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What Laws ...
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What Laws Must We Have?



SOCIAL ACTION SERIES NO. 4

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The pamphlets in the *Social Action Series*, of which this is the **fourth** number, are edited by the Social Action Department of the National Catholic Welfare Conference. They represent an effort to present to the general public, and especially to Catholics, a discussion of current economic facts, institutions and proposals in the United States in their relation to Catholic social teaching, particularly as expounded in Pope Pius XI's Encyclical "Forty Years After—Reconstructing the Social Order" (*Quadragesimo Anno*). In the spirit of that Encyclical they are urged upon and recommended to individuals, study clubs, discussion groups and school classes.

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FOREWORD

Dr. Morrissy has given us a guide to our thinking on labor legislation.

The thorny problems of federal versus state legislation, of whether we can get the legislation we need under the present interpretations of the Constitution and of the relation of laws to economic organizations in establishing justice await, however, further special studies which will be added to this series.

DEPARTMENT OF SOCIAL ACTION,
NATIONAL CATHOLIC WELFARE CONFERENCE.

WHAT LAWS MUST WE HAVE?

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I. The Old Order Changes

AS we follow with genuine interest, and often real concern, the startling announcements of one gigantic change following quickly upon another; as we ponder the meaning and possible consequences of the great movements of the industrial and political worlds; and as we try to work our way through the maze of suggested legislation that offers a possible solution, we would be blind indeed, if we failed to sense the importance of what is going on about us and to realize that, whether we like it or not, whether for good or bad, the old order is changing.

We are speaking at this time primarily of certain changes in the political and economic order that have taken place already or are advocated as desirable through legislative enactments. These economic and political changes with their tremendous social consequences are constant topics of conversation and discussion. For the moment we are holding no brief for or against any particular enactment or form of legislation under consideration. We aim rather at a calm appraisal of the forces at work, the defects in the old order that demand alteration and adjustment, some of the legislation offered as a remedy, and the relation of certain parts of the papal Encyclicals to these legislative proposals or enactments.

We may or may not approve of the tremendous up-

heaval that is going on about us in all phases of the economic and political field. We may in fact find serious flaws in these changes, particularly when they affect our own interests or disturb our accustomed habits of thought. Our reaction may be, in large measure, conditioned by how well we have been served by the old order. We may be seriously concerned and sobered as to the future if the present trend is followed; or, on the other hand, we may be enthusiastic advocates of the changes that are taking place before our eyes with startling rapidity. We may even stand midway, troubled and hesitant, honestly at a loss to know which side should receive our support, if sides we must take.

Whatever our personal inclination, if we are honest in our thinking, *facts must be faced*. The changes *are* taking place. There must be some reason, and good reason, why so much unrest and dissatisfaction with the old order exist. Since this is apparent to all, then an honest and fearless analysis of the conditions and causes is the accepted intelligent approach.

As we Catholics analyze the theories and plans that are put forth in such breath-taking array, we are doubly interested—interested, as intelligent persons would of necessity be interested, in drastic changes in government, and interested, as members of our Faith must be interested, when we watch the powerful trend towards increased power for the State and the definite establishment of one totalitarian State after another. Bewildered as we are by the multitude of decisions forced upon us, decisions the consequences of which we cannot even faintly foresee in full, we turn as obedient children to the teachings of Holy Mother Church for guidance through these uncharted paths.

II. Our Guide: The Encyclicals

In the great social Encyclicals we have the words of the two Pontiffs, Leo XIII and Pius XI, speaking to us directly upon the many topics that today so fill our current discussions. We have these great leaders giving voice in very strong terms to their convictions on these much disputed questions of the political and economic and social worlds. In these Encyclicals we have a chart and guide that give direction and purpose to our thinking.

We cannot turn to an Encyclical as to an almanac and find the exact data on any particular problem, but in the social Encyclicals, especially in the Encyclical of Leo XIII on the *Condition of Labor*, and the Encyclical of Pope Pius XI on *Reconstructing the Social Order*, we can find definite teachings of principles and their application set forth in language too plain, and too forceful, to be misunderstood or ignored by one who is honestly seeking enlightenment. To be sure, these teachings leave much room for difference of opinion as to application and detail and room for adjustments to conditions peculiar to any particular country grouped under the Universal Church. But there is no room for doubt as to what conditions must be altered, if Justice and Charity are to be the corner stones of our social structure.

In this brief discussion we are in no sense attempting a survey of the Encyclicals. No orderly analysis or outline will be followed. It is an attempt, not to study systematically the entire documents, but rather to give a practical discussion of the application of some statements from the Encyclicals in relation to legisla-

tion. We shall take sentences from the teachings of the two Pontiffs and study them to see if, in them, those of us who are seeking guidance in the many difficult decisions we are called upon to make may not find a guide to clear and purposeful thinking. Although sentences only from the Encyclicals are used in our analysis, we have not used the quotation other than in what seemed to be its meaning when read in connection with the whole text.

In approaching the material from Pope Leo XIII's Encyclical, it is well to review briefly the economic philosophy accepted on all sides and rarely disputed at the time Pope Leo's *Condition of Labor* was published in 1891. The *laissez faire* doctrine was accepted then and the current interpretation was that government should keep its hands off business. (We might add that it was never accepted with like unanimity that business should keep its hands off government!) Self-interest was the guiding motive of the era against which the Holy Father spoke so forcefully. "Every man for himself" was a far cry from the earlier teaching, "Seek ye first the Kingdom of Heaven and its Justice." Yet this new corner stone of self-interest was accepted as the basis for the whole economic structure of the nineteenth century. Industrial expansion, increased acceleration and mechanization of industry were evident on all sides. Incense was burned in ever-increasing quantities to the new god, Efficiency. The glories of free competition, free contract, freedom from government interference, the virtues of the profit motive, rugged individualism and the "hands-off" policy, all were common maxims of the business world and the chorus was always that government should keep out.

Greed and avarice and self-seeking were the foundation-stones of this gigantic economic structure to which such deference was paid when Pope Leo spoke out to an economic world deafened by the whirl of gigantic machinery. Such a structure could not endure. Only upon a foundation of justice and charity could a permanent structure be erected. The world had forgotten that private liberty is not *per se* conducive to social well-being and that even the slogan a "free field for a fair fight" presupposes something like equal power for the combatants and a referee for the fight.

III. A Method of Procedure

What then is Pope Leo's admonition as he looked about upon a disordered world, one side demanding that "there ought to be a law" and the opposing side demanding that "government keep its hands off"? His words, as might well be expected, lie midway between these two extremes; between the doctrine of unlimited State intervention on the one hand and excessive liberalism on the other. He points the middle way which is as applicable to our problems now as then:

Whenever the general interest or any particular class suffers, or is threatened with harm, which can in no other way be met or prevented, the public authority must step in to deal with it.¹

In that simple straightforward statement lies the answer to much of our muddled thinking about current problems of legislation. To be sure that sentence does

¹ *The Condition of Labor* (The Paulist Press), p. 20. The sentence, which has been corrected above, is mistranslated in this and many other editions to read: "the general interest of any particular class."

not give us the proper rate of taxation on large incomes, nor does it give us the best ruling for the regulation of securities, but it does give us a method of procedure by which to test all legislation :

First—*Face the facts* of the problem under discussion. Answer *factually*, not *emotionally*, whether or not the available evidence and statistics warrant us in believing that the “general interest or a particular class is threatened with harm.”

Second—Granted that it is, can it be met or prevented in any way other than by interference of public authority ?

Third—If the answer to the second point is in the negative, then the conclusion is final and definite—“*The public authority must step in to deal with it.*”

Were we to follow that simple procedure in forming our judgment of legislation we would at least clarify our thinking. We would from the start distinguish in our discussions whether we were arguing a principle or arguing as to details of a proposed law. We would know whether we were objecting to *a* law on a certain matter or *the* law proposed for the problem. There is a tremendous difference in those two points even though the difference often is either accidentally or purposely obscured as was the case, for instance, in the discussions on Social Security legislation.

The above Encyclical quotation is offered as a guide in any legislation that may be entertained to remedy the evils that plague a troubled world today. To illustrate let us, as a practical example, examine just one topic ; and, in order to avoid for the moment a too controversial question, let us take a subject of current in-

terest that is accepted as a matter suitable for interference by public authorities—namely, Old Age Pensions. If we were to use the Pope's statement as our chart, here might have been our approach according to the three steps in the quotation given :

First—*Face the facts.* That would have necessitated a factual study of the problem of dependent old age, and the current methods of caring for the aged. We would have had to answer honestly the question of whether the general interest or a particular class was threatened with harm. Mere slogans or answers as to "the way we used to do" would not be accepted in lieu of facts.

Second—If our study of the facts warranted a conclusion that a particular class was threatened with harm then we would have to continue our research to ask: "Can the harm be prevented in any other way except by the public authority entering in?" In other words, in this particular example we are using we would have had to have factual knowledge upon whether the aged could be cared for by their own savings or by the care of relatives. *Facts* would be necessary, not mere statements as to the duty of children or of ties of relationship.

Statistics would have given the figures² that in 1929, the peak year of our so-called prosperity, 29,000,000 gainfully employed persons worked for less than a living wage. Nearly seventy per cent of all gainfully employed persons, exclusive of farmers, had annual earnings of less than \$1,500. No possibility of adequate provision could be expected of persons who during the peak of their productive

² Report to the President of the Committee on Economic Security, p. 2.

power were not earning enough for a decency wage. Surely with these figures accurately in mind we could easily answer the query as to the ability of the younger generation to care for the old without seriously crippling not only their own efficiency but—what is far more serious—without seriously handicapping the new generation. A less-than-decency wage for working population offers scant comfort for social well-being if the triple load of caring for three generations must be borne. No one questions the statement that if the children of the country suffer so does the country; it is not alone a particular group we are concerned with, but the social welfare of the nation as a whole.

If our study convinces us that the problem of dependent old people cannot be met either by thrift on the part of the individual or assistance from relatives we are led inevitably to our third point as given in Pope Leo's statement:

Third—"The public authority must enter in."

We have purposely gone into some detail in tracing this particular question, so recently a vital topic of discussion, in order to show how we may find guidance in the Pope's statement for our own perplexed thinking, not only on this particular problem but on many others in which government action is a matter of discussion or controversy. You will note we do not find in the papal statement exact detail; that will of course vary with the time and country. It does however give us definite direction in regard to the need for a law on any particular topic, though not the fine points of *the* particular law under discussion.

When we are inclined to follow our accustomed way of thinking and join too readily in the popular chorus "the Government should keep out" (except when we need it for tariffs or subsidies or some legislation that will serve our own particular interests), we have papal sanction for at least a pause in which we may ponder thoughtfully our guiding principle: "Whenever the general interest or any particular class is threatened with harm, which can be met or prevented in no other way, then the public authority must enter in." Only then should we add our voice to the chorus, if at all.

It had been customary in the nineteenth century, before the publication of Leo's Encyclical, to hold that "that government is best which governs least" or that "government is merely a custodian of law and order." There are some who even in our day still stoutly contend for this position. We have guidance in both Encyclicals to direct our thinking as to the position government shall play. Pope Leo gives us the following:

The first duty, therefore, of the rulers of the State should be to make sure that the laws and institutions, the general character and administration of the commonwealth, shall be such as to produce of themselves public well-being and private prosperity. This is the proper office of wise statesmanship and the work of the heads of the State.³

Pope Pius, after commending Leo's fearless declaration that the civil power is more than a mere guardian of law and order, further guides our thinking with a specific statement against which nearly every current discussion on matters of legislation can be checked:

³ *The Condition of Labor*, p. 18.

It is true, indeed, that a just freedom of action should be left to individual citizens and families; but this principle is only valid as long as the common good is secure and no injustice is entailed.⁴

Let us take these two papal quotations relating to the power of the State and relate them to some of the current questions that confront us.

Time forbids a detailed analysis of the application but your own mind as you read, will of itself make the necessary connections. Might you not apply these teachings to the question of government regulation and public utilities when the common good is involved; to government regulation and soil conservation when the common good not alone of our generation, but of yet unborn generations is involved; to government regulation and flood prevention—even though it might limit freedom of action as to property rights—when the common good and, indeed, the very lives of large groups are endangered?

Many other proposed kinds of legislation may have come to your mind. We only cite examples where the legislation we seek may run counter to the worn slogan that government must not interfere with private rights.

Few serious persons, not partly actuated by a personal motive, will presume to say that public utilities, flood problems, soil conservation, labor disputes acts, agricultural problems, slum districts, might not be problems in which there is need for the common good to be secured and justice guaranteed, even though the public authority must enter in. When you hear the

⁴ *Reconstructing the Social Order*, p. 9 (N. C. W. C.).

opposition to the new kinds of legislation grieve over the loss of liberty, or the freedom to do as we please in business, or lament the loss of the days of unrestricted business activity, let the response be the words of Pius XI: "*Freedom of action is valid only as long as the common good is secured.*" That statement does not tell you that the disputed piece of legislation is to be desired but it does tell you there are circumstances under which it *may* be not only desirable, but necessary.

IV. Security for the Needy

We hear much these days about Social Security and Social Security legislation. Much talking has been done on the subject, and some thinking. The very title sends our thoughts far afield to the many changes of the nineteenth and twentieth centuries that have taken from the masses that sense of security without which there is no stability to a people. Psychologists will tell us that one of the four great "urges" that dominate our lives is the desire for security. This security in the modern world is only possible when we feel some chance of success against the competitive forces of our economic and social life. Modern industrial life, organized as it is today, has left the largest portion of our population entirely bereft of this security. The wages paid, the earnings of the average farmer, leave no margin for the major tragedies—sickness, accident, old age and unemployment. This growing sense of insecurity hovers as a great specter over the whole working population and takes its toll among all classes. The wage system which grew out of the *laissez faire* policy and the concentration of industry have made a man's livelihood entirely dependent upon the security of his job

and the size of the wage paid. The Bureau of Economic Research reported in 1927 that, outside of agriculture, there were only 3,677,000 workers self-employed in the United States. Those figures stress to us the importance not only of a decency wage but of regularity of wage, since under modern conditions a man's claim on consumers' goods is largely conditioned by the wage paid, for his part in production.

The present insecurity, which shakes the very foundations of the economic structure, has brought a response from government in the many types of security legislation. A government does not—certainly a democratic government does not—formulate policies. A democratic government is a very realistic thing. The philosophy of a democratic government is a very vague thing. It is visible only as new policies are formulated to meet new conditions. Each situation is met as it arises. At present there is plainly a rebellion of popular opinion against sacrifices that the old order imposed upon the working classes. The Social Security laws are government's answer to the protest of the masses against carrying too many of the burdens with too few of the rewards.

But what of our Encyclicals when we are forming our judgment on the questions of social security as a government responsibility? Pope Leo says:

Rights must be religiously respected wherever they are found; and it is the duty of the public authority to prevent and punish injury, and to protect each in the possession of his own. Still when there is a question of protecting the rights of individuals, the poor and helpless have a claim to special considera-

tion—those who are badly off have no resources of their own to fall back upon, *and must chiefly rely upon the assistance of the State.* Pope Pius singles out this statement of Leo's for further consideration and again stresses the duty of the rulers to have special regard for the "needy and infirm."

"The needy and infirm" have special claim to the protection of the State! What a host of current problems passes before our mind as we repeat—"the needy and infirm." We see in that teaching given us by the two Pontiffs a guide for straight thinking on legislation in regard to the aged—and to those who are without work through no fault of their own. We see justification for legislation in regard to a living wage, to child labor legislation, to special laws for women that will safeguard their position as women. The whole gamut of social legislation so bitterly discussed and fought ever comes to mind and, guided by papal direction, the questions assume a less muddled condition.

To be sure, the Encyclicals do not tell us the amount for a living wage, nor do they apportion the tax rate as between employer and employee, nor do they answer a host of specific detailed problems of administration, but they do tell us how our thinking on the main issue may be clarified. They do tell us that government interference and legislation may be justified when the needy and infirm are under consideration; that government interference is necessary if the problem can be met in no other way; that government action is necessary for those least able to help themselves. The well-being of society must be given governmental consideration whether it take the form of a Reconstruction Fi-

nance Corporation, or a Works Progress Administration, or a National Labor Board or a National Youth Administration. (It is sometimes well to bear in mind that the R.F.C. preceded in time the W.P.A., or the P.W.A., or the N.Y.A. There are times when all of us approve government action of even an unorthodox variety!)

When we are adjusting our thinking to the right and duty of governmental interference in behalf of the needy and infirm, it would be well to recall that needs are not always merely material needs. When we say "needy" we see not only hungry and homeless people, but we see in that call for government aid to the needy more than justification for the efforts of the National Youth Administration. We see youth as "needy"; needing food and shelter sometimes, yes, but a thousand times more needing a chance to take their place in the economic world; needing an opportunity to plan for their future with some confidence and assurance that achievement will be theirs, that the loyalty, the high idealism, the fearlessness and unselfishness of youth shall not be wasted. Not only for the sake of youth itself must government take a hand. That alone would justify action, but, even more, must public authorities face the fact that unless youth can find his place in the economic and social world he will become a ready prey for unrest and propaganda. Youth must have the recognition that he normally craves and if it is not attained in the normal and socially desirable way it will be sought in ways anti-social and dangerous. Youth is very realistic. Young people face facts much more fearlessly than those of us who are older. Our promises and theories go down before their blunt "So

What?" That very expression, characteristic of the age, holds in it a challenge of youth to the older generation for whose mistakes and shortsightedness youth is paying the price—and what a price!

If by government action—whether in N.Y.A. or some other form of legislation, youth can be saved from growing into a bitter, discontented, disillusioned group unable to find a place in the economic world, because of conditions over which it has no control, then government action must be considered. Surely the "needy" of the papal admonition does not apply alone to bodily need.

V. Labor Legislation

Our current discussions today are shot through with bitter controversies on matters pertaining to labor and wages. Surely on this question, in order to find our way out of the maze of contradictory material we do need some chart or compass. Legislation of many kinds in regard to labor and labor conditions is bitterly contested. Deep-seated prejudices and wishful thinking come to the fore. Before we disapprove the whole idea of government action, let us turn to Leo XIII and seek some guiding principle.

And it is for this reason that wage earners, who are, undoubtedly, among the weak and necessitous, should be especially cared for, and protected by the commonwealth.⁵

No topic of current discussion engenders more heat and bitterness than the wage question or problems intimately concerned with labor. Whether it is Supreme Court decisions, Wagner Labor Disputes Act, Minimum Wage legislation, National Labor Boards, or the dis-

⁵ *The Condition of Labor*, p. 21.

carded N.R.A., it is well to decide first the principle at stake and make our decision mainly on that basis. After the fundamental principle has been accepted or rejected, then and only then, can the actual details of a particular piece of legislation be intelligently discussed and analyzed. It is largely the confusion of principles with administrative details or party affiliation that makes for the muddled thinking, or, might we say, makes for the substitution of slogans for any kind of thinking?

Only by recalling the historical background of our accepted economic and political procedure today, can we hope to understand the problems before us. We hear much of the right of free contract—freedom to contract for less than a living wage; freedom to work in dangerous and unsanitary conditions; freedom for a child of fourteen to bargain away his labor; freedom for an employer to bargain for the services of a human being as a commodity, with no consideration whatever to his intrinsic value as a human being.

We hear, and perhaps ourselves quote, this idea of free contract, without ever placing it against the background of its origin, where free contract marked a *radical advance* from the master-servant contract of the period or the serfdom of a still earlier period. In that early nineteenth century, when the phrase grew in prominence, a free contract in this sense may in certain conditions may have been a fair contract. Then the laborer in the United States still owned his tools and had the alternative of self-employment; then the laborer lived in a world where competition—although it was often bitterly cruel—really existed and his hope of fair treatment was in part justified.

The free competition that existed then has long since turned to economic dictatorship. The idea that an individual workman today can bargain with a gigantic concern on an equal basis, comforted with the idea that a "free contract is a fair contract," is just not in accord with facts. Honeycombed as the industrial world is with huge corporations, holding companies, gentlemen's agreements, trade associations, an individual laborer has hope of equal bargaining power only through legislation or through Collective Bargaining.

In searching the Encyclicals in regard to collective bargaining we find both Popes stressing the value of workmen's associations. Pius XI commends Leo's stand and adds, in speaking of the disfavor in which unions of workmen were held :

While readily recognizing and patronizing similar corporations among other classes, with criminal injustice they denied the innate right of forming associations to those who needed them most for self-protection against oppression by the more powerful.

He further adds: There were even Catholics who viewed with suspicion the efforts of the laboring classes to form such unions, as if they reflected the spirit of Socialistic or revolutionary agitators.⁶

The present Holy Father, as he looked out upon his children, saw that in many countries the position of man had become merely that of a commodity called labor and that no consideration was given to his dignity as a man, made in the image and likeness of God. As he reviewed the changes that had resulted from Leo's

⁶ *Reconstructing the Social Order*, p. 11.

Encyclical forty years before, he commended the changes it had brought about in these words :

As a result of these steady and tireless efforts, there has arisen a new branch of jurisprudence unknown to earlier times, whose aim is the energetic defense of those sacred rights of the workingman which proceed from his dignity as a man and a Christian. These laws concern the soul, the health, the strength, the housing, the workshops, wages, dangerous employments, in a word, all that concerns the wage earner, particularly women and children.⁷

In that sentence commending the legislation resulting, at least in part, from Leo's Encyclical we can find some guidance for our own thinking. Again the statement settles only the principle of the legislation, not the details of any particular law, but surely in it we find not only justification in principle, but commendation for a host of types of legislation we argue today. It is the intrinsic value of the human being, the dignity of man, that justifies the principle of State interference to check the so-called liberalism that treated man as a commodity to be purchased at the lowest price in a competitive market and left him at the mercy of the least scrupulous. Such thinking can find no justification or defense in the mind of a Catholic who must accept the dignity of the human being.

Our current discussions are filled with slum-clearance plans, rehabilitation, sanitary or safety precautions, resettlement plans and a host of others. We may or may not approve the terms of the legislation ; we may doubt the wisdom of its adoption at a given

⁷ *Idem.*, p. 10.

time; we may question our ability to finance it. But many times we make our decision for or against without even knowing the facts. Many times our fear of too much government regulation puts us against a project before we ever have the facts or the arguments. The Encyclicals give us fairer guidance than that. The present Pontiff actually commends the branch of jurisprudence that concerns itself with conditions befitting the sacred rights of man. For he goes on to say :

Even though these regulations do not agree always and in every detail with the recommendations of Pope Leo, it is none the less certain that much which they contain is strongly suggestive of *Rerum Novarum*, to which in large measure must be attributed the improved condition of the workingmen.⁸

Regarding the International Labor Organization's activities, he states further :

Moreover, when after the great war the rulers of the leading nations wished to restore peace by an entire reform of social conditions, and among other measures drew up principles to regulate the just rights of labor, many of their conclusions agreed so perfectly with the principles and warnings of Leo XIII as to seem expressly deduced from them.⁹

VI. Laws and Property the American Way

Some of our legislative battles gather about the question of property rights. The "haves" and "have-nots" are given prominent places in current discussion. Relief projects are intimately concerned with problems

⁸ *Reconstructing the Social Order*, p. 10.

⁹ *Idem.*, p. 8.

of taxation. Public Works may scarcely be separated from their effects in competition with private industry. Agricultural Adjustment Acts bear close relationship to the whole question of private property.

The cry of Socialism or Communism is raised whenever these matters are up for discussion. Unfortunately it is all too often assumed that there is no middle way between absolute ownership on the one hand and State ownership on the other. As we watch various countries of Europe split into two bitterly hostile camps, divided largely on this question of property rights, we are concerned. It is a mistake to believe that there are only two choices. It is not necessary that we either advocate unbridled ruthless economic domination and absolute ownership or else take our stand with a godless Communism.

There is a middle way, a sane way. Leo XIII pointed it out forty-six years ago and Pius XI reminded us anew.

When civil authority adjusts ownership to meet the needs of the public good it acts not as an enemy, but as a friend of private owners ; for it thus effectively prevents the possessors of private property, intended by Nature's Author in His Wisdom for the sustaining of human life, from creating intolerable burdens and so rushing to its own destruction.

Since the purpose of this discussion is to make practical application, we may pause again to test the aptness of the Holy Father's statement in relation to our own country and some of our problems. The harsh conditions imposed upon the laboring man, the misery and wretchedness of the people in vast areas, both urban

and rural, and the open violations of justice constitute a serious problem in regard to private ownership. You may choose your own examples—whether the sharecroppers of the Southwest, or the underpaid factory workers of the large cities, or the millions unable to find a place in the economic order. In any of these examples you will find an undercurrent of unrest that serves as a warning that the use and abuse of property rights are not the same. History has given us ample warning of the consequences where ownership was conceived as absolute and where its social nature was entirely ignored. Those who protest against government regulation as to property rights are usually those who stand to lose most if government fails in its obligation to insist on the social character of property. To insist on immediate gain at the risk of ultimate loss is not always the part of wisdom.

We hear much of “the American way of doing things.” We are anxious to believe that there *is* an American way of doing things, which will save us from the disasters that have overtaken some of the countries of Europe. Europe did not heed the warnings of Leo XIII, forty-six years ago, nor of Pius XI, six years ago, when they urged social justice and warned that “the many who live in destitution constitute a grave evil to modern society.” America did not heed these warnings, either forty-six years ago or six years ago. However, due to our newer civilization, vast area, scattered population and freedom from enemies near-by, we have more room for social experiment than has Europe. We have a greater margin for error, even though our problems are much the same as those of Europe. We would like to be sure that the “American way of doing things”

will be the way of moderation—a stand midway between the extremes of excessive individualism on the one hand and a totalitarian State on the other. In order to have “an American way of doing things” it is essential that America *face facts*. We may well profit from another quotation of Pius XI’s Encyclical:

The concentration of power has led to a threefold struggle for domination. First, there is the struggle for dictatorship in the economic sphere itself; then the fierce battle to acquire control of the State so that its resources and authority may be abused in the economic struggles; finally, the clash between States themselves.¹⁰

To accept the warning contained in that statement of His Holiness would do much to clarify our thinking, when an increase of legislative enactments presents itself. If, as His Holiness says, “free competition is dead and economic dictatorship has taken its place,” then, of course, the rules laid down for a competitive economic society (which, itself, bred its horrors) must be changed, by whatever means necessary, in order to provide new rules that ensure an element of fairness and justice under the new economic arrangement. To accept the principle that new rules must be laid down and enforced does not mean that we must accept any and every change offered. If we are honestly seeking direction as to the principles involved, then the two Encyclicals from which we have taken our quotations furnish chart and compass. Safe within the principles of social legislation recommended by our spiritual leaders, we may think freely and confidently as to the details

¹⁰ *Op. cit.*, p. 33.

of legislation offered. Social legislation then takes its place as the "American Way" of offering a "remedy against the lamentable disorders already existing in society and a firm barrier against worse dangers to come."

VII. Why We Need So Many Laws Today

Still another passage in Pius XI's Encyclical applies. It is the one that gives the chief cause of the need for so much legislation today. The cause is declared to be the breakdown of that older order wherein people were organized to do for themselves the many things that are impossible to them in the competitive era of lone isolation and disorganization.

On account of the evil of Individualism, as we called it, things have come to such a pass that the highly developed social life which once flourished in a variety of prosperous institutions organically linked with each other, has been damaged and all but ruined, leaving thus virtually only individuals and the State. Social life lost entirely its organic form. The State, which now was encumbered with all the burdens once borne by associations rendered extinct by it, was in consequence submerged and overwhelmed by an infinity of affairs and duties.¹¹

And the Encyclical goes on to lay down the corresponding principle that governments should try to bring into existence again organized industries and professions and entrust them, under governmental supervision, the work of economic self-government for justice and the common good.

¹¹ *Op. cit.*, p. 26.

This, of course, means that the employees are represented by their unions.

That principle should be kept in mind all the time in deciding the type of legislation we need. In so doing, we shall have as much economic legislation as possible, even in our little-organized age, entrusted to organizations.

The State should leave to these smaller groups the settlement of business of minor importance. It will thus carry out with greater freedom, power and success the tasks belonging to it, because it alone can effectively accomplish these, directing, watching, stimulating and restraining, as circumstances suggest or necessity demands.¹²

Thereby, we will, for the most part, get better enforcement and wiser laws. At the same time, the government will be helping people to grow into that fully organized life in which they can care for themselves much more.

Here is the principle through which all the legislation needed will be obtained, but not so much will be needed as to make Government overpowering.

REFERENCES

- Pope Pius XI's Encyclical "Reconstructing the Social Order" (N. C. W. C., Washington. 10c).
Pope Leo XIII's Encyclical "The Condition of Labor" (N. C. W. C., Washington. 10c).
"Principles of Labor Legislation." Commons and Andrews (Harper, New York).
"Seven Troubled Years—1930-1936." John A. Ryan (N. C. W. C., Washington. \$3.00).

¹² *Ibid.*

- "Men and Machines." Stuart Chase (Macmillan, New York. \$2.00).
- "A Brief Explanation of the Social Security Act" (Social Security Board, Washington. Free).
- "Equal Rights Amendment in Relation to Protective Labor Legislation for Women." John A. Ryan (N. C. W. C., Washington. 10c).
- "Social Justice in the 1935 Congress." John A. Ryan (N. C. W. C., Washington. 5c).
- "Labor Laws of the United States" (U. S. Bureau of Labor Statistics. Bul. No. 370. Washington, D. C.).
- "International Labor Organization." Elizabeth Morrissy (Catholic Association for International Peace, Washington. 10c).
- "Modern Corporation and Private Property." Berle and Means (Macmillan, New York. \$3.75).
- "Steps Toward the Guild Today" (*Social Action Series*. The Paulist Press, New York. 5c).

N. C. W. C. STUDY CLUB OUTLINE

I. THE OLD ORDER CHANGES.

1. Is it important that we take a stand on the legislation which follows the great political and economic changes today?
2. What shall be our guide in this? In considering legal remedies for defects in the old order?
3. Discuss economic changes as they have affected your own community, employment, wages, credit.
Paper. Review of recent economic changes as described in "The Economic Dictatorship" (*Social Action Series*. The Paulist Press, New York. 5c).

II. THE ENCYCLICALS: OUR GUIDE.

1. What was the *laissez faire* system which entrenched the policy of non-intervention by governments in economic life?
2. What were its evils?
3. What principle did Pope Leo propose as a guide to government intervention?

Paper. Review of the evils of the *laissez faire* era in America, as described in "Rugged Individualism" (*Social Action Series*. The Paulist Press, New York. 5c).

III. A METHOD OF PROCEDURE.

1. What are the three steps involved in considering the desirability and necessity of a law?
2. What is the meaning of the phrase "The laws and institutions, the general character and administration of the commonwealth, shall be such as to produce of themselves public well-being and private prosperity"?
3. Test, by the three steps listed above, a piece of social legislation now pending in Congress or your State Legislature.
4. Discuss instances in your own locality where the common good suffers because of the abuse of individual or corporate freedom of action, *e. g.*,
 - a. Slum districts.
 - b. Excessive utility charges.
 - c. Farm tenancy.

IV. SECURITY FOR THE NEEDY.

1. Why is the need of security so great today?
2. What principles of government action do the Encyclicals propose in this regard?
3. Discuss this principle in relation to child labor, social security law, protective legislation for women, and "needy" youth.

Paper. Review and comment on the Appendix to this pamphlet.

V. LABOR LEGISLATION.

1. Why are wage-earners considered subjects of special legislation?
2. What is wrong with the term "freedom of contract" used in reference to the individual wage-worker today?

3. Discuss the position taken in the Encyclicals on unions and collective bargaining.

Paper. Review "Wages and Hours of American Labor" (*Social Action Series*. The Paulist Press, New York. 5c).

Reference. "Social Justice in the 1935 Congress," John A. Ryan (N. C. W. C., Washington. 5c).

VI. RESULTS OF LEO'S ENCYCLICAL.

1. What were the benefits in legislation resulting from Pope Leo's Encyclical, as noted by Pope Pius XI?
 - a. The branch of law dealing with labor legislation.
 - b. The condition of the working people.
 - c. The international labor organization.

Paper. Review of the legislation advocated by the "Bishops' Program of Social Reconstruction" (N. C. W. C., Washington. 10c).

VII. LAWS AND PROPERTY.

1. What is meant by the phrase "adjust ownership to meet the needs of the public good"?
2. Discuss the phrase in its relation to the modern economic dictatorship, socialism, and Communism.
3. Discuss the above phrase in relation to:
 - a. High taxes on income and inheritance.
 - b. Low interest rates.
 - c. Wages and dividends.

Review "Christian Doctrine of Property," John A. Ryan (N. C. W. C., Washington. 10c).

VIII. WHY WE NEED SO MANY LAWS TODAY.

1. Why do we need so many laws today?
2. What is the Pope's proposal to relieve the State of the burden of so much legislation?

Paper. Discuss "Organized Social Justice" (N. C. W. C., Washington. 10c) as a practical program for the United States in this connection.

APPENDIX

Excerpt from *Organized Social Justice* (pp. 8, 9)

Social insurance is good; it fills out the living wage and cushions our insecurity; but it assumes that the underlying insecurity and injustice are to be otherwise cared for. Regulation of farm production and special taxes to assure parity of farm prices with other prices have been, it seems, necessary; but underproduction when so many are poor and taxation devices to assure parity are the heroic measures of an unjust society. Low credit for farmers and governmental inauguration of a new kind of homesteading by establishing farmers in land ownership at low interest rates is good; but the production, marketing and credit system will require more and more assistance for them from government. Special governmental commissions or bureaus for the regulation of output, prices, wages, hours and collective bargaining are apparently necessary in certain industries; but this implies an endless battle of government with industries which are not organized for service either of the community or their own workers.

Regulation of securities, stock markets and holding companies has long been needed; but it will be impeded by excessive savings for investment made by the few, so long as the income of the country is not rightly distributed. High taxes on large incomes and inheritances bring wider distributive justice; but they do not correct the bad distribution of the product. Federal regulation of the major movements of the credit market has become urgent because of the underlying unbalanced production and income distribution and the striving for maximum profits.

SUGGESTIONS FOR STUDY CLUBS OR COMMITTEES ON INDUSTRIAL QUESTIONS

1. The study club is not a group to listen to lectures. It is for joint discussion. It is small—ten or twelve to twenty or so—so as to permit general discussion.
2. There is a discussion leader.
3. The group may consist of persons of various occupations and interests or of special groups, such as organization leaders, employers, professional persons, clerical workers, manual workers, etc. A number of small study groups established within each organization is desirable.
4. Meetings are once a week or once every two weeks or once a month.
5. Every member should have at least the text and the outline.
6. The discussion, as a rule, follows the outline point by point. The section of the text to be discussed should be read before the meeting by each member.
7. Use questions at the end of the meeting to recapitulate.
8. Reports or papers called for by any outline should be brief.
9. The purposes are:
 - (a) So its members will know the teaching of the Church on economic life.
 - (b) So they can speak at Catholic meetings.
 - (c) So they can be leaders in the activity of Catholic organizations.
 - (d) So they can apply the teachings in their work and civic life.
 - (e) So they can guide the economic organization to which they belong.
 - (f) So that they will be better Catholics.
10. If the group is an offshoot or a part of another organization they should report their conclusions to the parent organization, because one of the chief purposes of the club or committee is to pass on their information, point of view and enthusiasm to the Catholics of their community and to make the club's work definitely a part of the parent organization's work.

For further information and assistance, write:

**National Catholic Welfare Conference,
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1312 Massachusetts Avenue NW., Washington, D. C.**

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