the latter complained) with a "Take it, or leave it." Having now, as the result of the ballot, had the responsibility once more tossed back on themselves, they are once more turning to the other unions and telling them, "It is your job to help us out." But this demand for a general strike is mere madness. If it was impossible to secure one two months ago, when there was some freshness and excitement about the dispute, it certainly cannot be done now, when everyone is sick to death of the whole business. If it is attempted, it will prove the most lamentable of fizzes. To try to infuse fresh life into the fight at this time of day is to flog a dead horse. On the other hand, simply to let things drift, is to ask for disaster. At the best, the men's resistance will at last collapse into a dull and resentful acceptance of defeat. At the worst, the men will go dribbling back, more and more each week, and the Federation will be broken, for years at least. Once more we urge the leaders to seize on the only clue that can guide them out of the labyrinth. Let them go back to Mr. Hodges' hint about "communal credit!" and think out the implications of this. Then let them demand a truce on any tolerable terms, while the two sides come together to discuss a constructive policy built on this basis.

The Press still continues to devote a great deal of space to the question of friendly relations with America. But it wilfully ignores the underlying issue. As we have repeatedly pointed out, the struggle for ever fresh and fresh foreign markets, inevitable under the present system of production, means in turn inevitable war. Apart from a radical change in our economic methods, the only open question with regard to the next war is how exactly the lists of the teams will be made up. The picking-up is going on now. We may find ourselves on the side of Japan or we may find ourselves on the side of America. In either case the war will be an appalling disaster to civilisation. Sentimentally it may seem the more horrible prospect that we should go to war with America. But the cause of peace is no way served by pretending that this is impossible. Some of us were shocked in our youth by an article in one of the reviews, confidently predicting a war with Germany and after that one with America. It was the first time we had heard of the possibility of war with either; the one seemed as incredible as the other. Yet we have seen one half of the prophecy fulfilled; why not the other half? Certainly no sentimental bonds and no merely political methods will be of any avail against the stronger forces in whose grip we are borne along. The 'Times' lays it down, "What the whole world wants is an effective barrier against new wars." Yes, but no League of Nations, or arbitration treaties, or any possible cycles and epicycles of alliances will by themselves prove any "effective barrier." The economic system makes for war irresistibly; and that along two lines. Besides the conflict of various national in-
terests, it requires war as an internal relief for each nation. At the time of the Armistice it would have been impossible that any war; the armies would have refused to march. The peoples were then thoroughly war-weary; already our own peoples—to go no further afield—are thoroughly peace-weary. Remembering that modern war meant high wages and interests, it requires war a nation. At the time of the Armistice it would have unreservedly all such adventures, be they cheap or dear.

consistent than himself. They do not see how the been impossible to start another large-scale war; the then thoroughly war-weary; already our own peoples—over his own heels in his haste to find one.

What is a "sufficient" glacis for the Suez Canal? route to India all along the line. And who is to say how far our outposts ought to be. pushed forward?

Mr. Austin Hopkinson has more ideas than the ordinary run of capitalists. He got on a really suggestive line of thought in the House the other day. He said that the only solution of industrial problems is "for as many people as possible in the industry to become capitalists." "Individual freedom," he continued, "for the wage-earner could never come until he had that 'capital' which would enable him to act as a free man face to face with his employer, and trade union." This is what we have been continually urging ourselves. And we quite agree with Mr. Hopkinson that it is as necessary to liberate the worker in relation to the union as in relation to the capitalist employer. Supposing the trade unions transformed into guilds and, making themselves positively responsible for the carrying on of industry, they might then be as tyrannical as any individual employer is now. The mere change of wages into "guild pay" would be very far indeed from delivering us from the essential servility of the wage-system. But when Mr. Hopkinson goes on to suggest as a possible method for the creation of Labour-capitalists that week by week, when trade was booming, they should carefully refrain from spending till they would accumulate savings," he is simply turning himself into an unsavoury amalgam of Chadband and Smiles. He must know that the ordinary worker, be he ever so Thrifty, has not the remotest chance of saving in a lifetime enough to bring him in any appreciable income. The only way by which the ideal so admirably expressed by Mr. Hopkinson can in practice be realised is by Labour starting its own democratic banks. Then it can capitalise its real credit (that is, its power to deliver the goods), and every worker would, of course, as such, be entitled to shares in this capital.

Our rulers are much exercised about the dangers of "revolutionary propaganda." That in a country possessing such advantages as ours agitators of the calibre of our Communists should get any hearing at all, is in itself a disgrace to the existing régime. Anything worthy to be called a constructive policy would deflate this "hot air" balloon in no time. But if plutocracy is deliberately accepted, we must accept its consequences. There must be revolutionary agitation, and there must be repression. Every government has, as its first task, to defend its own existence. The law is no doubt strained, and evidence very lightly accepted, against individual Communists. But who can expect any government to neglect any available weapon? Certainly the Communists have no right to complain. They are seeking to impose on the nation by force an economic strait-waistcoat which only a few can possibly require. And if they were to get into power, one of their first acts would be to raid THE NEW AGE office. We, on the other hand, protest against economic tyranny as such. We desire, by a policy which, if it were once understood, would easily win the consent of an overwhelming majority, to undermine automatically the present system of money-power, and so to make the ordinary man the master of his own destiny. The fact is that most Socialists hate liberty—however ready they may be to splurge about "emancipation," when it suits their book. Yet, if the revolt against the existing social order stands for anything positive at all, it must stand for the old revolutionary trinity—liberty, equality, and fraternity. In this trinity none is more important than the other; though an honorary primary (as in the theological Trinity) should attach to the first "person." Yet few indeed are its true worshippers. It is a very serious question how liberty could be safeguarded under any form of co-operative commonwealth, and in most forms of this there would be no place for it at all.

Unfortunately there is a propaganda in full blast, backed by the deservedly great authority of Mr. Tawney, in support of the formula, "Property must rest, not on force, but on function." It should certainly rest, not on force, but on social consent; but on what principles the social consensus would be well advised to base it, is quite another question. "Function," as its sole ground, certainly will not do. That would mean that one could hold any property or receive any income, except as a reward for definite service rendered. And that means slavery. The long and short
of the matter is that, if a man has an unearned income, he is a free man, and, if he hasn't, he isn't. And this is no question of the particular limitations of the capitalistic system. All great men and all great things which people want to devote their time are things for which no one would be willing to pay them in any conceivable state of society. What room could there be for a Wordsworth under a purely "functional" system? During considerable periods of his life, Wordsworth was nothing but a "loafer"; and, if he had not been one, he could not have done his real life's work—for the most valuable work that anyone did in his generation. The present system does at least provide some loopholes in which a few of the right people happen to find lodgment. On this point the anti-Socialists are all in agreement. But the advocates of "dividends for all" can turn the argument with overwhelming effect against the present system. How many "mute, inglorious" Wordsworths does it crush round; he has dealt some shrewd blows at the plutocracy and their political henchmen; but we thank him most of all for his protest against proletarian dictatorship.

Mr. Lloyd George has been trying to put the Churches in their proper place. It is their business, in social and international affairs, "to create the atmosphere." The particular atmosphere that the Premier wants created is naturally one favourable to plutocracy. He is there to carry on the established system, and he has to do the will of his taskmasters. The Churches also are an integral part of the social organisation, and have hitherto, (apart from the protests of a few small groups) obediently done their part. That is what every old-established institution inevitably does. Of late, however, they have shown a disposition to break out of bounds, and to come out as an independent and spiritual power criticising the plutocratic world-power. This, of course, will not do; hence Mr. Lloyd George's admonition. He implored them to concentrate their chief energies on the matter of temperance. Drunkenness and impurity have in fact always been the chief cokshiches of the Churches in their denunciations of "sin"; they are safe subjects, which relieve preachers from the necessity of tackling more disturbing issues. Besides, the plutocrats require a good supply of sober and healthy wage-slaves. A general inculcation of peace and good-will is also highly commendable—though the Government must of course not be criticised, when (as in Ireland) it fails itself to manifest these qualities. In ordinary circumstances, international peace suits the Churches; it is their business, in social and political affairs, to give the Churches an interest in the matter of temperance. Drunkenness and impurity have in fact always been the chief cokshiches of the Churches in their denunciations of "sin"; they are safe subjects, which relieve preachers from the necessity of tackling more disturbing issues. Besides, the plutocrats require a good supply of sober and healthy wage-slaves. A general inculcation of peace and good-will is also highly commendable—though the Government must of course not be criticised, when (as in Ireland) it fails itself to manifest these qualities. In ordinary circumstances, international peace suits the Churches; it is their business, in social and political affairs, to give the Churches an interest in the matter of temperance.

World Affairs.

The prostration of Europe is greater than reason can know. Her restoration demands a creative act and insight profounder than human and scientific science can provide. EUROPA is the Ego of the world. Her mystery is radical. Her messianism is of cosmic and planetary significance. Europe is the central continent of the world and the centre of all the spiritual and political forces of the world. Europe is Humanity Universal itself in its focus and concentration. Upon Greater Europe, that is upon Russia, upon Great Britain, upon the Balkans and Asia Minor, the formation of the ultimate Europe depends. The Ultimate Europa includes the British Empire and the immensity of the two Americas. Of this ultimate Europe the continent proper is only the kernel, and must ever remain. The block of Western Slavdom, of Germany and of the Latin mankind is Central Europe, and the organisation of the world can be said to be the organisation of Europe's kernel. Of Central Europe, however, Russia and the Southern Slavdom, on the one side, and the British Isles on the other, are world-organs and power-bodies. Greater Europe is the fulfilment and world-function of EUROPA; of which divinely glorious and sovereign center is the essence of the essence. Central Europe is the essence of the essence of the quint-essence of the pan-human essence and of the pan-human crisis. In the Imperium Universal alone, in the supreme Pleroma of pan-human regeneration, the essential problem of the world, the problem of the reconciliation and synthesis of Continental Europe is alone solvable. The restoration of EUROPA and the creation of EUROPA presupposes two acts and two correlated historic miracles to-day. Without the miracle of the unification of England and Russia with the Continent, a miracle of inconceivable difficulty, the Continent of broken and criminal Europe cannot reconstitute itself. If it could, by a miracle, reconstitute itself even without Russian and British foundations, the enlargement of the Continent into EUROPA would still remain unaccomplished; for the butchered flesh of Europe is one single soul and organism.

Friedrich Nietzsche, the author of the scripture on the Superman, was the prophet of the Seraphic or Seraphic dispensation of the world, and he was the prophet of the new Aryandom; he was a Teuton by birth, and a Slav by descent; a European in character, however, and a Superman and a Seraphic spirit in his humanness. Helena Petrovna Blavatsky glorified and supported Aryanism and the White Man; her pan-human and Seraphic soul, however, glorified Humanity Universal and the eternal Christhood of Man. A Slav by birth, a Teuton by descent, this first Superman in the vehicle of femininity, this first woman genius known to history, created an Aryan and pan-human movement and society in New York. And Solovyov, the last of the Fathers of Christendom and the prophet of the Sophian Christianity, though he was wholly Slav by blood, was that one of European thinkers in whom Europe's humanity found its ultimation and end. Only a new dispensation altogether, only a motive of a New Aeon can lead Europe and the world into a transcendence of Solovyov's synthesis. Nietzsche's will was aflame and fierce enough to give an Aryan and Seraphic impulse to Europe; Blavatsky's cosmic awareness was too philosophical and real enough to formulate the concept of Universal Humanity; Solovyov's divine intuition and love was unlimited and spiritual enough to know Yahweh, to be infinite. Europe's need is such that love alone, and logic alone, and might alone, and even Great Britain, cannot be manipulated to serve the ends of the money-consciousness; the question is one of a new dispensation altogether, a new motive of a New Aeon that can lead Europe and the world into its transcendence.
three alone, that Aryandom, Christianity and Socialism, and only if unified and molten in Universal Humanity—these three can fulfill Europe's need. It is the ascen-
sation of one's self-expression, the new birth of the body that is the need of Greater Europe; for Pleroma
's the universal need and goal. Functionalism of So-
ociety is Pleroma of Society. Socialism of Humanity
is religion of values. Universal worship of values is
the kingdom of life. The supreme value, however, is
Sophia herself, the Jewish apocalypse of Bergson. It
is the earth's humiliation of the world's consciousness. Europe must
however, is
humanity and prophets of Greater and of Ultimate
human dispensation has been tentatively, approximately
Aryan dispensation has been inaugurated in the
Europe. Both of these spirits have given works of
Superman and of socialism to the world. It was in
Europe that Comte attempted to create the Religion
of Humanity. It is in Europe and in this very generation
that the supra-Aryan development in philosophy has
began in the Jewish apocalypse of Bergson. It is in
America and in our era that the philosophy of supra-
Aryan dispensation has been inaugurated in the prag-
matist movement. And words such as these are also
being uttered in Greater Europe, and their aim is
supra-Aryandom. Finally, it is in Central Europe and in
Germany that the canon of the socialist and supra-
human dispensation has been tentatively, approxi-
mately given to the world in our own day. It was, once
more, given to a Semite by blood to communicate a
universal truth to the world. Eric Gutkind is the name of
the Superman of our own hour, of the Aryan by
spirit and fire, of the Socialist of the ascension and of
the earthquake who proclaimed Pleroma in his seraphic
scripture. This Semitic call to Prometheus and to the
Grail at the same time is proclaimed in the first
Christian deed, in the first superhuman act of a Jew
after the deeds of Paul the Apostle. The name of this
Deed is Cosmic Rebirth. We offer to the reader and
to the world the name of this great and seraphic Deed;
for the need of Europe is abysmal. The ultimate foun-
dation of Greater Europe and of the Universal Im-
perium must be explored in this hour of disaster and
humiliation of the world's consciousness. Europe must
be saved and justified. Europe must be saved and
humanity must be founded; the Imperium must be
founded. Supra-humanity and Socialism are the Sal-
vation and the New Dispensation in the world. The
aristocratic Socialism is the ascension of the earth upon
the snow-white and blood-red consciousness of cosmic
life and of angelic and electric being.

The work we referred to is a book of world-import-
ance and radically symptomatic for the movement of
our Ξeon. We believe it to be our duty to give the title
of this extraordinary book to the readers of this jour-
nal: Siderische Geburt (Schuster and Löffler, Berlin).
From inspiration alone and from angelic and resurrec-
tional obedience of human freedom to Providence and
to the Imperium the new guidance to humanity can
come. The travail of all souls and the cataclysm of
EUROPA to-day are more profound than reason can
know. It is only in the Universal Socialism of Hu-
manity, in the Universal consciousness that the
solution of all problems can be found. The Imperium,
however, is a mystery. What Europe needs to-day is
grace. Humanity needs the Grail and Providence to-
day. Nothing but Divinity and the grace of the Eter-
nal can bring an orientation into the chaos of the spirit
to-day and a new influx of guidance. It is true, often
even we have repeated it, our Ξeon is the dispensa-
tion of freedom and of humanity's self-creation. Yet
freedom is of value only if it is the freedom of divine
obedience. Freedom keeping on the side of Fatality and
of the cosmic Logos is only of importance. It is not of
use, of value. It is European synthesis and regeneration;
it is, we say, Europe's own self-creation and per-
fec-
demand that every truth should be set on our tables and that it should even be put into our mouths. And never, never, never, can truth—not even a modern truth—be possessed in that way. If the intellectuals of Europe had not stopped all true suffering for the world, it would have come to them saying, “We do want truth to eat!”—the answer of wise men would be: “Then work for it; search for it; find it. We have hidden it where it may be found.” And so I have not been concerned in these notes with the evil that is to the public as cause and effect: from the point of view of this column, that is nothing more than an academic question. What I have tried to do has been to arouse here and there a feeling that all is not well; to disturb, however slightly, the heavy national sleep. I have not attempted, again, to provide bread for whomever asks it; on the contrary, the more clamorously people have called for bread, the harder I have painted them with stones. And least of all have I attempted to cure people’s maladies. Instead of that I have tried to convince them that they are ill. The cure is their affair. One is compelled nowadays to become an advocatus diaboli pro bono publico.

It is a pleasure to remember, after reading Mr. Masefield’s latest affirmation, that a decade ago, when every other English writer was acclaiming his “Nan,” The New Age almost alone found in it a vein of brutality. Writing of fox-hunting and the fox, Mr. Masefield says: “To all Englishmen who have lived in a hunting country hunting is in the blood and the mind is full of it. It is the most beautiful and the most stirring sight to be seen in England.” There is an aesthetic judgment! Fox-hunting “is a sport loved and followed by both sexes, all ages, and all classes. At a fox-hunt, and nowhere else in England, except at a funeral (our italics), can you see the whole of the land’s society brought together, focused for the observer, as the Canterbury Pilgrims were for Chaucer.” Really, we are a very gruesome people, or else Mr. Masefield has a very gruesome taste. It remains only to make fox-hunting something moral, and that is easy. “Hunting makes more people happy than anything I know. When people are happy together I am quite certain that they build up something eternal, something both beautiful and divine, which weakens the power of all evil things upon this life of men and women.” And of foxes, perhaps? “No doubt the slaughter of animals in the Roman amphitheatre made people ‘happy’; but history does not tell us that ‘something eternal, something both beautiful and divine’ was built upon it. Our happiness hangs, it seems, on the brush of a fox. Chaucer’s pilgrims gathered together to keep alive dead saints; we congregate to kill foxes.” The picture is, fortunately, grotesque. Fox-hunting is a class pleasure simply and baldly, and to call it national and speak hypocritically about it is to fight against the time when common decency to animals will be the rule. Fortunately, in this as in everything else, Mr. Masefield is not in the tradition of English poetry. The English tradition is humane.

The publication of Mr. H. G. Wells’ new book, “The Salvaging of Civilization” brings into prominence, once more, though not more strikingly than ten-tenths of other books written on the same subject, a disastrous failure to rise to the recognition of a great figure in European thought. We mean Nietzsche. The condemnation of the intellectuals both of England and the continent is that they have not seen in Nietzsche anything but a perverse figure, a thinker not “to be taken seriously.” That is the measure of the meanness of the European mind. Even thinkers, even the so-called emancipated, demand that certain questions should not be raised. Nietzsche’s discrimination between master and slave morality—a flash of light upon the English class wars and our regard as merely an intellectual distinction; slave morality being the only possible morality, being morality itself, which all the little decencies demand. A time will come when the current conception of Nietzsche as a trillor, an immoral dilettante, will appear as one of the most one of the most ignominious pieces of spiritual density which honesty has ever revealed.

A little over a hundred years ago, Nelson set the fashion of looking at the signs of the times with one’s blind eye. The fashion has lasted ever since, and by this time it has become a habit. This remark is apropos the incredible stupidity of reviews which have greeted “Chout,” the new ballet with music by Prokofieff, which was recently produced by the Russian dancers. If the notices prove anything it is that our critics are not able to see broad joke, and a delicious one, when they see it. Or, perhaps, that their conception of art demands something pretty, a little sickly, sensuous but not too sensuous; lingerie seen by moonlight. Yet it is baffling when something clearly and naively healthy like “Chout” is regarded as perverse and diseased.

Edward Moore.

Unemployment and Waste.

While it is necessary to bear in mind that the object of industry should not be employment, but rather the delivery of goods with the maximum of energy on their production, it is yet true that at the moment unemployment does form a practical problem demanding alleviating treatment. The word is generally used to indicate labour unemployment, but it is practically impossible to have any considerable volume of labour unemployment without a capital unemployment representing many times the production value of the idle labour.

To the extent that private capitalism in the old sense can be said to exist, this is just as great an evil to the capitalist as to the manual worker, although its incidence may not be so personal or so immediately tragic. It penalises his initiative, depletes his reserves, and finally bankrupts him; and the whole of the present is eventually an injury distributed over the community in general, resulting in a deterioration of morale, as well as in the more material evil of a rise in prices.

It is particularly important to notice the wastefulness of the system. A demand backed by money arises in the community for a particular class of goods; an enterprise manufacturing that plant puts it on the market at his own expense “as the misleading phrase goes (it is impossible for anyone to put down modern plant at the expense of other than the general consumer), and supplies the goods. This man is a public benefactor; he gives the public what it wants, and he gives it much quicker than it would be possible to get it by any other system, because one man can make a decision quicker than a dozen men, to say nothing of a Government Department. A Trade slump comes; unemployment grows like a snowball, since every man thrown out of work is one man less receiving money, and therefore one man less in the market to buy goods; our manufacturer, though still willing and able to make his product, cannot sell it, and if this state of affairs continues for any length of time he is ruined. His business organisation is probably excellent, but it is broken up and his plant dispersed, and when the trade revival comes a new plant and a new organisation has again to be constructed at the expense of the consumer.

Both the employer and the employed are so familiar with this cycle that both take steps which they imagine will protect them against its effects, but which in fact only make confusion worse confounded. During times of brisk trade the employer charges the highest price he can get; or, in other words, forces his minimum of goods to the maximum of money, and
embody his large profits in invisible reserves, with the result that the consumer is left without any effective consuming capacity is enormously and viciously inflated that this money simply goes into the cost of the product, which has to be paid by the community of which he forms so large a part. Since, superficially, it seems vital to the interest of both of them to keep the process moving as long as possible, the manufacturer is driven to sell, by advertisement, or inferior and quickly worn-out articles where he can not make a handsome profit on durable and well-finished production, the life and usefulness of which operate in the truest sense towards labour-saving.

Consider, then, the position at the present time. It is certain that both employers and employed are willing and able to work on terms; it is demonstrable without difficulty that the productive capacity of Industry, with its labour, plant and organisation, greatly exceeds the consuming capacity of the Nation unless that consuming capacity is enormously and viciously inflated by waste, and especially the culminating waste of War; and yet it is patent that the needs of the individuals who comprise the community (whose collective needs are the only reason and justification for the existence of Industry and even increase far, far in proportion, from being met. There is one possible explanation for this anomaly—the financial system, which ought to be an effective distributive mechanism for the whole possible production of Society, is defective—it does not so arrange the prices of articles produced as to enable the extent purchasing-power to acquire them.

Now, without, for the moment, discussing the methods by which this defect can be remedied, let us imagine the remedy to be applied and consider the immediate effect on the unemployment problem. There are still millions of persons wanting goods; the productive system can make these goods; the persons who want them can buy them, and those who make them can be paid for them.

It seems obvious that an enormous stimulation to production plus a stimulation which no mere propaganda on its desirability has ever succeeded in evoking; and that the immediate effect of this would be a radical diminution of unemployment.

Consider now the policy actually being pursued at this moment by the Government and the financial powers thereof. They can be summarised in one sentence—the reduction of costs, and more especially labour costs. But labour costs are wages and form by far the most important item in the total purchasing power inside the country available for the distribution of goods. Even supposing that retail prices were reduced in exact ratio to wage reductions, which is highly improbable or even impossible, how is the distribution of goods to people in this country, which is the true object of British industry, thereby advantaged? For the answer (by way, not of saying no more propaganda on its desirability has ever succeeded in evoking; and that the immediate effect of this would be a radical diminution of unemployment.

It would seem, then, that although a reduction of prices in relation to purchasing power is not only vital in connection with the more fundamental problems of Industry and Society, but is the only effective method of dealing with the immediate problem of unemployment, we are not as a Nation pursuing this policy, but rather one which, if not diametrically opposed to it, is yet wholly inapplicable to the situation. It is impossible to obtain adequate recognition of fundamental remedies, and equally impossible to raise the general public to a sense of the catastrophe towards which its passivity in the matter is hurrying it so swiftly?

C. H. D.
small free fraction for the purchase of the new product.

Now let us consider what happens to the exported price-value of £9,000. Clearly the foreign country that has received it must “pay” for it in some other form than mere money. Money, in short, is only the acknowledgment of a debt; and, in general, the money or credit paid by the foreign importer must be substantiated in goods. (We except the special case, of course, of a foreign “investment,” in which capital goods are exported in return for an annual interest or dividend. In this case, the exported goods are eventually “paid for” in imported goods, but only by annual instalments and over a long period.) Assuming that the export-sale is commercial in the ordinary sense, the export of a price-value of £9,000 puts the importing country “in debt” to that amount; in other words, it is under the obligation to supply goods on demand to the value of the goods received, namely, £9,000. What is it that determines the kind of goods that shall be demanded? What settles the sort of goods now to be imported? It is obviously not the recipients of Wages, Salaries and Dividends in this country directly; for they, poor things, have ceased to have any purchasing power to dispose of. On the contrary, all the purchasing power or demand of power is resident in the various creditors whom we saw previously engaged. The raw material owner having “sold” his original stock for a financial credit “demands” of the foreign country a new stock of raw materials with which he can again “supply” our factory when it starts work again. Similarly the controllers of the real credit inherent in the materials of overhead charges and in cost of living materials replenish their stocks with the demand-value or money received for the old stocks; and they too are in a position to renew the wheel. Only the recipients of Wages, Salaries and Dividends are powerless to determine directly what shall be imported in return for the goods exported; and their indirect influence is confined to the calculation of their minimum needs by the crediters who will set them to work. The kind of import received in exchange for the export is, in fact, determined by the dealers in Credit (real and financial); and since their object is the production of more Credit, and not the importation merely of more consumable goods, it is only to be expected that the allocation of their power of demand will be in favour of means to development rather than of direct output. In fact, the major elements of the import will be (a) raw materials; (b) capital goods and accessories; leaving (c) finished products for the individual consumption in the category of “luxury.” Our readers have only to examine the statistics of our imports to see that the bulk is composed of capital goods of one kind or another; in short, of credit-instruments in the narrow sense of the word.

NATIONAL GUILDSMEN.

GUESTS.

If Joy come, let it be with Dawn
That, dancing from her dewy gate,
Findeth a heart all cleanly dight
That, dancing from her dewy gate,
That day hath not made desolate.

If Sorrow must, at eventide
When white owls haunt the churchyard by,
Let her creep in to take what cheer
Thy heart has left, for charity.

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Thy heart has left, for charity.

A Reformer’s Note-Book.

THE LABOUR MOVEMENT. The Labour movement has all the characteristics of those secular transformations that are brought about in the course of astronomical time. It is universal, it is slow, it is almost imperceptible, but the change it works is destined to be epoch-making. Like the secular geological, climatic and other movements, the Labour movement is independent of human effort. It is true that men can affect an acceleration of it here and a slowing of it there; but only a universal consensus of the opinion of mankind, such as cannot be co-erul with the existence of the Labour movement, could affect the movement as a whole either to hasten or delay it. The Labour movement as an analogue of the Precession of the Equinoxes or the alternative of the Glacial with the Tropical Ages becomes of necessity a kind of procession of fate, in which, as in other great human dramas, individuals are compelled to play their part willy-nilly. It is instinct that moves them; and only in the highly privileged, because highly endowed few, does it light a candle in the human reason. Nothing is more certain of the Labour Movement than that the vast masses who compose it and are being slowly affected by it are unconscious of its causes, its conditions, its purport, its developments, its interpretation and, usually, of its very existence. In it they live and move, and have their being; and yet all the while they are as unaware of it as an embryo before birth of its mother. Even those, indeed, who employ words that seem to imply intelligence are, for the most part, uttering sounds without meaning; for only in the rarest cases is comprehension of the movement at once profound and articulate. That this unself-consciousness will not always characterise the Labour movement may be taken for granted, since the ultimate consciousness of it in the many is already prophesied in the present intelligence of the few. But we should be in error in mistaking words for facts or in attributing too much importance to the parrot-speech of our contemporary masses. For consciousness of the inevitability of the progress of the Labour movement carries with it the equal necessity to act in regard to it in a precise and definable fashion. Why did Noah, who foresaw the secular movement of the Flood, build an Ark for himself and his friends? Because he believed in the Flood! Similarly, the only evidence we can accept of the realisation of the Labour movement is the comings and goings of men leaving the Labour movement or selling it or ceasing to be active in it, are likewise only demonstrations that they have accepted its existence on hearsay. One of these days, however, the nature of the movement will become plain without faith to everybody. They will be the days of open vision. We shall see the movement as having had its origin and progress in the emergence into the human consciousness of the idea of human brotherhood; and we shall see its end to be the conscious realisation by all men of the essential identity (which is more than the mere likeness) of man with man. For the Labour movement is less than a cosmic design for the spiritual education of men in the knowledge of their own nature. It is the consequence of going to school to God; and its completion will be seen in the realisation of the fact that Dick, Tom and Harry are at bottom one and the same Person. The degree to which this fact is realised is the measure of the progress made by the Labour movement as a whole. And since it is still but a small degree, we can truly say that the Labour movement has scarcely begun.
Igor Stravinski and the Modern World.

By Edith Sitwell.

On June 7 appeared for the first time to a British audience a discoverer of as great importance as Christopher Columbus—a discoverer who has given us, it is true, no new continent, but the actual world we live in. To a great poet and terrifying genius, life is not a language which had to be learnt painfully, in a circumscribed schoolroom, amid the dust of years. It came to him as a birthright—and not only this unknown language; for, like Cassandra, he knows the speech of birds and of serpents; he has spoken with Darkness itself. And he has found "those Correspondences whereby men may speak with Angels." He is, I honestly believe, the most important living artist of any kind whatsoever. And for this reason—(apart from his vast discoveries in the technique of his particular art)—that each of his five senses is so intelligent, so intense, as to amount to genius. And thereby he knows that every sight, touch, sound, smell, of the world we live in, has its meaning—is the result of a spiritual state (as a great philosopher said to me), is, in short, a kind of psychanalysis. And he can interpret those meanings to us.

We had become accustomed to seeing a Clown that is, perhaps, the clearest symbol of the modern world, showing, as he does, the terrible difference between his heightened exterior, so intensely restricted, and the limitless dark of the mind. He is, above all, the man with nowhere to hide—the homeless one—as he stands in the pitiful glare of the stage, trying to cover his misery and defiance with the bright-painted rags of the limelight. He has not even the right to his own flesh, for that is painted into cubes like the cubes of empty houses; and his laughter must not be human laughter; it must have the mechanical action of a switchback, sweeping from a heaven wherein the clouds seem like wooden chalets, down into a hell that is like Arthur Rimbaud's heaven—"routes bordées de grilles et de murs, contenant à peine leurs bosquets, et les arabes fleurs qu'on appellerait cœurs et soeurs, damas damnant de langueur.

But Stravinski has given us more than this. His clown is a child-like soul crying in a withered hell.

The terrible ballet Petrouchka is like a warning of the ultimate darkness. How well this pierces and un-deceivable genius knows that the modern world is but a thin matchboard flooring spread over a shaded hell. For to him Dante's hell has faded, and Lucifer, son of the morning, is dead. Hell is no vastness; there are no more devils who weep, or who laugh—only the maligned dwarfs of this life, terrible straining mechanisms, crouching in trivial sands, and laughing at the giants crumbling.

In a recent book about the Russian ballet,* I wrote: "We sit, in the loneliness of identity, watching the movements growing and ripening like fruit, or curling with the fantastic inevitability of waves seen by Korin. And all the while we are as remote from the world in which these alien beings move as are the children dressed in mourning of whom Arthur Rimbaud writes in his prose poem, 'Après le Deluge.' But Stravinski gives us, in those clear sharp outlines and movements, all the philosophy of Laforge (heightened and made greater), as the puppets move somnambulantly through the dark of our hearts. And this ballet, alone among them, has the name of which Arthur Rimbaud wrote in his prose poem, 'Après le Deluge': "Petrouchka." "Children's Tales." (Published by Leonard Parsons.)
On Painting.

I.

INTONATION is Picture.

Image is Intonation in Painting.

Scent is Tone.

Form in Painting is Image.

Image is transfiguration of Form.

Intonation is Meaning of Shape.

II.

Liberation of the Image is Painting.

Explosion of the Vision is Painting.

Utterance of the Meaning is Painting.

Tone, Tonality, Intonation, is the Voice.

Colour is transfiguration of the meaning in Painting.

Tone is Image.

Pictography is the Imaging of the Image.

Painting is the Colouring of the Image.

Intonation is the Illumining of the Image.

Illumination is Conception in Intonation.

Colouring is Embodiment in Painting.

Imaging is Craft in Pictography.

III.

Evocation is Art in Painting.

Symbol within the Image is Art in Painting.

Unveiling of the Soul is Art in Painting.

Passion is Intonation.

Living Soul is Desire.

Life is Passion in Painting.

Light and Shade are Life in Intonation.

Light is Existence in Painting.

Darkness and Shaded are Non-Existence in Pictography.

Tone is the voice and voice is gravitation in Painting.

Passion is vision and vision is Truth in Evocation.

Ecstasy and Bliss are humanity and the universe in Intonation.

IV.

Form is the logic of the Image in Painting.

V.

Space is indeterminate in Intonation.

Visibility is Vacuity in Imaging.

Colour is Essence.

Form, Line and Point are products of Intonation.

Drawing and Design are products of Intonation.

Space is an effect in Painting.

VI.

Desire is Vision.

Reality is Magic.

Fulfilment is Sight.

Mystery is Picture.

Communication is Art.

Colour is Voice.

Colour and Smell and Sound are Painting.

Heat is Colour.

Sound is Colour in Painting.

Smell is Colour in Painting.

VII.

Image is the Sight of the Soul.

Intonation is the Passion of the Flight.

Flight of Transfiguration is the Spirit in Painting.

Sight of the eye is Painting.

Ecstasy of the sight is Painting.

Scent of visibility is Tonality.

Depth of the Scent is creation by the Scent.

Paradise of Existence is the glory of Life.

Beauty is the Soul of the World.

Percy Allott.
Views and Reviews.

A COMMON-SENSE PHILOSOPHER.

It is always with a shock of surprise that we observe a philosopher discovering human nature. For centuries, diving philosophy fell the lead of Augustinianism, as if the desire to know God and the soul—only to end at last with Nietzsche's declaration that "God is dead," and Kant's discovery that the soul was an unnecessary hypothesis. Now it seems that philosophy has become human, and, like Diogenes, goes about looking for a man. Students would not think that Aberdeen was a likely place in which to discover human nature—but a priori reasoning is seldom accurate. After all, the chief teacher of humanity came from Nazareth, of which nothing good was expected; and who knows whether the stone that the builders rejected was or was not Aberdeen granite? It is one of the peculiarities of the human mind (and therefore one of the initial disqualifications of philosophy as an interpretation of experience) that it overlooks the near thing and is first interested in the far; men read the heavens before they read the human brain, the eyes of the fool were not merely in the ends of the earth, but in the very beginning of the universe. The Delphic oracle said: "Know thyself:" but philosophy occupied itself with inventing theories of knowledge, and left human nature to the doctors and lawyers. But human nature would not be denied; it was indeed expressed to some extent in philosophy itself; and the very absence of progressive continuity in the history of philosophy, which Professor Baillie emphasizes in his introductory chapter, reveals the variety of human nature. "The theories," says Professor Baillie, "have indeed one element in common; their purpose is the same from one generation to another. Their aim is to undertake a critical investigation or exposition of first principles. There the similar ends; for even the meaning of 'first principles' is not a matter on which all philosophers are agreed." The fact restricts the validity of most "rationalistic" theories; for if human minds cannot agree on first principles, there is no reason to suppose that men have common ground in the operations of the intellect. Emerson said that every Englishman was an island in himself; perhaps every mind, in spite of Leibniz's monads, is similarly self-contained. The only certain agreement between men (and philosophers are, to some extent, men) is the agreement to differ; and as Professor Baillie puts it: "Neither in the realm of pure philosophy, nor in the minor matters of daily life, does there seem to plain common sense any solid foundation in experience for maintaining that intellectual activity as such is a sure pathway to unanimity between human individuals."

Professor Baillie shows us briefly that in logic, ethics, and metaphysics "there is no way of securing agreement between thinkers who start from essentially different primary convictions." Philosophy, the search for unity, reveals only the diversity of the human mind; but Professor Baillie rejects philosophical scepticism. He will not believe that the problem is insoluble, or that the human mind is unable to undertake it. After all, the activity of the human intellect is part of the variety of human nature, of which it is a part. The very failure of philosophy is part of our experience, and we should not be richer but poorer, not more but less various, if we forewent the exercise of the intellect on apparently insoluble problems. The despair of reaching a single conclusion as much a pre-supposition as the assurance of reaching one; finitude itself may be a fallacy, and therefore philosophy, like every other human activity, may have a share in shaping or creating reality. The recognition of the fact that "each interpretation is but a point of view, and each individual thinker has his own perspective of his subject," does not necessarily mean more than that the reality of philosophy is biography. Human nature has a way of sticking to a man even in his abstractions.

But the fact remains that "the want of unanimity between philosophers and the failure of philosophy to reach certainty on the main issues" is one that "must give any candid mind ground for reflection concerning the claims of the philosopher to supply the final or the whole meaning of reality." Human nature is so much richer than any theory of it that the inadequacy of their results seems the inevitable outcome of the responsiveness to the immense resources of reality. Reality requires an uncommonly rich and full personality to do it complete justice in a system. Besides, I may add, there is always the probability that reality may not be a system, but a process, that it may not be a construction, but a series. Certainly, so far as the intellect is concerned, we only know reality serially; the mind, like the prism, splits up reality and lays out its spectrum in a series. But common experience is richer than the life of the mind; there are sections of experiencing reality than by thinking about it, and "most philosophers have been handicapped in their task by the inadequacy of their mental equipment, and the comparative narrowness of their outlook; and it is neither easy nor satisfactory to make up for the want of penetrating insight by the industrious pedantry of logic. For human life vision and prevision are far more important than logical technique. Too often the philosopher's work shows a second-hand knowledge of human nature, a precarious acquaintance with science, and naive ignorance of the world [to say nothing of art, not recognisable as Aesthetic]. But defects of personality are not the only source of the unsatisfactoriness of their results. It is perhaps mainly due to their attempt to concentrate the entire meaning of the world into the processes of the abstract intellect. Against this, plain common sense maintains and will always maintain that the intellect is but one activity of man's soul, that it never acts by itself but always in cooperation with the many other functions of his life, that all his functions act and re-act on each other, and that through each and all of these, in distinction as well as together, he acquires his full sense of reality. In this contention, I cannot doubt that common sense is amply justified by the facts of actual experience. After all, Esmond's urchin-philosopher, with his view that "that's all": got nearer to Reality than any theory of the Absolute or the Unconditional that I have ever read.

Professor Baillie shrewdly remarks that "in the explanation of human life philosophers are apt to lay far too much stress on the end. In dealing with life, what we come from is just as important as where we are going to; and the former has the advantage, for purposes of explanation, in being more ascertainable." "G. K. C."

* "In one of his flashes of insight remarked that "weak souls live naturally in the future, because it is foreseeable"; and psycho-analysis, with its theory of compensation, has given proof of the truth of the saying. But the possibility of inventing diverse ends of human life has been exploited very fully by philosophers; indeed, there is hardly one proposition made by philosophers of which the contrary has not been maintained by others. But Professor Baillie's counter-argument certainly brings philosophy nearer to life. "Human experience seems an experiment or a venture for the conservation and fulfilment of our personality. Instead of the course of experience universally merging the individual in the absolute, as is currently held by a certain type of philosophical theory, there seems good ground for maintaining precisely the opposite—that the process, under the conditions of space and time, consists in the emergence of the individual out of the Absolute or Nature into the definiteness of a substantive personality." The philosopher has at last seen the man. A. E. R. (Bell. 152. net.)
Reviews.

How It All Fits Together. A Novice's Introduction to the Game of Life. By Leonard Alston, Litt.D. (Dent. 4s. 6d. net.)

"I trust that in my book he (the professional economist) will find nothing but what he will feel to be old familiar truisms, stripped indeed of their academic garb, but still merely the old identical ideas." By restating the old familiar fallacies in popular language, Mr. Alston has perhaps done something towards exposing their insufficiency. One of the oldest and most familiar is that the consumer benefits by labour saving in production. Suppose that a hundred men have had to be regularly employed in turning out a certain quantity of a certain type of goods. . . . Now let a machine be invented by means of which eighty men can turn out the same quantity of goods. . . . The goods turned out will now be sold cheaper. Will they? and are they? "The greater part of all we get in life," says Mr. Alston, "is produced by the action of the community in which we live, creating, as an organic whole, wealth for us all." This is accurately true; but later on comes the statement that "All the wealth of the world is the result partly of labour and partly of thought," which is only partly true (leaving out of account, for instance, natural resources), and does not "fit together" with the first. But the game of life must be played according to rule; so supply and demand will regulate the distribution of the prizes." Mr. Alston does not claim that this is a just system. "It is better than a just system, however; it is a system that works." This—writing in the year 1920! The novice is introduced to the game of banking as follows: "What we lend to the banker, and the banker lends to the business man, is the power to take, when it is wanted, some part of the world's collection of heterogeneous savings." If the banker never lent more than was lent him, or if his accumulated "power to take" were used for the public benefit, this jag-saw might fit together; but the pieces relating to credit are missing. The banker is idealised as " a sort of labour bureau that finds employment for the national stores of coal and wood and wheat and timber." How well he performs this function may be seen by setting the "national stores" that cannot find buyers beside the unemployed families who cannot buy them. How will Mr. Alston fit these together?

In Denikin's Russia, and the Caucasus, 1919-1920. By C. E. Bechhofer. With an Introduction by Alfred E. Zimmerm. (Collins. 10s. 6d. net.)

We have had many accounts of Bolshevik Russia, but it has been left to the indefatigable Mr. Bechhofer to give us what Mr. Zimmerm declares to be "the only account that has so far appeared by an independent observer of conditions in non-Bolshevist Russia and Transcaucasia since the Revolution." It is only by a supreme effort of attention that we realise on which side of the battle-front Mr. Bechhofer was; the extraordinary similarity of conditions suggests that the common proverb: " Everything the Bolsheviks touch dies": needs only the substitution of the general term, Russians, to be applicable. For the "disorganisation in Denikin's rear seems to be equal to anything reported of the Bolsheviks. Battle, murder, sudden death, disease, lack of transport, valueless money, and politics, politics, politics, all the time, these conditions flourished as vigorously in Denikin's Russia as in Bolshevik Russia. We remember the Russia of the pre-revolution and the war correspondents; the Holy Russia, the self-organising Orthodox Russia, etc., and should be puzzled to account for the change if we did not remember that it was an exhausted Russia that was in the Revolution, and has ever since been in the throes of civil war. Approval of Denikin and the rest of the counter-revolutionary generals does not extend to the "administrative stupidity" with which they seem to have been allied; and the peculiar oscillations of Allied policy do not seem to have helped anyone. Mr. Bechhofer, as a free-lance correspondent, seems to have been in the ideal position of being able to criticise everybody, from the Georgians (who called him a "double-dyed liar") and were sure that he was either "a Russian ex-official, a speculator, or a gendarme") to Mr. Lloyd George, who has not so far given him the O.B.E. Mr. Bechhofer's book means so clear that Mr. Bechhofer has any constructive criticism to offer; indeed, he concludes: "But, if the solution to the problem of Transcaucasia lies in Russia, who to-day knows the answer to the riddle of Russia?" although in Russia at the Cross-Roads he was very confident that Russia would do something terrible to England (establish a port in Scandinavia, or something) if England did not help Russia to expand. Evidently, there is more in politics than he thought there was, or even now thinks there is—for he is foolish enough to speak contemptuously in this book of politicians.

Apart from his irritating habit of giving certificates of character to almost every person he meets, and an intolerable amount of personal detail (he carefully records every search for lodgings, the exact words that every one uttered to him during the search, the peculiar oscillations of his policy to give one example, describing his purchase of some coal, the book contains some graphic pictures of the evacuation of the South Russian towns, the retreat of the Volunteer Army, the "Green Guards" whom he designates as the chief cause of the "disorganisation in Denikin's rear," the last stand on the mainland, the Crimea, a chapter on "The Betrayal of Armenia" (which announces Mr. Bechhofer's conversion to the cause of Armenia) and the arrival of the Bolsheviks at Baku. Mr. Bechhofer covered an enormous amount of ground, had innumerable interviews, and did his best in a few months to qualify himself as a guide to Transcaucasian affairs. He has presented us with a picture that is full of detail, so full, in fact, that it is as difficult to discover any outline of purpose in it as it is in the Allied policy. Whatever else Transcaucasia may lack, she has plenty of Governments; every man with a gun or a grievance seems to organise a revolution and a government, and seeks recognition and help from the Allies; and out of this welter of conflicting purposes nothing emerges clearly but Mr. Bechhofer's assurance that he understands it far better than Mr. Lloyd George, for instance, who, he declares, shows "a really remarkable ignorance of foreign affairs." What Mr. Bechhofer really means is "the affairs of foreigners"; the reality of politics is not to be sought in the countries that suffer from them, but in the activities and purposes of those who determine policy. We beg Mr. Bechhofer to study politics.

The Girl. By Katharine C. Dewar, M.A. With a chapter on "Welfare Work" by Gladys H. Dick, M.B.E. (Bell. 6s. net.)

For the social "worker" who believes that the disease of our social system can be alleviated by the pink pills of the philanthropist, this volume of the Social Service Library may provide some useful advice. But for "the girl" whose home life affords little experience of comfort or decency, who works "eight, ten or twelve hours" daily, gets insufficient holidays, and is fortunate if she escapes obviously strain or physical injury, it offers no relief but "clubs," classes and undesired supervision. Miss Dick frankly quesit on the merit of the work, and the reader is mving that "There is no word in the English language more hated amongst the women workers of to-day than that of 'Welfare,' " and all the good counsel she can give to Welfare Supervisors will not go far to remove the impression already created by their activities. After all, as Miss Dick admits, "the Welfare Supervisor should be an integral part of the management."
PRESS CUTTINGS.

Turn to the economic world. Leave the trees alone for a moment; look first at the wood. Look, that is, at some large and startling facts. They should fill us with astonishment—and thought. Here, for instance, is one. Half Lancashire is walking about the streets unemployed; half Bristol is unemployed. Lancashire men want boots, Bristol men want shirts. Lancashire men make shirts; Bristol men can make boots. Yet these armies of men are powerless, workless, impoverished, each needing what the other can make, and all unemployed.

Obviously something is wrong, grossly wrong, with the machinery which distributes things. And since finance is the machinery of distribution, a child can see that something is wrong with finance. It is not doing the job. The machinery enabling near neighbours—well equipped for doing so—to supply each other's needs is out of gear, and each must needs run for custom to the ends of the earth. Obviously, one, well able to supply his need in turn, stands idle and miserable by his side. It is preposterous! Take another look at the wood. Potentially, we are enormously richer than we were before the war. That is to say, we can turn out an incredibly greater stream of goods. Our organisation and machinery have been over-caulked. Ask any statistical engineer what we can do in 1921 and compare it with what we could do in 1914, and you will be astounded. If we dare but open the throttle and let the engine go, we could flood the world with what we have, and organisation, and science as a handmaid, the human factor in production becomes increasingly less significant and—the human factor knows it. He was told to produce: we lack the power to consume.

What with machinery, and the foreign fringe is nearly reached. The opening up of central Europe will supply new competitors as well as new markets. Thus each country must decide whether it will face

(a) Progressive unemployment.
(b) Communism, i.e., the forcible seizure and distribution of all goods.
(c) The seizure of foreign markets, directly or indirectly, which in all probability will involve war.

Many go so far as to prophesy with brutal bluntness a clash between us. Americans on this side of the Atlantic will not be long at no distant date. They point to ominous facts—the projected visit to this country of the Crown Prince of Japan, the incident within the last month of the hydroplanists sent from the Pacific to teach us all a lesson. The Japanese, the immense shipbuilding programme of Japan, and the execution of their orders in our dockyards. They even suggest that it is to England's vital interest to crush Ireland's rebellion with relentless speed, and to America's interest to keep the Irish trample alive.

It is all too horrible. God forbid that it is true! At any rate, no path should be left untridden to prevent it from becoming true.

Major Douglas outlines his alternative. If at present the community never can afford to purchase the goods it produces, then let us create in a pool such goods as belong to the community which creates it, and makes development possible. Then repay to the purchasing public—which is also the producing public—the credit which belongs to it. At present the purchasing public pays for development and product, and therefore lacks the power to buy the whole product, and grows progressively less able to do so. The actual procedure Major Douglas works out in his lie? Remember the facts. Listen to them once more, condensed into a single sentence. The Lancashire weaver who makes shirting lacks money to buy boots. The Bristol bootmaker who makes boots lacks money to buy shirtings. He is frustrated in his power to produce: we lack the power to consume.

And it is just at this point that Major Douglas comes along with a remarkable book* and a remarkable analysis and claims our attention. I suggest that we give him at least a respectful hearing. His word is one of hope, and we listen in vain for any word of hope from most other economists. And all the while the glaring evil grows, and the preposterous thing continues.

To that analysis we now turn. It reveals the fact that the total purchasing power in the hands of individuals never increases at the same rate as that at which production increases. It reveals, too, that the only condition upon which money can be procured adequate to buy what is produced is to increase still further the works and plant which produce these ends. So we are faced with an ever-growing plant, an ever-increasing machinery, and an ever-decreasing ability to purchase the flood of products it throws off.

Hence, urges Major Douglas, arises the paramount necessity—if we fail to remedy this excess of productive power over consuming power—of procuring ever-expanding foreign markets. The full consequences of this process were never perceived throughout the nineteenth cen-

*tory, when the fringe of new markets was being indefinitely expanded. Now, however, we are nearing the end of that fringe. America, Japan and Germany are in the same case as ourselves. America, for instance, has been over-producing and failing to distribute adequate purchasing power at home to balance, or nearly balance, her production. And she is now faced with a diminishing fringe of new markets, and with a serious unemployed problem.

And just there, urges Major Douglas and Mr. Orage, comes the danger and the urgency of the whole matter. For what it is worth, let us face the situation as it presents itself to them in all its nakedness. If their theory is correct, either foreign markets must be increased, or an ever-widening area of unemployment and want will grow. The foreign fringe is nearly reached. The opening up of this fringe, so up to the present, is the fringe of new markets. Thus each country must decide whether it will face

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* “Credit-Power and Democracy.” By C. H. Douglas and A. R. Orage. (Cecil Palmer. 7s. 6d. net.)