

## Blackfriars

that he was an Irish exile, a sufferer for religion, and wandered through France, Germany and Flanders. Then for a while he masqueraded as a Japanese, a proselyte to Christianity. Finally, he enlisted in the Dutch army. At Sluys, claiming for the first time to be a Formosan and accustoming himself to live on raw flesh, roots, and herbs, he fell in with a Scottish regiment in the service of Holland, and allowed its chaplain to make a convert of him for the Anglican Church, and so pass him on as we have seen to England, London, and the patronage of Bishop Compton.

The book as a whole is as fascinating a 'human document' as one could meet with, and it is surprising that it has never been re-printed in modern times. But the gem of the whole is the Preface, a cry of agonised contrition, the complete unveiling of a great soul. In reading it, we come to understand what Dr. Johnson meant when he declared that Psalmanazar exhibited 'a piety, penitence, and virtue almost exceeding what we hear of as wonderful in the lives of the Saints'!

ROBERT BRACEY, O.P.

1924

## CATHOLICISM AND ECONOMICS

NEVER in the world's history have economic problems played such a large part in human life or had such a direct influence on human thought as at present. Economics have come to overshadow politics, to absorb into their sphere the entire social question. Even the man in the street has learnt that his personal welfare is intimately bound up with an economic system. He may be indifferent towards politics, sceptical of the value of philosophy and science, hostile towards religion, but in economic matters his interest and prejudices are keen. Hence the rise of Socialism—the success of an economic gospel and an economic interpretation of life. Hence too a new spirit of criticism towards religion, which is felt to be indifferent towards the things which are so vitally important—it is 'the opium of the poor' which drugs them into contentment with their lot, and indifference towards their true interests.

This excessive preoccupation with economic problems is, however, abnormal and temporary. A healthy society is no more troubled about its economic organisation than a healthy man is troubled about his digestion. The present unrest is a symptom of disease, as well as a symptom of necessary change. Modern society is traversing that critical period of its existence, which the Ancient World also went through during the century that preceded the Augustan Peace. In both cases the material resources of society have outstripped its moral control. It is the crucial moment in the life of a civilisation—a time when societies and individuals are beset by temptations to violent remedies and excessive hopes, alternating with apathy and despair. When the crisis is over, when society has either mastered its difficulties or accepted a compromise with them, human life again becomes normal;

too much focus on econ.

(\*) (D)

material outstripped moral control

economic problems sink back into their proper perspective, and man's spiritual needs once more reassert themselves. After the Peace of Augustus comes the Gospel of Christ.

And so it is with our own problems. The present economic unrest is a side issue—though a side issue of vast importance—which distracts men's minds from the ultimate problems of life; it is this, not religion, which is the true 'opium of the poor.' Only when the present economic question is settled, will the real opportunity of Catholicism come. The economic settlement affords the material preparation for the religious settlement, that is to say for the conversion of our civilisation.

Yet we are far from wishing to assert that Economics belong to a region apart from Religion. Religion, to be worthy of the name, must claim to be the inspiration of every side of human life, and the economic life, however exaggerated are the claims the Socialists make for it, is certainly one of the fundamental forces that have moulded the development of human society. Among primitive peoples the connection between religion and economics is clear enough. That by which man lives is holy: there is a mystery in all the processes by which the earth is brought to bear fruit for the support of man, and the one great end of sacrifice and spell and purification is to cooperate with the forces of nature in producing good harvests, numerous flocks and favourable seasons.

In the case of Christianity, however, this is much less obvious. At first sight it would seem impossible to conceive of a religion more hostile to the economic view of life. It stands at the opposite pole to the Nature Religion, for it is essentially 'other-worldly' and bases its teaching on a new scale of values in which the old economic and natural values disappear, or are reversed. Nevertheless it will be seen that

Christianity eventually reconquers the economic life for itself, by bringing that also into relation with spiritual values.

## PART I.

## CATHOLIC PRINCIPLES AND ECONOMICS

## I.

The Christian attitude towards wealth and the use of material goods is expressed in the two great evangelical ideals of Poverty and Charity. These are intimately connected with one another, for they are respectively the negative and positive aspects of the teaching of Jesus concerning the Kingdom of God. The present world and the natural order are but the preparation for the world to come—the spiritual and supernatural order. This alone is worthy of man's efforts, and the goods of the present world are only of value if they are used for spiritual ends. If they are treated as ends in themselves, they become evil.

'Be not solicitous, therefore, saying: What shall we eat: or what shall we drink: or wherewithal shall we be clothed? For after all these things do the Gentiles seek. For your Father knoweth that you have need of all these things. Seek ye therefore the Kingdom of God, and his justice, and all these things shall be added unto you.' 'A man's life does not consist in the abundance of things that he possesses,' but in his 'riches towards God.' A superfluity of material wealth is really an obstacle to the attainment of the true end of life. Therefore our Lord counsels his followers to strip themselves of the unnecessary like an athlete before the race, or rather like a man in a sinking ship, who has more chance of safety the less he has on him. 'How hardly shall they that have riches enter into the Kingdom of God.' Leave worldly cares to worldly men—the dead to the dead. 'Sell

econ. a fund force  
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must  
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have  
spiritual ends

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what you possess and give alms. Make for yourself bags that grow not old: a treasure in heaven that faileth not.

All this insistence on the perils of wealth and the blessedness of poverty does not rest, as so many modern writers think, on a desire for social justice. Justice, as we shall see, has a very important place in Catholic doctrine, but it is not the foundation of the evangelical teaching about poverty. That is simply a consistent development of the new spiritual and other-worldly valuation of life, which was the work of Jesus, and as such it has inspired the attitude of the Catholic Church ever since, and has been the principle of the ascetic life and of the monastic institution. Alike to St. Antony in the third century, and to St. Francis in the thirteenth, the words of our Lord, 'If thou wilt be perfect, sell all that thou hast, and give to the poor and come and follow me,' came as a personal command, and the life of St. Francis, so vital and yet so utterly independent of all that external goods can do to make life livable, is a standing example of the way in which the Christian spirit transcends all economic categories and laws. Nor is the realisation of this ideal limited to Oriental or mediaeval society, in which a money economy hardly exists. During the very years when Adam Smith was working out his economic system, Benedict Joseph Labre, his junior by twenty-five years, as a wanderer and a beggar on the highways of Europe, was disproving by his life the fundamental postulates of the new science.

This ideal of Holy Poverty and of the blessedness of the non-economic life is the negative side of the Gospel teaching. The same view of life finds its positive expression in the precept of Charity, which is the true inspiration of the Christian life in economics as well as in other matters. All that a man has, whether of external goods or of personal powers and

LOVE

opportunities, is given him not for his own enjoyment, but for the service of God and man. The man who uses his powers and his wealth for his own gratification is like the faithless slave in the parable who swills his master's wine and misuses the fellow-servants whose welfare has been entrusted to him. On the other hand, though wealth sought as an end in itself is an obstacle to the Kingdom of God, it is not without its value, if it is used as a vehicle of spiritual love. To feed the hungry, to clothe the naked, to care for the sick and the prisoner is as it were a personal service to the Son of Man Himself.

This is to 'make friends of the Mammon of Iniquity'—to convert material, indifferent things into spiritual goods—'riches towards God.' It is not that the Gospel treats the alleviating of economic distress as an end in itself, it is again, as in the teaching on voluntary poverty, a question of the spiritual revaluation of life.

Charity was to be the controlling force in the brotherhood of the Kingdom of God, and if this spiritual force was real, it must show itself in all things from the highest to the lowest.

'Whether you eat or drink, or whatever you do, do all to the glory of God.' To the average man the economic life is the one side of life that really matters, and a religion that leaves this unaffected, as did English Evangelical Pietism a century ago, thereby shows itself to be unreal. Consequently the duty of almsgiving, the realisation in the economic sphere of the Christian fraternity, was the chief external activity of the early Church, and it was carried out on a scale that is difficult to realise in the present age, amounting, as it often did, to a real redistribution of property.

Yet in the charity of the early Church, from the 'communism' of the first believers at Jerusalem onwards, there was no attempt to secure an improvement

parable of faithless slave  
wealth has use

Charity is to love

charity the force

B.F.L. vs. A.S.

of economic conditions as such. There was simply an indifference to wealth and to external conditions generally, and a determination to conform the daily life of the faithful to the new laws of the spiritual world that had been revealed.

If the Christian had passed from death to life, from darkness to light, it was because he had received the Life of God, and that life was Love. It was impossible to possess that Life and not to love the brethren, and it was equally impossible to love the brethren without showing it in external things. As Christ has laid down His life for us, so we ought to lay down our life for the brethren, says St. John, and he goes on: 'He that has the substance of this world, and shall see his brother in need and shall shut up his bowels from him; how doth the Charity of God abide in him? My little children, let us not love in word nor in tongue, but in deed and in truth.' This is the spirit of Catholic charity as opposed alike to external almsgiving and to modern social reform, which is a matter of results. It is the outward manifestation of a living, personal force of love—the spirit of St. Peter Claver or St. Vincent de Paul, rather than that of the Charity Organisation Society or of the Fabian Society.

## II.

But if these two great principles—indifference to external goods and brotherly love, are the foundations of the Catholic attitude towards economics, they are nevertheless not all-sufficing. Taken by themselves they would suggest the complete segregation of Christians from the ordinary life of society, and they find their most complete realisation in the religious life—the state of perfection. If this state is held up, not as an ideal counsel, but as a law binding upon all

<sup>1</sup> I John iii, 16-18.

Christians, we are led towards a social teaching which is not that of the Church, but that of the anarchic and 'spiritual' sects which have always existed from the second century to the present day. All these, whether they look forward to a millennial Kingdom of the Saints as did the Montanists, the Anabaptists and the Fifth Monarchy Men, or whether they preach the perfect life like the Apostolics, the Fraticelli, the Catharists, or, in our own age, the followers of Tolstoy, agree in condemning the state, secular business and secular civilisation as radically and irremediably bad, and it is natural for them to condemn the institution of property, like marriage and civil authority, as an infringement of the spirit of their gospel.

But Catholicism cannot acquiesce in any such division of life, for it teaches an integration of the whole of life, so far as life is not dominated by perverse instincts of will. The God who redeems man is the same God who created him, and with him all exterior nature. It is the function of man to be the head of the material order, and to spiritualise inferior things by using them for God. Though the natural and the supernatural are two distinct orders, to which in a sense the secular and the religious lives correspond, yet both are directed to the same ultimate end. Thus economic life, though it is essentially a co-operation for the provision of material goods, is for the Christian a co-operation governed and inspired by love.

Its special rights and duties are subordinated to this ultimate and fundamental law—the New Law of Christ. This secular life, whether political or economic, cannot be withdrawn from its subordination to the spiritual life, nor can its laws be absolute laws as Ricardo and Bentham conceived them. The only distinction that the Church can recognize is that between counsel or perfection, and precept or obligation; she can never admit an absolute final distinction between

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the religious and the secular life, for both serve the same end and the lower is instrumental to the higher.

This conception of the unity of life is the true characteristic of the Christian civilisation which spiritualises and sanctifies the whole of life. It inspires all the achievements of the Middle Ages, the philosophy of St. Thomas, the poetry of Dante, the political and economic life of the free cities. We see it naively but impressively portrayed in the mediaeval frescoes in the Spanish Chapel of Sta Maria Novella at Florence, in which all the estates of the Christian people are ranged in order, on the right hand the spiritual hierarchy of Pope and cardinals and bishops, abbots and monks and friars; on the left emperor and princes and nobles, merchants and craftsmen and peasants. Thus the whole Christian people is conceived as a great organic unity. Each order has its function, in the life of the whole; each has a necessary and God-given work to perform; each alike is bound by the law of duty, of work, of mutual service and love: one order does not exist for the sake of another, but all alike co-operate in their common service of God and His Church.

Now this is nothing else but the extension to the whole of life of the principles that St. Paul had laid down concerning supernatural things. 'For as the body is one and has many members, and all the members of the body, though they are many, yet are one body, so also is Christ . . . The eye cannot say to the hand: I do not need thy help, nor again the head to the feet: I have no need of you. Yea, much more those that seem to be the more feeble members of the body are more necessary . . . That there might be no schism in the body, but that the members might be mutually careful of one another.'<sup>2</sup>

This passage applies, it is true, only to the dis-

<sup>2</sup> I Cor. xii. 12, 21-22, 25.

tribution of supernatural graces and offices within the Church: to St. Paul the state lay outside the Body of Christ in the darkness of this world; but when society as a whole had become Christian, it was natural that this image of the body and its members should be transferred to Christian society as a whole, as is done by St. Thomas Aquinas and other great mediaeval theologians.

According to their principles the economic functions exist as necessary parts of the social organism with their own rights and duties. Like the more honourable offices of rulers or judges, they must be discharged conscientiously and disinterestedly. Whether they are productive or distributive, they exist not for the sake of private gain, but for public utility and the common good. For example, the profit of the merchant, St. Thomas teaches, should not be arbitrary or excessive, but should be the just payment for his labour in the services of the community.<sup>3</sup>

In the same way wealth and property must be governed by these principles. They are the fundamental mechanism of the economic life, and they exist in order to facilitate that co-operation for ultimate spiritual ends in which the life of a Christian society consists. The economic ideal is that every member of the society should have the material resources with which to live a good and complete human life, as the basis on which to build his spiritual life. This does not mean that the economic position of every man should be the same. Their material resources must be adapted to the special functions that they are called upon to discharge. That is to say the peasant and the worker should have the property they need for their work, the merchant for his business and the ruler or the official for the discharge of his office. And all of them, in so far as they are called to the married

<sup>3</sup> Summa, 2a. 2a. 77, a. 4.

state, should also have the means of establishing a household and sharing in the complete family life which is the necessary basis of Christian society.

But if these are the ideals, it must be remembered that their actual realisation is strictly limited by material circumstances and environment. Practically all societies have lived under the pressure of want. Apart from recurrent periods of destruction and famine in which men struggle for bare existence, and 'the good life' goes to the wall, society as a whole has never enjoyed plenty: that has been, at best, the privilege of some favoured class. The social question is not only a question of the just distribution of property, it is also a question of the just distribution of *privation*, which has also been hitherto an inevitable concomitant of economic life. This is but little recognised by the majority of social reformers, who take the maximum of plenty that has hitherto been attained as an inevitable minimum, and the temporary prosperity of an over-industrialised society as the natural level of economic development.

There is, however, no doubt that an unfair distribution of wealth and privation is more often to be found in prosperous than in poor societies. It is the existence or the creation of surplus wealth which gives to classes and individuals that overwhelming economic strength, which is so often abused; and in the pastoral tribe or the peasant community, which always lives on the hunger line, there is often less real misery than in a rich and highly-civilised community.

### III.

But granting these limitations, the problem of the attainment of the best possible distribution of wealth remains. How is this problem to be solved?

The modern sociologist would no doubt reply that this is the business of the State: that since economic

functions exist for the service of the community, it is for the community to determine on their recompense. Catholic tradition has, however, unhesitatingly rejected this solution, and has favoured quite a different view, one which may be described as the recognition of a natural or quasi-natural right of individual possession, and its subordination to the common good by the spirit of Christian love. Let us see how St. Thomas explains and defends this fundamental position. His teaching is representative not only of the Catholic thought of the Middle Ages, but also of the Catholic social movement of the nineteenth century.

The possession of exterior things, he says, is natural to man, for inferior things are ordained by God for the purpose of succouring man's needs. The division or appropriation of things is based on human law. It is not contrary to natural law, but is an addition to it devised by human reason. It is indeed necessary to human life for three reasons. First, because every man is more careful to procure what is for himself alone than that which is common to many or to all . . . Secondly, because human affairs are conducted in a more orderly way, if each man is charged with taking care of some particular thing himself, whereas there would be confusion if everyone had to look after any one thing indeterminately. Thirdly, because a more peaceful state is ensured to man, if each one is contented with his own, for quarrels arise more often where there is no division of the thing possessed. As regards the *use* of external things, however, man ought to possess them not as his own, but as common, so that he is ready to communicate them to others in their need.\*

\* For the division and appropriation of things which is based on human law do not preclude the fact that man's needs have to be remedied by means of these very things.

\* *Summa*, 2a. 2a., q. 66, a. 2.

R.C. rejects State as econ. dist

Hence whatever certain people have in superabundance is due, by natural law, to the purpose of succouring the poor. For this reason Ambrose says (Serm. lxiv de temp.): "It is the hungry man's bread that you withhold, the naked man's cloak that you store away, the money that you bury in the earth is the price of the needy man's redemption and freedom."

<sup>5</sup> Since however there are many who are in need, while it is impossible for all to be succoured by means of the same thing, each one is entrusted with the stewardship of his own things, so that out of them he may come to the aid of those who are in need.<sup>15</sup>

But private property, even if it be a matter of human contrivance and instituted for the sake of common utility, is not on that account the creation of the State. The 'human law' of which St. Thomas speaks is not the enacted law of a sovereign. As Pope Leo XIII says in his famous encyclical, *Rerum novarum*, man has economic rights apart from, and prior to, his membership of the state. The right of property follows necessarily on the foundation of the family, which is 'a true society anterior to every kind of state and nation, and invested with rights and duties of its own, totally independent of the civil community.'<sup>6</sup>

<sup>6</sup> The Summa trans. by the Fathers of the English Dominican Prov. Part II (second part). Second number, pp. 224 and 232-233.

<sup>7</sup> It is true that when we look at the actual development of society, we can hardly say that property exists at all in the case of savages who live mainly by hunting, although their tribal institutions may be highly developed. Property only becomes clearly defined when the soil is cultivated and permanent settlements are made. But this settled form of society as it exists to-day in Africa (for example among the Kulus of the former Lado Enclave, or the Hill Suk or the Akamba of British East Africa) does consist of independent family settlements or homesteads, each practically independent under its own elder, while the only political organisation is a loose voluntary association of neighbouring homesteads under a council of elders, or the presidency of a well-known medicine man. This is really the most rudimentary of all forms of social life. It is society reduced to its primary constituents—association for

There is, moreover, an internal and necessary connection between the two fundamental principles, the duty of charity and the right of individual possession. To the Catholic, life is essentially a spiritual activity, and the economic life, instead of being the foundation and cause of all the rest, as Marx and Engels taught, or an independent sphere governed by its own absolute laws, as the classical economists maintained, is but the plastic material through which this spiritual activity may express itself.

Consequently an organisation of industry, however perfect in itself, in which the individual has no power over his own life and no opportunity for the free service of others, is no fit instrument for the realisation of the Catholic social ideal. The latter requires a certain sphere of economic liberty in which the individual can exercise his free will and find material for the realisation of his spiritual activities. Every man is the artist of his own life, and he needs his own materials, even in inferior things, if his creation is to be complete. Otherwise he becomes the mere instrument of another's purpose, whether it be the will of a despot or the group-purpose of a national mind.

It is the aim of the Christian life to make political and economic relations subordinate to the inward life: to convert them from a mechanism which enslaves into the free working of a personal and moral activity. The realisation of this end may appear an impracticable ideal, and so it is from the politician's point of view, which takes account of human nature alone; but to the Catholic who sees human nature restored and transformed by divine charity, all things are possible. The essential work of the Church in the world con-

sexual life and for the procuring of food. Even the hunting tribe, though economically more backward, is socially a more advanced organism. And yet in this rudimentary society, private or rather family property may truly be said to exist.

real change is made

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sists in bringing humanity into contact with this transforming divine force, so that from the inner centre of the individual soul outwards every human activity is affected and changed. This is the true social reform, and we have now to see how it has been carried out in the changing conditions of economic life during the past ages of the Church's history and what are the problems with which she is faced in that new world that is gradually coming into being.

(To be continued.)

CHRISTOPHER DAWSON.

## THE PHILOSOPHER

(From the picture by Rembrandt in the National Gallery.)

Through the leaded panes there the quiet daylight  
falls

Like a still expected benison on homely books and  
walls,

Unlit by sunlight's purer gold, the still room smiles.  
Here the long, unshaken silence no sound stirs,  
Save the turning pages of the old philosophers,  
Or the hum of cobbled traffic between whiles.

Through the summer stillness of the long and drowsy  
hours,

Studious of ancient lore of jewels and of flowers . . .  
Reading of strange travel and of dim and remote  
wars

From parchment page in script near as crabbed as  
his own,

Stored with curious knowledge, he sits there all alone  
Guarded still and watched by his monitory stars.

VIVIENNE DAYRELL.

## THE SUPER-VEGETARIANS

THERE was a time when I used to be a vegetarian, and earnestly ate nut rissoles and marmite sausages. In those days, if I looked at a dish of lamb cutlets, I was haunted by the spectral bleatings of woolly innocents being led to the slaughter; a mutton chop was to me a menace; and if I saw a bottle of Bovril I sighed with genuine sympathy, 'Alas, my poor brother!' For were not the animals our 'younger brothers'? Were they not even as we ourselves—climbing the ladder of evolution to higher and better things? What right had we to cut off their innocent lives before their destined hour had struck?

Then by the hand of destiny I was brought in contact with the Super-Vegetarians. The Super-Vegetarians are a sect of Hindus, usually known as the Jains. It so happened that my work in India threw me into intimate contact with these interesting people. I found them not only interesting, but exceedingly kind and hospitable, and in many other ways unusually charming and refined. In fact their code of ethics with regard to the animal world was too refined for me altogether. I became aware that I was only a beginner in these matters, a despairing amateur in the presence of professionals; I was not even an 'also ran.' In the presence of such high and austere consistency I gave up the competition; and, realising the direction in which my ideals were leading, fell back—not without relief—on the flesh-pots of Egypt.

The root principle of the Jain religion is the doctrine of Ahinsa, or Harmlessness. It is founded on the belief in the transmigration of souls, *i.e.* that the same soul comes to earth many times in different bodies. For instance, it might come successively as a beetle, a man, a crocodile, a horse, a scorpion, and



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# CATHOLICISM AND ECONOMICS

## PART II.

### THE APPLICATION OF CHRISTIAN PRINCIPLES TO ECONOMICS IN THE PAST.

#### I.

THE infant Church was born at a time when the greatest state that the world has ever seen was attaining to its full development. The whole civilised world west of the Euphrates was united under a single head. The age of civil war, of social unrest, of the exploitation of the conquered peoples was at last over. Everywhere new cities were springing up, trade was flourishing and population increasing. It was 'the hour of the prince of this world,' the apotheosis of triumphant material power and wealth.

And yet the whole splendid building rested on non-moral foundations—often on mere violence and cruelty. The divine Cæsar might be a Caligula or a Nero, wealth was an excuse for debauchery and the prosperity of the wealthy classes was based on the institution of slavery—not the natural household slavery of primitive civilisation, but an organised plantation-slavery which left no room for any human relation between slave and master.

The early Church could not but be conscious that she was separated by an infinite gulf from this great material order, that she could have no part in its prosperity or in its injustice. She was in this world as the seed of a new order, utterly subversive of all that had made the ancient world what it was. Yet though she inherited the spirit of the Jewish protest against the Gentile world-power, she did not look for any temporal change, much less did she attempt herself to bring about any social reform. The Christian accepted

the Roman state as a God-given order appropriate to the condition of a world in slavery to spiritual darkness, and concentrated all his hopes on the return of Christ and the final victory of the supernatural order. Meanwhile he lived as a stranger in the midst of an alien world.

'While living in Greek and barbarian cities, according to each man's lot, and following the local customs in clothing and food and the rest of life, they show forth the wonderful and confessedly strange character of their own citizenship. They dwell in their own countries as though they were sojourners; they share all things as citizens and suffer all things as strangers. They marry and bear children, like the rest, but they do not expose their children. They have a common table, but not a common bed. They are in the flesh, but they do not live after the flesh. They pass their time on earth, but they live as citizens in heaven.'<sup>1</sup>

Thus the Christians were held to be a 'Third Race'—*Tertium Genus*—standing apart alike from the Gentile and from the Jew, living a hidden life which had only an external and accidental connection with the life of the heathen world around them.

This withdrawal from social life, this passive acceptance of external things as matters of no consequence, seems at first sight to prove that Christianity had no direct influence on social and economic conditions. As a matter of fact, this attitude produced the most revolutionary consequences. Ancient society and the civic religion with which it was bound up centred in a privileged citizen class, and under Roman rule citizenship was directly based on economic status: that is to say a man's position in his own city and in the empire at large was determined by his property assessment under the census. There was a constant process of competition under the early empire, by which freedmen and tradesmen became landowners, landowners raised themselves to the curia of their

<sup>1</sup> Ep. to Diogenetus V *passim*.

city, and rich provincial decurions became Roman knights and even senators.

Christianity substituted membership of the Church for membership of the city as a man's fundamental and most important relationship to his fellows. In the new religious society rich and poor, bond and free, Roman citizen and foreigner, all met on an absolutely equal footing. Not only were these earthly distinctions overlooked, they were almost inverted, and it was the poor who were privileged and the rich who were humbled. This world was to the rich, but the new world—the only world that mattered—was above all the inheritance of the poor. 'Hath not God chosen the poor in this world, rich in faith, and heirs of the kingdom that God has promised to them that love Him?' says Saint James. 'But you have dishonoured the poor man' (if you have respect to persons). 'Do not the rich oppress you by might, and do not they drag you before the judgment seats? Do not they blaspheme the good name that is invoked upon you?'

No external change was made in status and possession, apart from that involved in charity. Indeed the poor are expressly counselled not to seek riches, not to take part in that social competition for individual advancement which was going on all round them. But the personal factor is utterly altered. To Cato the slave is a chattel, to be sold when it becomes old or sickly, it is purely an economic instrument, to whom even the practices of religion are forbidden—all that must be left to the master. St. Paul sends the runaway slave Onesimus back to his master to be 'received not now as a slave, but instead of a slave, a most dear brother, especially to me. But how much more to thee, both in the flesh and in the Lord?'

This contrast is not an economic one. The old legal rights are the same in the one case as in the other, but

<sup>2</sup> James ii, 5-7    <sup>3</sup> Cato, *De Re Rustica* ii, 142, etc.

an inner revolution has been effected, which must necessarily produce in time a corresponding change in all external social and economic relationships.

But this external change was slow in coming. Christianity during the first two centuries spread chiefly among the classes that had least economic influence—independent craftsmen, shopkeepers, freedmen, household slaves and so forth. It affected neither the ruling classes nor the lowest grades of slave labour, which were found, not so much in the great cities of the Levant, the cradle of Christianity, as in the mines and on the great agrarian estates of the western provinces. When Christianity finally established a position for itself among the educated and the wealthy, the great economic transformation of the ancient world had already begun, and civilisation was henceforward engaged in a continual and desperate battle with barbaric invaders from without, and economic decline from within. The one great problem now was how to save as much as possible of the inheritance of the past, and there was no room for any economic development other than that which was imposed by the hard law of necessity. Even so, however, the social changes in the Christian Empire were by no means all for the worse. In place of a society of capitalists and financiers, where wealth was ultimately derived from usury and from the exploitation of slave labour, there grew up a hierarchic society of officials and nobles, in which each class and occupation became a fixed caste, each with its own privileges and its own obligations. Instead of the slaves of the ergastula and the chain-gang, the land was cultivated by servile or semi-servile peasants, who had acquired the right to a family life, and even to a certain amount of economic independence.

The greater part of these changes was undoubtedly due to economic and political causes—to the inherent



Major changes in Econ. due to early Christ

Should not seek individ. adv.

tendency of the imperial organisation, to the Orientalisation of Graeco-Roman civilisation, and above all to the decline of the lesser cities and the return to agricultural self-sufficiency on the rural estates. Nevertheless, the influence of the Church imprinted a distinctively Christian character on the whole process. Her ideals were opposed to all the main features of the earlier imperial society—to the luxury of the rich, the idleness and dissipation of the poor and the oppression of the slaves. In place of the classical contempt for manual labour and 'vile mechanic arts,' which was the inheritance of Hellenistic culture, she did all in her power to substitute the duty and the honour of work. 'Blush for sin alone,' says St. John Chrysostom, 'but glory in labour and handicraft. We are the disciples of One who has been nourished in the house of a carpenter, of Peter the fisherman and Paul the tentmaker. By work we drive away from our hearts evil thoughts, we are able to come to the aid of the poor, we cease to knock importunately at the doors of others, and we accomplish that word of the Lord: 'It is better to give than to receive.'

At the same time the Church held trade in little honour, and condemned unhesitatingly the usury which was the foundation of so much of the prosperity of the upper classes of Roman society. The nobles whom she honoured were not the great financiers and independent aristocrats of the old type, but the conscientious bureaucrats and soldiers who served the new ideal of divine authority, vested in an hereditary imperial house, men like Lausus, the Chamberlain, Pammachius, the Consul, and the Count Marcellinus.

But above all the influence of Christianity was shown in the protection of the weak in a time of universal suffering and want. From the earliest times the Church had exercised charity upon the most lavish scale, and when at last she had the power to influence

the rich, the extent of Christian almsgiving became so great as to cause a real economic change in the distribution of property. We find the great Fathers, St. Basil, St. Ambrose, St. Jerome, St. Augustine, above all St. John Chrysostom insisting on the duty of almsgiving in language which is as disconcerting to modern ears as it no doubt was to the rich men who first heard it. 'What you give to the poor man,' says St. Ambrose, 'is not yours, but his. For what was given for the common use, you alone usurp. The earth is all men's and not the property of the rich . . . Therefore you are paying a debt, and not bestowing a gift.' And St. Basil even more forcibly declares: 'He who strips a man of his garments will be called a thief. Is not he who fails to clothe the naked when he could do so worthy of the same title? It is the bread of the hungry that you hold, the clothing of the naked that you lock up in your cupboard.'

And as a practical commentary on these exhortations we find representatives of the great senatorial families such as Pinianus and Melania selling their vast estates and distributing all to the poor. The enfranchisement of slaves was an essential part of this work of charity. At first the economic position of Christians rendered it almost impossible, although even poverty could not prevent the heroic charity which St. Clement describes in the First Epistle to the Corinthians (Iv): 'Many among ourselves have given themselves up to bondage that they might ransom others. Many have delivered themselves to slavery and provided food for others with the price they received for themselves.'

But under the Christian Empire, enfranchisement on a large scale became common. Melania is said to have freed 8,000 slaves in the year 406 alone, and it

\* St. Ambrose on Naboth XII.

† St. Basil Hom. in Lucam.

Church  
vs.

St. John  
Chrysostom

on  
work

St. Am.  
all  
own  
wealth  
St.  
Basil

free  
slaves

was usual to give not only freedom, but also the land or money, with which they might earn their living.

In addition to this the Church was everywhere the protector of the poor, the orphan and the criminal. The bishop was not only the administrator of the charity of the faithful, he also acquired a recognised position as the representative of all the oppressed classes, as their defender not only against the rich, but against the government and the tax-collector. How widely these activities extended may be seen, for example, in the correspondence of St. Basil and in the record of his work for the people of Cappadocia during the famine of 367-8. The Church was gradually becoming an economic as well as a moral power, and as the economic condition of the Roman world declined, her relative wealth and importance increased till she became, above all in the Western provinces of the Empire, the only social force which retained life and vigour.

In the centuries that followed the collapse of imperial authority in the West, it was the bishops and the monasteries that took up the Roman tradition and ensured the continuance of ancient civilisation. We see St. Gregory the Great working to save Italy from destruction, devoting himself to every material need, and organising the estates of the Church to save Rome from famine. Under his administration the wealth of the Church was literally the 'patrimony of the poor' and also the mainstay of the economic life of the whole community. Nevertheless, he had no idea of building up a new social order. The world seemed to be passing away, the end of all things seemed at hand, and in a dying world he laboured to alleviate the sufferings of the people because they were his children, not because he had any hopes of the future.

A positive Christian order was only possible after the centuries of destruction had done their work, but

meanwhile the foundations were being laid. In so far as civilisation survived at all it was a Christian civilisation, kept alive in monasteries and disseminated by Irish and Saxon monks. The Church was the only settled order; outside, all was anarchy and flux. Instead of the Church being in the state as a weak, voluntary corporation in a universal secular order, it was the state, weak, fluid and barbarous that was in the universal Church; and a man's primary citizenship and primary obligations were towards the latter. There was no independent economic sphere left. Instead of absolute economic rights and relations, we find a system of personal relationships—lordship and fealty, commendation and enfeoffment. Money economy and all that it stands for had vanished entirely, and land had become the only important form of wealth. Even in this there was no absolute ownership, only limited rights—half economic, half political. The distinction between rich and poor had given place to that between strong and weak. A man's social position depended not on his financial resources so much as on his fighting power, the number of retainers that he could muster and the extent of the lands that he could protect or ravage. In this simplified society the moral factor becomes all-important. A man of position could not be non-social or individualistic. He had to be either an oppressor or a defender of his subjects—a curse or a blessing to society. Even the contract between a man and his lord, which was the chief social bond, was not a mere matter of self-interest, like an economic contract, it involved personal loyalty and even devotion.

## II.

Thus it came about that the new social activity, which developed in the eleventh century, bore fruit in

only monks kept civ. alive

a Christian social order. The unity of Christendom, which had been a religious reality in the dark ages, now became also a great social and cultural reality. The Church was the ultimate social fact to which all local societies were bound to accommodate themselves. The Pope was the arbiter of Europe in all matters which involved a moral issue—questions of peace and war, of misgovernment or of the violation of individual and communal rights. His law—the Canon Law—was regarded by all as having precedence in social and economic matters, as well as in purely religious ones.

Canon  
Law

Thus when men of every class inspired by the new communal spirit began to form associations, confraternities and guilds, communes and sworn leagues of peace, all these had their basis and sanction in religion. It is often difficult to draw the line between the religious and the economic functions. For instance, in the case of the 'Charity of St. Christopher' at Tournai, we find a guild of merchants, which undoubtedly originated as a religious confraternity, but which had come in time to be charged with the whole administration of the city finances.

This religious character was equally clearly revealed in the case of these communes and leagues of peace, which were in opposition to the established order of feudal society, such as the great confraternity of the Capuchonnés which waged war on the brigands and nobles of Central France in 1182-3, and which was founded by a carpenter of Le Puy in obedience, as he declared, to the commands of Our Lady in a vision. The same energy that produced the Crusades was at work also in these little-known social movements which did so much to transform the life of Europe in the twelfth and thirteenth centuries.

When the mediaeval economic development was completed, every economic and social function pos-

essed its corporate organisation, and the mediaeval city became a federation of self-governing societies, each of which had its own statutes, its own meeting place and chapel and its special patron saint. It is true that there was rivalry enough between the different classes and factions in the cities, between the aristocracy of merchants and the democracy of craftsmen, but nevertheless the economic theories of the theologians and the canonists were implicitly accepted by all parties as the foundations of industrial and commercial life. They taught that the economic order must be dominated not by the shifting forces of competition and self-interest, but by a fixed law of justice. Every individual and every corporation had their special offices to fulfil in the Commonwealth, and each was entitled to a just reward. The non-economic functions, whether political or religious, had their fiefs or benefices to enable them to fulfil their office. The economic occupations, though they also might possess their corporate endowments, were supported primarily by the sale of the products of their labour. The 'just price' was that which was a true recompense for the labour expended, whereas a price which was raised owing to scarcity and the need of the buyer, or lowered owing to the economic weakness of the seller, was unjust and illegitimate.

The most honourable economic functions were those that were most productive; hence the mediaeval preference for the husbandman and the craftsman to the merchant. The true end of labour was not pecuniary profit, but rather the service of others. To work for profit alone, was to turn honest work into usury,\* and all occupations which looked for excessive profit, or in which the profit was unrelated to the expenditure of labour, were looked on with disfavour. Mediaeval life and literature are full of this ideal of

\* Cf. Jansen, *Hist. of the German People*, Vol. II, p. 9.

for  
profit  
only =>  
usury

disinterested labour. We see it in Piers Plowman, and in the Plowman of Chaucer, who

'woulde thrash and thereto dike and delve,  
For Christe's sake, for every poore wight,  
Withouten hire, if it lay in his might,'

and the Church has raised it to her altars in the person of St. Isidore Agricola.

The ideal for craftsmen was no less high. 'It is good and true work,' says a mediaeval writer, 'when craftsmen by the skill and cunning of their hands in beautiful buildings and sculptures spread the glory of God, and make men gentle in their spirits, so that they find delight in all beautiful things, and look reverently on all art and handicraft, as a gift of God for the use, enjoyment and edification of mankind.'

These theories and ideals found their practical expression in the economic regulations of the cities and the guilds.

Membership of the latter was compulsory, so that each guild possessed a monopoly of its own craft. It represented the principle of corporate responsibility, both towards the community by guaranteeing the quality of the wares produced, and towards its members by ensuring to all equal opportunity and mutual assistance in need.

The city, for its part, aimed at safeguarding the supply of necessaries at a just price. All goods had to be sold by retail in the open market, and numerous laws against 'engrossing, forestalling and regrating,' were directed against any attempts on the part of individuals or rings to dominate the market, or to control supply. This was looked on in the Middle Ages as the essential function of the state in economic matters.<sup>8</sup>

<sup>8</sup> Jansen, *Hist. of the German People*, Vol. II, p. 97.

<sup>8</sup> Professor Ashley thus sums up the general tendency of mediaeval economic legislation. 'Doubtless the yardlings and

Outside the towns these co-operative economic ideals had less scope, for feudal society always rested to a great extent on the rule of force. But even there the same tendencies were at work. The influence of the Church tended to transform the right of the stronger into an office of honour and service in the Christian commonwealth. As mediaeval royalty was consecrated into a semi-religious function, so too the military ruling class was spiritualised by the ideals of Christian knighthood into an order for the maintenance of justice and the defence of the weak and the oppressed.

Moreover, throughout the Middle Ages, the agricultural population made steady progress in communal rights and economic independence, and this in spite of the failure of their attempts (as in 1381) to shake off the feudal yoke altogether. By the fifteenth century their condition in most countries was even superior to that of the organised craftsmen of the free cities, as is shown, for instance, by the parish churches and guild chantries of rural England.

### III.

Unfortunately at the very time when the economic life of Europe was becoming strong enough to overcome the anarchy of feudal militarism the unity of Catholic Europe, on which mediaeval civilisation had rested, was passing away, and in its place there were arising the great national unitary states, each of which cotters and craftsmen sometimes suffered from famines; doubtless their surroundings were often insanitary. Still, there was a standard of comfort which general opinion recognised as suitable for them, and which prices were regulated to maintain. But now we are content that wages should be determined by the standard of comfort which a class can manage to maintain, left to itself, or rather exposed to the competition of machinery and immigrant foreign labour' (*English Economic History*, Vol. I, p. 139).

was organised against its neighbour as a complete social and economic whole. And while, on the one hand, these did away with the ideal unity of Christendom, on the other they replaced the practical social unit—the city. For it is important to remember that the 'state' (*civitas*), which was charged with the regulation of economic matters both in mediaeval practice and in the theory of the moral theologians, was, not the sovereign state that we know, but the mediaeval city, itself a part of the larger unity of province or kingdom, which in its turn was but a member of the whole Christian commonwealth.

In the new state the co-operative principle was replaced by the absolute theories of the Renaissance lawyers and statesmen. Where communal liberties were not destroyed, they became converted into class privileges,\* the rights of free association vanished, and in Protestant lands a new wealthy class grew fat on the plunder of the abbeys, and the partial confiscation of the common land. It is true that the old principle of economic regulation for moral and social ends did survive, but it was controlled by the King's Council in the interests of the state, and was no longer related to the common social good of the Christian commonwealth.

In some cases this control was exercised in a really Christian spirit. Indeed the Spanish colonial legislation with respect to the Indians, and the early French government of Canada are perhaps the most remarkable instances in history of the control of economic interests by Christian ideals of justice. The colonial policy of Holland and England, however, was inspired by a very different spirit, and even the Puritan

\* In Southern Europe the more or less decadent guilds were destroyed mainly by the 'enlightened despotism' of the eighteenth century, e.g. by Leopold in Tuscany and by Charles IV in Spain. In both these cases their suppression went hand in hand with that of the popular religious confraternities.

colonists of New England showed an almost complete disregard of the rights of the aborigines. The record of the English in the West Indies was of course infinitely worse.<sup>10</sup>

Meanwhile two spiritual forces were preparing the way for drastic changes in economic theory and social life: these were Protestant Individualism and Philosophic Rationalism. Ever since the Reformation, Protestantism had shown a strong tendency to develop an economic mentality of its own. Calvin himself had been the first to break completely with the Catholic tradition regarding usury, and his followers, who combined moral rigorism with individualism, regarded economic success as a sign of God's favour towards the industry of the saints and insisted far more on the sinfulness of idleness than on the duty of charity.<sup>11</sup>

<sup>10</sup> Cf. On Spain *Cambridge Modern History*, Vol. X, ch. viii, esp. p. 263, etc. On France and the contrast of French and English systems, ditto Vol. VII, pp. 97-102.

<sup>11</sup> 'While there was a strong sense (among the Puritans) of the religious duty of insisting on hard and regular work for the welfare, temporal and eternal, of the people themselves, there was complete indifference to the need of laying down or enforcing any restrictions as to the employment of money. Capital was much needed in England, and still more in Scotland, for developing the resources of the country and for starting new enterprises; freedom for the formation and investment of capital seemed to the thoughtful city men of the seventeenth century, who were mostly in sympathy with Puritanism, the best remedy for the existing social evils. They were eager to get rid of the restrictions imposed by the Pope's laws, which it was still possible to bring up in the ecclesiastical courts, as well as to be free from the efforts of the King's Council to bring home to the employing and mercantile classes their duty to the community. . . . In so far as a stricter ecclesiastical discipline was aimed at, or introduced, it had regard to recreation and to immorality of other kinds, but was at no pains to interfere to check the action of the capitalist or to protect the labourer.' Quoted by Trötsch *Soziallehre* and W. Cunningham, *The Moral Witness of the Church on the Investment of Money and the use of Wealth*, 711-712. He also gives ex-

In the lands where these ideals had free play—Holland, Great Britain, above all New England, a new type of character was produced, canny, methodical and laborious; men who lived not for enjoyment but for work, who spent little and gained much, and who looked on themselves as unfaithful stewards before God, if they neglected any opportunity of honest gain.

On the other hand, the philosophers of the eighteenth century advocated the abolition of economic restrictions on abstract grounds. They taught that there existed a law of nature which man had only to follow in order to attain happiness. Self-interest and the desire for pleasure were divinely-implanted instincts which made for the common good, since the advantage of the individual and that of society were naturally and providentially co-ordinated.

These theories were everywhere dominant among the ruling classes in the eighteenth century, and when they were fused with the Protestant Individualism of the mercantile classes of Great Britain they produced the new economic philosophy of Adam Smith, the father of classical political economy.

The new conditions of international trade and, above all, the technical discoveries that revolutionised eighteenth century industry, provided an opportunity for putting the new principles into practice. Instead of gradually rebuilding a national system of trade

amples of the Scotch legislation against unemployment (1663). 'Capitalists who set up manufactories were empowered to impress any vagrants, and "employ them for their service, as they see fit," for eleven years without wages except meat and clothing. Good subjects were recommended to take into their service poor and indigent children, who were to do any task assigned to them till they had attained the age of thirty, and to be "subject to their master's correction and chastisement in all manner of punishment (life and torture excepted)".' Compare the system of binding parish apprentices to the manufacturers in England from 1760—1816.

and industry suited to the new conditions, the statesmen and publicists, who had embraced the new ideas, abandoned all ideas of regulating economic forces. They believed that the true interests of society were safest in the hands of those who had most to lose or gain. Consequently alike in the new industry with regard to wages and conditions of labour, and in the new agriculture with regard to enclosures, the interests of the mass of the people were absolutely subordinated to those of the possessing and employing classes.

Undoubtedly industrialism thrived under this regime, and England became the workshop of the world, far outstripping the more conservative continental countries, but so far from producing the freedom and prosperity of all classes as the theorists had promised, a most disastrous effect was produced on the standard of living of the workers. Society was brought into a state of dependence on material and non-moral factors such as had not existed since the days of the slave dealers and publicans of the later Roman Republic. By the end of the century it had become impossible for the economists to shut their eyes to the evils of the new system. Instead of modifying their principle, however, they adopted a pessimistic fatalism, a belief in the existence of unalterable economic laws governing the rate of wage and standard of life of the working classes, which rendered all attempts towards an improvement of conditions, whether by private charity, state intervention or trade union organisation, worse than useless. The only remedy that the economists could suggest for the misery produced by the new industrialism was the limitation of the wage-earning population, and though this was advocated by a few writers, such as Malthus, Bentham and Place, the majority surrendered completely to economic fatalism, and refused any hope to the poor, save the purely

*fatalism*

*evils of Eng. Indust.*



individual one of pushing and thrusting a way out of the ranks of the workers into the middle classes—the gospel of self-help.

Thus there arose the complete anti-Christian economic theory, according to which the one duty of the rich was to increase their wealth, while the labour of the poor was a tool, to be bought in the market as cheaply as possible. Man's economic life was not regulated by moral laws, nor could it be transformed by charity; it was a region apart, dominated solely by the laws of supply and demand, by the increase of population and of capital.

These laws were accepted as unquestionable axioms by the majority of philosophers and politicians. They met with resistance only in the uninstructed conscience of the people. Nothing is more remarkable than the way in which the poor clung almost instinctively to the old Christian principles, of the just price and the just wage, of the right of the craftsman to live by his craft, and the duty of society to regulate economic conditions according to moral ends. But apart from the case of Cobbett, in whom this suppressed mediaevalism found vehement expression, the workers remained almost leaderless. Their innate conservatism was shocked alike by the wild proto-Socialism of Spence and Hodgskin and Gray, and by the scientific Benthamite Radicalism of Francis Place, while the middle class reformers whom they supported used their new power to pass the new Poor Law and to vote against the Factory Bills of Sadler and Shaftesbury.

During this first period of industrialism, Catholic opinion was hardly touched. The new system was almost entirely confined to Protestant countries. Only in Ireland, and there chiefly after the famine, did the new doctrine of the rights of ownership come into open collision with the mind of a Catholic society.

On the continent, the Church was still engaged in her great struggle with the principles of the Revolution, and it was only after the old political order had finally passed away that industrialism really commenced in Catholic Europe.<sup>12</sup> It was not until 1848 that Baron von Ketteler, afterwards Bishop of Mainz (1850), first began to attack the new problems from the Catholic standpoint.

By the time that the continent had become industrialised on a scale at all comparable with that of Great Britain, the old fallacies of unrestricted individualism and unmodifiable economic laws had become largely discredited. From 1870 onwards we see the Great State, organising itself as an economic whole, in order to conquer its share in the world market.

But although the State now intervened to protect labour from the worst forms of exploitation, no change was made in the underlying principles of economic materialism. The non-moral struggle for gain was merely extended from the competition of individuals to the rivalry of great nations in the international markets—a rivalry which grew more and more desperate as the development of industry grew more intense. During the last fifty years there has been a progress in wealth and population such as the world had never seen before. The whole world has been drawn into one economic net. Prices and profits have become internationalised. The cheap labour and mass production of the industrial countries have been based, on the one hand, on the prairie-farming and cheap

<sup>12</sup> Nevertheless, the chief defender of the Catholic social tradition at the beginning of the nineteenth century, de Bonald (1754—1840) insisted strongly on the falsity of the moral premises on which the new economic theories rested. Moreover, he advocated the restoration of the Guilds; the destruction of which he held to be one of the great evils resulting from the anti-Christian propaganda of the eighteenth century (Cf. *Legislation Primitive*, Pt. 3, ch. 4).

gospel of self-help =

anti-Christ

poor = unions

↓  
suppression of medievalism

Nationalism + industrialism

de Bonald

food of the new lands; on the other, on the control of the markets of India and other lands which were not yet industrialised.

All this was not, as the old economists thought, the fruit of economic freedom. The true note of that age was not economic liberty, but economic imperialism and exploitation. Great Britain, and after her the other countries of Western Europe, had used their monopoly of economic power to the full, and for a time it seemed that there would be no end to the progress of wealth and population, but in reality this development carried within it the seeds of its own destruction. Under the new conditions, the world was becoming too small for the gigantic development of the new industrial powers. In the scramble for markets and colonies they were driven to try and cut each other's throats. For the capacity of industrial mass-production is almost infinite, whereas the industrial markets are relatively restricted, owing to the fact that industrialism has become world-wide. In the new countries overseas, industrialisation has begun to outstrip agrarian development, and even the most backward countries are beginning to manufacture for themselves. Already we can see the same forces that drove Germany to her desperate venture at work in Japan; and what will happen when China begins to take a part in international trade proportionate to the numbers and industry of her population?

Moreover, a variety of causes co-operate to raise the cost and limit the supply of raw materials and of metals, and coal and oil; of cotton and wool; above all of food. We are beginning once again to face the great problem of the ancient world—the pressure of population on territory and food supply. Although the present world shortage is premature, it can only be a question of time before all the great countries of the world absorb their own food supply and manu-

facture for their own needs—as is almost the case with the United States at present. International trade will then consist, not as at present in the exchange of primary necessities, but in highly specialised articles, and in tropical produce.

The coming of these conditions marks the beginning of that Stationary State, of which J. S. Mill wrote, an event as epoch-making in the history of the modern world as was the institution of the Roman Empire for antiquity. It involves the ending of the last traces of *laissez-faire*, and a conscious regulation of the whole economic system, and the complete co-ordination of the latter with the other sides of the life of society.

(To be concluded.)

CHRISTOPHER DAWSON.

Stationary  
State

freedom =  
exploit.  
+  
imp. p.

prod =  
infin.  
markets =  
finite

1924

# CATHOLICISM AND ECONOMICS

## PART III.

### THE ECONOMIC PROBLEM OF THE PRESENT AGE.

#### I.

THE establishment of such an economic order is demanded not only by external circumstances but also by a human need.

In almost all the industrial countries the wage labourer is thoroughly disaffected. For almost a century he has been fed on the doctrines of political liberalism. He has been taught to believe in democracy, in the equal citizenship of all, and it is not surprising that he should have come at last to demand the application of these theories to his daily life—that is to economic matters. Hence the determination of organised labour to acquire a fixed standard of life, secure from the fluctuations of the international market. Hence too its tendency to look for the satisfaction of these ideals to Socialism, which had its birth at the time when the prospects of the working classes seemed most desperate, and which has shown itself ready to step into the place of the old governments in the political disintegration of Europe that has followed the world war.

The Socialist doctrines, especially in their 'Scientific' Marxian form, in spite of being a conscious revolt against the prevailing economic theories, nevertheless took over from the older economists their materialistic outlook and their faith in the operation of unmodifiable economic laws. They simply added

to these fundamental conceptions a theory of historical evolution, by which they taught that the capitalist system was a necessary stage in the development of the individual handicrafts of the past into the scientific socialised industrialism of the future. As the capitalist manufacturer absorbs the multiple activities of the free craftsman, and subordinates them to a common task, so he too will be absorbed in turn by the final socialisation of industry, which is the end to which he is unconsciously tending. Thus Socialism is to Capitalism, what the modern factory is to the domestic workshop. Industry becomes ever more organised, capital continues to accumulate, until at last the State steps into the place of the trust and the millionaire, and takes control of the machinery that has grown too vast and complicated for private management.

This theory undoubtedly contains an element of truth. Marx was the first economist to realise the essentially transitory character of nineteenth century industrialism. His error lies in his conclusion—the necessity of State Communism. This means that the whole of life will be controlled by a single organism, which must be centralised, because, according to his theory, that is the inevitable tendency of the economic process, and which must be secularist in character and aims, in order to square with his materialist interpretation of history. This must infallibly produce an unbearable bureaucratic despotism, for if Communism is in any case (even in the tribe or the city) difficult to reconcile with personal freedom, what will it be when the communist society is a great centralised state, with all the traditions of national sovereignty behind it?

It will be said, no doubt, that in this, Socialism has merely recognised actual facts. We have the Great State already with its bureaucratic control over the

Marx:  
Socialism  
next  
step  
from  
Capitalism

Great State

life of the individual. All that Socialism does is to render this control more just and rational by destroying the anomaly of class distinction and economic privilege.

Cath. S.T.  
vs.  
G.S.

But Catholic social theory is far from approving of the Great State in either of its forms. The ideal that would secure at once a high profit for the British investor and a high standard of life for the British workman by the scientific exploitation of a vast tropical empire and which would use the economic strength thus gained to destroy the competition of its weaker rivals, is essentially un-Christian and shares in many of the objections that a Catholic can bring against the Socialist State. As Cardinal Dubois, of Paris, recently said, 'L'Etatisme est une heresie.'

The modern State, as we know it, is but a partial unity: it does not embrace either the whole of mankind, or the whole life of the individual man who belongs to it. It requires to be supplemented on the one hand by a spiritual society, on the other by national communities like itself. For as the ancient State was a city in a common civilisation of cities, so the modern State is a Nation in a society of Nations. There is a constant tendency for the State to make of itself an absolute unity and a final end. Mediaeval civilisation alone has succeeded in holding the balance between the claims of the whole and those of the parts, amongst which the National State is to be numbered. No partial unity has the right to arrogate to itself the position of final end, no society has the right to exclude all other societies.

And as there are societies above and outside the State, so too there are societies within and below it. The State cannot deny the inherent right of its members to form other associations for special economic and social objects. To do so would be, in the words of Leo XIII, to contradict the very principle of its

own existence, since it is the natural right of man to form these lesser societies, as well as the greater ones. Only by free association can men attain to a fully developed social and economic life. Consequently the true social ideal will not be found in the centralised unitary State which absorbs the entire control of the social and economic life of its members, but rather in the co-operative, federated State which gives free play to the activities of the individuals and the associations within it.

## II.

It is on these lines that the economic problem of our age must be solved, if the solution is to be in harmony with the needs of human nature and with Catholic principles. Economic life, as one of man's many activities, must find its own social expression and form its own organs. It must be ordered by the free association of individuals, not by a compulsory organisation proceeding from the centre of political authority.

The apologist for the present order would perhaps claim that it fulfils these conditions—that the capitalist system is simply the result of free economic association. Clearly the co-operative element is not altogether absent, for all economic life implies co-operation of some kind. 'Division of Labour' is really co-operation of labour, and international trade involves co-operation, as well as competition. But this co-operation may be servile or forced. The great works of the ancient world, such as the building of the pyramids, or the Great Wall of China, were performed by the labour of forced levies under the control of political or military authority; and it is the same with the great enterprises of the capitalist age, the Suez and Panama Canals for example. There is

Econ. must be based on free assoc.

*capit. = freedom of owners, not workers*

free co-operation among the directing elements, but the actual labourers are mere instruments.

In a settled industrial society, it is true, the wage labourers do possess their own organisations, but these are not organisations for production, they exist in order to defend the interests of the worker against the employer. Thus we find two free associations, the Trades Union and the Joint Stock Company, organised one against the other, and production necessarily suffers from the opposed interests and different policies of the two. The great problem of the present age is how to substitute a free co-operation for the jarring relations that at present subsist between the two. The capitalist solution, which still obtains to a

① great extent in the United States, is to eliminate the Trades Union and to trust the fortunes of the worker to the benevolent despotism of his employer, but that is obviously a reaction towards the servile non-co-operative economic relation. On the other hand, the Socialist solution is to eliminate the capitalist by substituting the State or its agents for the Joint Stock Company, a solution which we have just criticised on the ground that it also is irreconcilable with freedom.

② There remains a third solution, which is purely co-operative. It is to amalgamate the two associations—that of the owners and that of the workers, so as to produce a single autonomous association, controlled and owned in equal shares by its actual working members.<sup>1</sup> This is the solution which has perhaps attracted independent thinkers more than any other. It was the ideal of Owen, of Fourier, of Lassalle, of Bishop

③ loop. solut.

<sup>1</sup> There is yet a fourth solution, Guild Socialism, according to which the means of production are owned by the State, but are administered by the organised industrial unions or guilds. I have not discussed this separately, since it is essentially a compromise representing the reaction of Socialists to co-operative ideals. Some Guild Socialists remain true Socialists, others, like Mr. A. Penty, appear to be pure co-operativists.

Ketteler, of John Stuart Mill. The latter wrote in the later editions of his *Political Economy*:<sup>2</sup>

'The form of association which, if mankind continue to improve, must be expected in the end to predominate, is not that which can exist between a capitalist as chief and workpeople without a voice in the management, but the association of the labourers themselves on terms of equality, collectively owning the capital with which they carry on their operations, and working under managers elected and removable by themselves.'

It is scarcely possible to rate too highly the material benefits resulting from this,

'but this is as nothing compared with the moral revolution in society which would accompany it: the healing of the standing feud between Capital and Labour; the transformation of human life, from a conflict of classes struggling for opposite interests, to a friendly rivalry in the pursuit of a good common to all; the elevation of the dignity of Labour; a new sense of security and independence in the labouring class; and the conversion of each human being's daily occupation into a school of the social sympathies and the practical intelligence.'<sup>3</sup>

But these hopes, which were entertained by so many leaders of thought in the middle of the last century, were not destined to speedy realisation. During the next generation, the ideal of co-operative production became discredited alike among Socialists and individualists. It was an age of triumphant material progress, and men realised the difficulty of making piecemeal changes in the vast world organism of capitalist industry. It was hard to believe that a successful large scale industry could be built up on the savings of the workers, as J. S. Mill and the English Co-operators had hoped, and the alternative syndicalist plan of a revolution by violence and the forcible appropriation of capital must, apart from all questions

<sup>2</sup> Mill's *Principles of Political Economy*, 772-3.

<sup>3</sup> Mill's *Principles of Political Economy*, 789-790 (ed. Ashley, 1909).

of morality, so dislocate the fabric of society, as to imperil any kind of production.

Bishop Ketteler at least had fully realised the difficulties that lay in the way of this fundamental change, but he took long views and he could afford not to despair, since his ultimate hope rested on a force outside society.

'Every time that I have considered the situation,' he said in 1864, 'I have felt arise in me the hope and the certainty that the powerful aspirations of Christianity will take hold of this idea (of productive associations), and will realise it on a large scale. What an influence would not be exerted by the creation of societies of production based on Christian principles, in the midst of the territories of the white slaves of industrialism? What would not be the results, if men of good will, after assembling the necessary capital, offered the workers the chance of participating in a co-operative enterprise, in which all the profits which were not needed for the actual running of the business became the property of the workers themselves?

'Far be it from me to think that the working classes will suddenly and universally be succoured by these means. At present the only class in society that can act efficaciously—the class of the capitalists and industrial magnates—is far, far removed from Christianity. But no task is too great for that fire of divine charity which was brought into the world by Jesus Christ. There lies my hope for the future. Every fresh shipwreck of human efforts towards the help of the working classes only brings us nearer to the time when God Himself will come to their aid, through Christianity.'

This is the spirit which 'believeth all things, and hopeth all things,' but from any other standpoint it must be admitted that a co-operative organisation of industry was hardly possible under nineteenth century conditions. In these transitional periods, when conditions are constantly changing and the markets are

\* Goyau 'Ketteler,' pp. 203-210. This important passage from *Die Arbeiter-Frage und das Christenthum* is unfortunately too long to quote in full.

expanding rapidly, the concentration of economic power in a few hands is inevitable. Under the new conditions that we have been discussing, however, the case is altered. The more the world is filled up and the main sources of production are allocated to the needs of particular countries, the more will the methods of production and the demands of consumers tend to become standardised, and the easier will it be for industry to reckon on a fixed output of a definite quality. During the last century the conquest of fresh markets, the introduction of new processes and the continual alterations in demand and supply, introduced an enormous element of risk, and favoured competition and speculation. But the industrial situation of the Stationary State will rather resemble that of the mediaeval city, where there was but little fluctuation in the quantity and quality of production and consumption.

Above all it must be remembered that under the new conditions the artificial isolation of industry from agriculture will have to come to an end. Hitherto social reformers have done little to co-ordinate the two. The Socialist generally wishes to conform all production to the model of large-scale industry. The individualism of the peasant shocks him just as much as the capitalism of the landlord, and he is ready to solve the agrarian problems by such drastic and unpractical measures, as the wholesale cultivation of the land by labour armies.<sup>5</sup>

On the other hand the agrarian reformer, who is anxious to improve conditions in his own department by the introduction of co-operative methods, is often

<sup>5</sup> This was advocated by Marx and Engels in the Communist Manifesto and also, I believe, by Mr. Sidney Webb in the Minority Report of the Poor Law Commission. The latter proposed to utilise the unemployable and industrially inefficient class in this way!

hostile to the claims of the industrial population, and is inclined to leave the great cities and their problems to stew in their own juice. Hence the present violent opposition between town and country in Southern Germany, Hungary, and to some extent in France, an opposition which is only not apparent in England on account of the relative unimportance of agriculture, and the fact that under the English system, the position of Labour has been worse in agriculture than in industry.

Hitherto the success of industrialism has been partly produced by the exploitation of the agrarian side of national life. For generations the strongest and most enterprising elements in the agricultural population have been drawn into the cities, and the country has been left to stagnate. But under the new conditions no country can afford to neglect its rural life. The prosperity of a society will come to be based more and more on its agricultural population and production; and industry, instead of being mainly dependent on international factors, will be the superstructure built upon that agrarian development. Thus it would once again be possible for there to be a real social bond between the city and the region in which it is placed, so that the former should be, not a second-hand product of cosmopolitan culture, but the civic expression of the local society. That is, of course, impossible in the case of the great industrial cities of the present day, but it is the ideal of the co-operative state to abolish this one-sided industrialism—to attain a balance between town and country, such as we now find only in the less industrialised countries, such as Denmark, Sweden, Holland and some parts of South Germany; and the realisation of this ideal is favoured by the new trend of economic conditions.

Catholic social policy in the past has shown a true instinct in its endeavours to preserve this balance by

favouring the development of an independent peasant class, as in Ireland and South Germany, and by forwarding the co-operative movement among the rural population.\* But it is equally in accordance with Catholic interests and ideals, though its attainment may be more difficult, for industry to be based on an independent, secure and prosperous artisan class, as for agriculture to be based on a free and prosperous peasantry. Only when both these tasks have been accomplished will the anarchy and greed, that are draining away the vital forces of our civilisation, be overcome, and the way made clear for the establishment of a Christian order.

Whatever happens to the modern world, the Church will continue to exist, and her work must be carried on even in a society that is externally heathenised. The great Catholic principles—Charity, Justice and Self-Denial—lie on a deeper plane than that of any economic programme of Theory, and it is in the diffusion of these spiritual forces that the great duty of Catholics towards the modern world consists. Only through the Spirit of Christ can men learn to face these material problems in a spiritual way—with love instead of selfishness, and with justice instead of prejudice. Spiritual darkness generates hatred and injustice, so that societies like individuals know not whither they go, because the darkness has blinded their eyes. Material changes can bring no real healing to mankind, unless they are rooted in a spiritual change—on that spiritual re-birth, which the modern world needs no less deeply, and seeks no less blindly than did the Mediterranean world two thousand years ago.

CHRISTOPHER DAWSON.

\* Cf. Fr. Plater, *The Priest and Social Action*.