

doing time forfeits for that period the right to marry; but even then the right is only postponed. In such a case the criminal is not a free man because he is not a lawful man. In extreme cases of grave social crime (like murder) the State has the authority to remove a citizen off the social map altogether, by taking away his life. Outside such cases, everybody has the irremovable rights that secure a decent and dignified human way of life.

This is how the right to *some* property comes in.

Our Mr. Bings has a right to the things he owns because he has a right to a decent, dignified human way of life.

"Every man," says Pope Leo XIII, in his famous encyclical on the workers, "has by nature the right to possess property as his own . . . on this very account—that man alone among the animal creation is endowed with reason—it must be within his right to possess things not merely for temporary and momentary use (as other living beings do) but to have and to hold them in stable and permanent possession." (*Rerum Novarum*, section 5).

Here, then, we see the right sort of capitalism—and its justification. But like all good things, it can be abused. And in our own day in particular, it has been abominably abused.

There is the straight sort of capitalism, and there is the crooked sort. The crooked or immoral sort is the system of capitalism which is riddled with abuses or wrong uses. It is like the crooked reflection of a beautiful face in a distorting mirror.

Our present-day capitalist system (which is now almost world-wide) has become like that—a distorting mirror; in which the essentially good thing, private property and possession, has been dragged out of shape by wrong use.

LET us look into this distorting capitalist mirror for a few moments. What is the picture presented to us?

Here are the words of the Holy Father in presenting that picture:

"It is clear that in our days not only is wealth accumulated, but immense power and despotic economic domination is concentrated in the hands of a few, and that those few are often not the owners, but only the trustees and directors of invested funds, who administer them at their good pleasure."

This is a terrific and undeniable fact. A few despots control immense wealth.

The Pope continues:

"This power becomes irresistible when exercised by those who, because they hold and control money, are able also to govern credit and decide its allotment; for that reason supplying, so to speak, the life-blood to the entire economic body, and grasping, as it were, in their hands the very soul of production, so that no one dare breathe against their will." (*The Social Order*, Part III.)

This is another terrific and undeniable fact. The power of these despots is (at present) irresistible. This is because they control *credit*, which may be called the power to buy or purchase. Incidentally, the Pope states another truth which has tremendous and far-reaching importance—*money*, is the economic *life-blood* of the social community.

The frightful position, then, is this: A few despotic persons are controlling (and consequently restricting) the flow of the life-blood of human society—its quantity and its direction. That control is causing what may be truly

called "economic anemia" in society. Now anybody who caused anemia in an individual, in a fellow-man, would rightly be called a criminal. Those who cause what is the equivalent of anemia in the social body must be considered social criminals. There is no use beating about the bush in this matter. It is necessary to put it bluntly. And the Holy Father's words are clear.

Modern capitalism, then, in the words of Dr. George O'Brien (in his scholarly *Essay on the Effects of the Reformation*) is "a particular point of view from which economic activity and gain become ends in themselves, and not merely means to an end."

This is the great abuse — which makes the modern capitalist system a distorting mirror. It places economic gain in the false position of being an object for its own sake—and an end in itself.

By "economic," we may point out, we mean, for all practical purposes, "the administration of the nation's wealth."

"Modern capitalism" has been compared by another writer to "militarism"—which is "not any particular quality or scale of military preparation (which in themselves may be quite lawful) but a state of mind which, in its concentration on one particular element in social life, ends finally by exalting it until it becomes the arbiter of all the rest." (R. H. Tawney's *Acquisitive Society*.)

This is exactly the contrary of Christian teaching — this making of wealth, whether economic or individual, an object in itself—a final end. To do this is to lose all sense of proportion. The Christian Church has always preserved the golden mean, the moral balance of things, the true sense of values.

There is a fable in which the epicure spent a large part of his morning in tasting the dishes which were being prepared for dinner. He made eating and drinking ends in themselves. He lost the sense of proportion and value—the true use of food and drink. It resulted in his case in a very unhealthy body. Just so does the distortion of values in social matters result in an unhealthy social body.

Christianity, on the contrary, regards man as fitting into God's plan in creation. Christianity takes what is called a "teleological" view. This means that man is destined by God, the Creator, for a final goal—the great goal of the divine purpose. For man this goal is the supernatural goal of heaven, or the vision and possession of God Himself. Man is destined (if he fulfills the conditions God requires) to see God "face to face."

This view (which is not merely a "view" but a fact divinely revealed) was rejected and replaced by the new "industrial" idea of man as a living machine — as so many "hands" of industry.

The medieval idea insisted on the corporate nature of Christianity. The Reformation replaced this by an exaggerated *individualistic* idea.

The doctrine of "private judgment" in all things resulted in making every man a little despot.

"Little man—what now?"

This—that human society has become the victim of its own act; the puppet of a few despots. That is the curious and terrible result which has developed historically. A very few rich men have secured the control over all men—to the extent that "no one dare breathe against his will."

What is the remedy?

It is not difficult to state the remedy

in a summary fashion—that is, to say in general what should be done. The difficulty arises when we come to detail. In general (as the Pope has said) the remedy resides in a return to Christian morals. Nothing else can be a real cure for social ills. Every sincere, professing Christian would agree with this principle; the disagreement arises only when methods of that return to morality are discussed. The Holy Father has indicated certain lines on which reform must proceed. It is obviously the duty of Christians to circulate those lines of principle wherever possible.

In the science of medicine there are certain maladies recognized in which all practitioners are agreed that (to take a simple example) the heart must be strengthened and fever lessened. There may, however, be dispute as to the best means to attain those necessary results. Just so in social maladies. The maladies are clear enough, the general principle of treatment is also clear. It is the points of detailed treatment that social practitioners boggle at.

Still, we can never get anywhere in this life without being practical. And so before leaving this subject we must touch upon the application of the principles without trespassing upon party politics—that is, on particular political methods. And as *money* is bound up with the question of private property, it is to the proper use of property in relation to the use of money that we must turn for a solution. It may be noted in passing that by *money* is meant the "purchase token" — the symbol which gives a right to buy things. Mr. Hilaire Belloc recently summed up the matter in the phrase "the restoration of property."

Now this term "property" has changed its meaning considerably in the modern financial system, as compared with its earlier and more natural and primitive meaning—a fact stressed by Mr. G. K. Chesterton in one of his more recent essays. When Tennyson's *"Northern Farmer"* sang his ode to property, he heard the suggestion of property in the very sound of his horse's hoofs: his property was really private property in the natural sense of the term. He really owned and controlled it. But later (as the Pope has pointed out) property has become a matter of invested funds administered by trustees and directors who are not owners of it at all. This transformation has caused the basic idea of property to diminish and almost disappear. Instead of horses and cattle and houses and land with its natural fruits, property today consists of stocks and shares and "investments" of various kinds. Property has thus become a far less private and personal thing: with less immediate control and less security for tenure.

The "restoration of property," then, is the antidote to the abuses of modern capitalism. It is evidently a much deeper question than wages even, important as the question is. For unless a man can obtain some sort of property out of his wages, wages alone (unless guaranteed for life, which is seldom the case) will not give real security. Our Mr. Bings must indeed have his wages; but he must also be able and free to purchase property. Only in this way can he get "economic security."

Now in the State or the civil community there are three systems possible:—

(1) The "Servile State"—where only a few people own property. (This is the unsound Capitalist State.)

(2) The "Socialist State" (in the extreme form the Communist State)—where the State owns all the property.

(3) The sound Capitalist State — where a large proportion of families own and control property; and where the acquiring of property is reasonably easy.

The first two kinds of State are condemned by Christian teaching; and each for the same essential reason—they deny the power of all men to own some property. The Capitalist State may concede the *right* in theory, but in practice renders it impossible. The Communist State even denies the right.

The third kind of State fulfills the requirements of Christian teaching. It is therefore towards this that Christian endeavor must be directed.

We may therefore sum up as follows:

(1) The attack on small ownership by large ownership must be opposed.

(2) This will need concrete proposals in such matters as the acquiring of property, the crushing out of small owners, and the forced amalgamation of small concerns by big "combines."

(3) The restoration of property in *land* must be encouraged—for this is the most basic meaning of the restoration of property.

These points involve:

(1) The question of *taxation*. Taxes are a lawful and even necessary means for the State's subsistence; but they must be in proportion to the means of the people and not favorable to one class of society merely as a class.

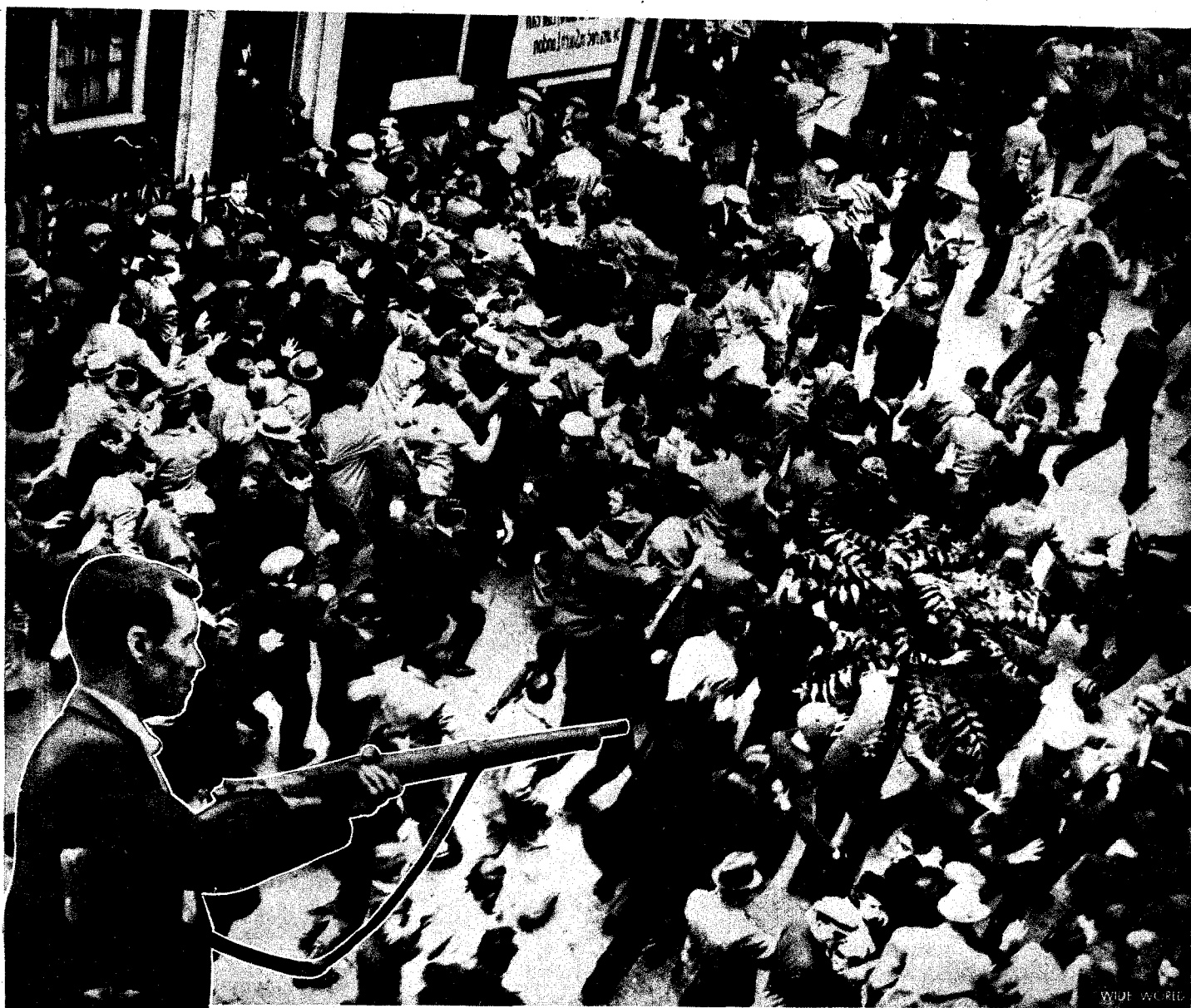
(2) The question of "social credit"—or the universal power of purchasing freely.

Note that by the phrase "social credit" we do not commit ourselves to any particular system which bears that title. Whether this or that particular system is the best (or even practicable) is a matter to be settled by political governors inspired by the Christian principles of justice.

To carry out reform on such lines will need the unifying power of the State—the supreme arbiter in social justice. A just State will make laws that will secure such reform. Its legislation will provide a "sanction"—the penalty for non-observance of the just laws.

In quite recent times there have been hopeful signs in the direction of such reform; such as the restriction of money-lenders, of "chain" stores, the dispersion of "cornering" combines, and to some extent the control of prices of necessary goods.

We have elsewhere pointed out the menace of those we called the "dangerous comfortable." These are the people who are sufficiently comfortable under existing conditions, and who therefore persuade themselves that "all's right with the world." They therefore regard all demands for reform as mere "agitation." They see only one half of society—the comfortable half. They flourished in the days of actual slavery; they flourished through the dark days of slave trading; they continue to flourish in the days of quasi-slavery of modern industrialism. Most dangerous kind of people! — even when, as individuals, they appear to be kind people! They foster a false sense of prosperity and economic security—a mere smoke-screen behind which injustice works its will. Their re-education will need to be taken in hand by well-informed Christians — those who have the fullness of the Christian Faith enlivened by Charity—ere the sound Capitalist State can come into its own.



COMMUNISM IS WICKED!

by Hilaire Belloc

**Everywhere Communism Begins
With Massacre and Continues With
Murder Because Only By Terror Can
Men Be Forced to Support a Remedy
That Is Against the Spirit.**

COMMUNISM is a false remedy to the evils which capitalism has brought upon us. We have seen that it is a false remedy; but there are two other things about it all important for us to understand. The first is that it is evil, not a mere economic theory to be tested like a mathematical or an engineering theory, but a moral theory and a wicked one. The second is that those who rely upon Communism as a remedy will be in a worse case than if they had not tried any remedy at all, for Communism must necessarily break down, but not till it has done vast harm.

I will deal with the first of these points today, and with the second in my next article.

How can one say that Communism is morally evil, not as a theory but as a thing? There is nothing morally evil in a number of men getting together and agreeing to hold all they have in common. But the specific remedy for modern capitalism, called "Communism," is wicked in its action because it is evil in its motive and driving power.

With many men when they first turn to Communism the motive is quite different from the motives of those who started, and who still, with increasing difficulty, maintain the Communist effort against society. The motive of the first converts, and of the newly made converts every day, is partly indignation against the horrible social injustice of our time (an indignation which is often felt even more strongly by those who look on

than by those who actually suffer). It is partly made up of the appeal to simplicity, for it is the most obvious and easiest and quickest way out of the complicated tangle of injustice into which society has fallen. But behind the whole thing is something very different from excusable motives of this kind. Behind the whole thing is hatred of human traditions, chief of which is the tradition of worship of God, and of revealed morals and natural religion, which are the best inheritance of mankind.

If proof were needed of the essential wickedness of the movement, and of the falsehood of pretending that it is a mere effort at redressing existing wrongs, we have but to consider how Communism has acted in practice and before our eyes. If it had been what it pretends to be, it would have begun by a straightforward pronouncement of its aims, purely economic and social. It would have proceeded to apply the new laws with as much respect for humanity and decency as possible. It would have worked as all great human reforms work, mainly by persuasion. It would have excited loyalty and affection. That is the order in which the thing would have developed if it were what it pretends to be.

Now we all know that the actual order in which it developed was quite different. It began, wherever it broke out, with indiscriminate massacre. It did not merely murder the rich—that would have been bad enough—a mere act of blood and revenge. It did not

even begin by examining cases to hand and withdrawing economic control from capitalist organizations. It began with blind murder, and murder on such a scale as humanity had never known before. The only distant parallel to the horror was the invasion of the savage Mongols, in the thirteenth century, inspired by a similar hatred of all that was civilized and traditional in human society, when they turned the wealth of Mesopotamia into the howling desert it has remained ever since.

COMMUNISM, I say, began with massacre! That must be carefully remembered. *It began with massacre.* Massacre was not an unfortunate outburst, the result of its establishment; it was the preliminary and most heartfelt spontaneous expression of its spirit. *It began with massacre* in Russia, in Hungary, and quite recently in Spain.

The second point is this: The massacre was not primarily nor mainly a massacre of those who exploited the proletariat. It was mainly, as a beginning, a massacre of men and women devoted to religion, and a destruction of shrines devoted to religion. That has been the brand characteristic hallmark of the thing. Everybody noted it at once in Russia, but Russia was a long way off, and the picture was confused. The other day in Spain the picture was clear-cut and most vivid. All Europe woke up to what had happened. The wild beast was primarily concerned with destroying the ministers of the Christian Faith, and the men and women devoted to religion, and the burning and looting of Churches. The one thing that damned you and threatened your life in the Communist rising was not an appearance of wealth, though that often was dangerous; the one thing fatal was a religious element in the victims.

But Communism did not only be-

gin everywhere with massacre, it does not only begin everywhere by drawing up a list of victims to be murdered wholesale and without trial, it continues the habit; it lives by terror and by mass-killing. The whole method of the government in Communist Russia has been of that sort, and the whole method of government in Communist Spain has been of that sort. It everywhere reposes upon terror: the terror of blind violence.

If it be asked why such an atmosphere of incredible evil surrounds the thing, seeing that there is no apparent logical connection between the Communist theory and vast indiscriminate bloodshed, torture, burning and the rest, the answer is not difficult to find. There is a connection. The connection is this: that Communism proposes an imposition by force of something repulsive to the spirit of man. *You cannot get men to accept an order which is against nature and against every good human instinct, save by the inhuman and abnormal method of continuous terror.*

I HAVE talked to not a few men who had been attracted towards Communism in the first instance by a sense of justice, combined with a desire for the simplification of things: the untying of the tangled knot into which capitalism had got our affairs. In all but very few cases I have found in these men varying degrees of disgust with the savor of the air with which they had mixed. Some felt it more strongly than others. Many felt it so strongly that they ended by a hatred of that which they had been led to believe was a solution of their ills. Some, indeed, only felt a general revulsion and continued to make dwindling excuses. All who came in from genuine compassion, or from a genuine desire for a better order, have manifested disappointment, leading to disgust, from experiencing the thing itself—all save one small minority.

For I have indeed found among such men as had been led in at first from good motives a small minority who were, so far as one can say it of men still alive—damned. That is, they had suffered a perversion of the will. They had got into a state of mind in which the wreaking of hatred against their fellow beings was a greater pleasure to them than the establishment of what they had once thought was justice. They were perverted. They had been turned into the likeness of the criminals who introduced this foul thing into our midst. But for the rest I found everywhere in varying degrees a growing reaction against what, in the beginning, they had hoped would be a "way out," a remedy, the solution of the problem of capitalism.

To take up a remedy for a disease, which remedy is worse than the disease itself, is merely folly. To settle your anger at an injustice by committing a murder is a moral insanity. To fly to Communism as a cure for capitalism is an action of that kind.

But it is something more. It is a folly in practice as well as in morals. The remedy is not only worse than the disease, but is a remedy which cannot but fail and is, indeed, already failing. That is a capital, practical point which will more and more appeal to everyone, even to that large number who do not believe, as they should believe, being rational beings, in the all importance of morals.

Communism is failing, and must fail. Those who expect relief by way of Communism will be left high and dry. They will not get the imaginary good which they may have expected. They will find only failure, and how and why this should be so I will describe in my next article.



Communist Countries May Take American Properties

By HON. GEORGE H. TINKHAM
Representative from Massachusetts

MEXICO upon our southern border has become a communistic state with a dictator. If Communism can be successfully maintained in Mexico, it may well sweep through all Central and South America.

Communism in Mexico is a reflection of the communistic policy adopted in this country of transferring to the Government by legislation and Executive decree the control of industrial and agricultural enterprise until recently in private hands. Communism in Mexico is a reflection of the hostility of the present administration in this country to the profitable and beneficial private ownership of property and to the making of profits by anyone but the State. This is the very essence of Communism: The pauperization of the people of a country for their political exploitation.

The communistic dictatorship of President Cardenas in Mexico is merely a reflection of the attempted dictatorship of President Roosevelt in the United States.

The United States has supported the development of Communism in Mexico by subsidies from the United States Treasury in the form of purchases of Mexican silver at fantastic prices. Communism in Mexico has been further encouraged by the President and Secretary of State Hull by having as United States Ambassador to Mexico Josephus Daniels, who is known to be sympathetic to the revolutionary policies adopted there.

Mexico has now seized hundreds of millions of dollars' worth of small and large farms, of factories, and of other property belonging to United States citizens. At a time when bankrupt and predatory governments are restrained by no moral or legal principles, Secretary of State Hull has announced that the Mexican Government may seize any American property in Mexico, and the President has announced that the only payment that need be made for the property seized is its original investment cost minus depreciation, instead of its actual, fair, and equitable value.

As Mexico has no visible means of paying for any property which it may seize, as its bonds and other obligations have been worthless for the greater part of 20 years, and as its economic structure is on the verge of collapsing, the recent statements of the President and the Secretary of State mean in plain fact that under the auspices of the President and the Secretary of State of the United States the Government of Mexico can rob citizens of the United States of their possessions in Mexico with impunity.

In fact, the principle enunciated in these statements by the President and the Secretary of State proclaims to Central and South America particularly, but also to the whole world, that the property of United States citizens outside the United States may be

seized with impunity and paid for, not at its actual, fair and equitable value, but merely at the price of the original investment minus depreciation, and that if the country making the seizure is unable to pay for the property, they may have it without paying for it.

America's Great Need is More Produce

By HON. DANIEL A. REED
Representative from New York

THE PAY ROLLS of our nation constitute the spending power, the purchasing power, upon which the farmers must rely if they are to prosper. A program of scarcity in an unprotected domestic market puts the farmer in a position where he must cut prices to the level of imported competitive farm products if he expects to sell them, and he is doubly injured because under crop restriction he has less to sell and at a lower price. There is a market here for our farm crops, otherwise the vast volume of competitive farm products would not be entering this country from abroad. The farmer should be interested in protecting the industrial pay rolls from destruction by foreign-made, cheap goods. The unemployed millions in our own industries, at American wages, are the men and women who will buy the products of our farms. Prosperity will return only when our 130,000,000 people are fed, housed, and clothed with the products of our own farms and our industries.

An adequately protected market for our industries will put millions now on relief at work in private enterprise and insure to them a wage scale sufficiently high to enable men, women and children to enjoy a high American standard of living—the highest in the world. What would it mean if our pay rolls were to be expanded to the point where there were more jobs than employable men and women to fill them? It would mean higher wages. Supply and demand would meet this problem of a higher wage standard. But what, in turn, would be the result to the farmers? It has been demonstrated from reliable statistics that if the American people were to have a proper diet made from domestic agriculture it would be necessary to expand our acreage and increase our livestock as follows:

An increase of 76 per cent in dairy cattle—40,800,000 head as compared with 23,100,000 head.

An increase of 43 per cent in the number of beef cattle slaughtered—16,100,000 as compared with 11,200,000.

An increase of 68 per cent in the number of veal calves slaughtered—14,800,000 as compared with 8,800,000.

An increase of 22 per cent in the number of sheep and lambs slaughtered—29,900,000 as compared with 21,000,000.

An increase of 36 per cent in the amount of poultry—627,000,000 as compared with 458,900,000.

Corresponding increases in the amount of land devoted to feed crops—corn, oats, grain sorghums, hay—

"Will the Gentleman Yield?"

and pasture for these animals. An increase of 204 per cent in the acreage devoted to vegetable truck crops—7,091,000 acres as compared with 565,000 acres.

An increase of 112 per cent in the acreage devoted to other tree fruits and grapes—9,799,000 acres as compared with 4,605,000 acres.

An increase of 282 per cent in the acreage devoted to certain small fruits—718,000 acres as compared with 188,000 acres.

These figures are based on average yields and average production.

I know that the trade agreement policy to let in agricultural products, while at the same time forcing the farmer to produce less, cannot work. The disaster these two conflicting plans has already brought to American agriculture is enough to satisfy any sane and unprejudiced person that what I have said is true.

Railroad Unemployed List Growing

By HON. JOHN M. ROBSION
Representative from Kentucky

THE Interstate Commerce Commission, on April 6, 1937, reported there were 1,131,000 railroad men at work. The Commission reported again on April 6, 1938, 1 year later, 913,070 railroad men at work. In other words, in 1 year railroad employment decreased 217,930, which is approximately 20 per cent in 1 year, and, unfortunately, the number of employed railroad workers is still going down. There was a decrease of 14,278 in the month of April, and this is the spring of the year, when business and employment should be on the increase. The mines are operating on an average of about 1 or 2 days per week. The administration admits that there has been the sharpest decline in employment in the last few months than at any time in our history, and during all that time billions of so-called pump-priming funds were being poured out by the administration.

Of course, business reflects the same conditions in industry and commerce. Business is now down 22 points below the level reached in July, 1933. The production of motor cars has been cut approximately 60 per cent in a year's time. Car loadings are in the neighborhood of 40 per cent below what they were this same time in 1930.

With all the publicity about this pump priming, blood transfusion, and recovery program, farm commodity prices continue to go down, business continues to decline, and unemployment continues to increase.

Harry Hopkins says he makes no claim that the expenditure of this sum of money will bring about recovery or restore employment. For 5 years the administration and its friends have been making extravagant claims as to what the expenditure of these large sums would mean in the way of recovery and bringing about prosperity and employment. In each and every case they have proved to be unreliable prophets. Conditions have grown worse all the time.

People Need Debt to Get Circulating Money

By HON. H. JERRY VOORHIS
Representative from California

WE have spent \$16,000,000,000 in one way or another for recovery and relief in the last few years. There are at the present time approximately \$16,000,000,000 of idle bank deposits which are supposed to be money, but which at present are not functioning as such since they lie idle in the banks.

The reason we cannot proceed at once with safety to bring about the scientific relation between total active buying power and productive capacity by some such method as the payment of old-age pensions, is that as soon as government spends money into circulation there is no way of telling at present whether, when that money shows up in the private banks in the form of reserves, you are going to get a 1-for-1 expansion of bank credit or a 6-for-1 expansion of bank credit. Therefore, until we have some such device as the proposed 100 per cent reserve behind demand deposits—not savings deposits but demand deposits—we will be and our Federal Reserve Board will be without any adequate means of controlling what is going to happen to that expansion of money after the Government puts it into circulation.

The orthodox way, according to the present system, of getting that expansion would be not to sell Government bonds, but to buy them, in order to put more money into the hands of the banks or private individuals so they might spend it. But we find that does not do any good because bank deposits do not move. We find that loans are not being made, and we are thrown back upon doing exactly the opposite thing, namely, selling Government bonds in order to get the banks to create deposit entries for the Government which it in turn can spend.

What the situation amounts to is that the people of America are compelled to rely on an increase in Government debt in order to obtain any decent volume of actively circulating buying power.

Democracy is Cloak for Deprivation

By HON. WARREN R. AUSTIN
Senator from Vermont

ALL OVER Europe, the term "democracy" was used to describe types of government which today we would not recognize as democracy. Think of the "democracy" of Russia, where, from an imperial government, they became a soviet. Such liberty as a people ordinarily enjoy was converted into license, and the government was called a democracy. Today, we know that the government which exists there is as absolute and autocratic as any one-man power can be.

So it is with Mexico, and with Spain, and with France, and with Germany, and with Italy. We may call them what we please, but there is taking place in some of them, and there has already been effected in others, the centralization of power which deprives the individual of his freedom.

Take the situation of labor in Germany: There is a labor front in Germany which is called democratic. There, those in power try to make democracy work, but they make it work from on high, just as the effort here might ultimately make democracy work by fiat from the White House.