

The Social Via Media

Charles R. McQuaid, '39

"Now, not every kind of distribution of wealth and property can attain the end intended by God This sacred law is violated by an irresponsible wealthy class, who, in the excess of their good fortune, deem it a just state of things that they should receive everything, and the labourer nothing; it is violated also by a propertyless wage-earning class who demand for themselves all the fruits of production as being the work of their hands."

(Pius XI. Quadragesimo Anno)

The lack of economic balance spoken of by the late Holy Father in his immortal encyclical, Quadragesimo Anno, may well be considered as one of the pillars upon which rests the chaotic social structure of contemporary civilization. It is the old struggle of Capital versus Labour, now approaching its crisis. An intelligent and practical answer to this problem must be found, and found immediately, if we are to prevent another world disaster comparable only to that of the fall of the Roman Empire.

Many solutions have been brought forth, but all may be reduced to three fundamental systems. There are those who, blinded by their greed for riches, would subjugate the labourer virtually to the status of a slave, and concentrate the wealth in their own hands. Reacting against this trend are the downtrodden wage-earners who have but the bare necessities of livelihood, and, under the present economic order, have no possibility of ameliorating their condition. Influenced by malicious propaganda, the unfortunate labourer solves the problem by a system of Socialism, or its degenerated offspring, Communism. The former proposes the transfer of all productive property, i.e. of material things ordained to produce new goods or fruits, to the State, which would distribute those fruits equally amongst the citizens. The latter advocates the transfer of all property, productive or consumptive, (goods consumed in use,) into the hands of the community. To choose either one of these alternatives would bring the already tottering edifice of civilization down in ruins about the shoulders of those who father such radical opinions.

Obviously, a via media is the only plan that will lead to harmony between the conflicting groups, and to justice for

each. Human reason, not the mad instincts of animal nature, must prevail. Guided by reason, the *via* will admit as legitimate and necessary the right to private property, which is the power of owning, using, and disposing of external goods and the fruits thereof. This power of ownership is granted to all men, not by the State, but by the Natural Law, the natural inclination by which man tends to a due end and act. Accordingly, not only the Capitalist but also the Labourer has certain undeniable rights to the fruits of production. Only when a proper equilibrium is in effect between the force of Capital and that of Labour will the chaos of society become ordered.

Those who deny the rights of a legitimate owner to the fruits of his property implicitly deny that he has the right to private property itself. Such, however, is far from being the case. Man, from his very nature, tends to personal possession. He must provide for the present, and he sees the need for future provision. As head of a family he has an obligation to those under his care. To fulfill his present and future duties towards them most efficiently, an innate sense inclines him to the possession of goods, both consumptive and productive, that he can call his own. This inner voice is right reason, the Natural Law which tells him that private property is a legitimate thing.

More than this, the right to private property is necessary in society. According to the same Natural Law, that which is particularly profitable to the common good is necessary. Individual ownership provides a stimulus to productive effort on the part of one who has a personal interest in the property. Confident that he, personally, will profit directly, and others indirectly, the owner works peacefully and systematically towards his end. In this way, the fruits of his labour will be of a greater quantity and of a higher quality than in the case of common effort, where friction and indifference mar the result. It is clear, then, that private ownership rather than that of the community is the more beneficial to the common good, hence necessary.

Having established the right to the ownership of private property as legitimate and necessary, it is inevitable that the question of capital and labour will arise. Should those who are in financial and political control have all rights to property and its fruits, even to the exclusion of the unfortunate labourer who is without funds or power? To settle this difficulty, the end of ownership must be considered. External things were, in the beginning, given to man for

his use. From them he is to gain present and future sustenance. Not only does this apply to this or to that man, but to all men; in other words, the world and the things in it are ordained to the common good. If this be so, every man has the right to the use of such goods as are necessary to his livelihood and to his well-being.

Although all have the right to a share in the distribution of this world's goods, men will fall naturally into two classes. Certain individuals, through special industry, shrewdness or good fortune, will gradually accumulate goods, while others will eventually become dependent upon them. Thus we have the division that is popularly known as Capital and Labour.

The great difficulties of our social order arise from that division. Capital being the more powerful, would suppress the labouring class. The latter, on the other hand, would strip the great owner of his possessions, or at least of their fruits. Reason sees that both factions are at fault in the extremity of their views, and follows the old Roman proverb: "*In medio stat virtus*" — virtue lies in the middle way.

Certainly, the wealthy class has rights and privileges by reason of its position. Only the wealthy can afford the financial risks so necessary for great industrial projects. A just retribution is due them on this account. There is, however, a real distinction between a just return and enormous profits at the expense of the unfortunate labourer. Basic principles of social justice forbid that one class exclude the other from a share in the profits.

It is impossible to say that the property owner shall receive so much and no more. He is an individual and a member of society; consequently the particular individual and the place he occupies in that society must be considered. As an individual, he has the right not only to the necessities of life, but even to goods necessary to his state in life. Since state in life, or "class," is an element commanding respect, reverence, and consequently order in society, the individual has a natural right to such goods as are necessary for the proper bearing out of his position. If this were not so, the social hierarchy would collapse, and with it, social order.

The labourer, however, is not without corresponding rights. Like his more fortunate fellow-man, he has a just claim not only to what is sufficient for life alone, but also for the comforts consistent with his position in life. As a member of domestic and civil society, his wage, or the re-

turn from his toil, must be sufficient to provide comfortably for himself and his family, with regard both to present and to future needs, that he might best fulfill the end of those societies.

Karl Marx, in his classic *Das Kapital*, goes so far as to say that labourers should receive "for themselves all the fruits of production as being the work of their hands." Based on the premise that labour is the sole factor of production, the claim is valid. The principle, however, and consequently the conclusion, is without foundation of fact. Labour is a factor, true, but it is not *the* factor. The productive capacity of labour has not changed for the past two thousand years, but production has increased tremendously since the introduction of machinery. The labourer can follow blue-prints in the construction of a machine, and pull levers to run it, but the genius of the inventor is primarily responsible for the machine. The third factor of production is raw material, those goods from which the finished product is made. Remuneration for the use of these is due to him who owns the source of those raw materials, not to the propertyless wage-earning class.

It is quite possible that when both the wealthy property owner and the labourer have received what, in justice, is due to them, surplus fruits will remain. What is to become of these? By common practice the owner of the productive goods has claim to them. In accordance with the ethical principle, "*Res fructificat domino*," a thing fructifies the owner, this convention is not morally illicit. But since the ultimate end of productive property is the common good, superfluous fruits could be put to the best use in aid of the community as a whole, rather than the individual.

In a well ordered society, where Capital and Labour work in harmony, there will be a just distribution of all fruits of production. The two forces have a mutual end, the common good of society and of all the individuals composing it. Accordingly, they must work hand in hand if that end is to be attained. Each is necessary to supplement the work of the other. Each has rights and obligations toward the other which must be recognized if that common good is to be accomplished.

In his renowned encyclical, *Rerum Novarum*, Leo XIII epitomized the problem in one brief sentence: "The earth, even though apportioned amongst private owners, ceases not thereby to minister to the needs of all." In those words the Prudent Pontiff confirmed the right to private property

and its fruits, and signified that the use of such was not for the benefit of a few wealthy individuals alone, but rather to supply the temporal wants of all mankind.

This right is not something due to the munificence of man or the State; it is derived immediately from the Natural Law, and ultimately from God Himself. No State, howsoever powerful, has the right to abolish it. To control its use and to guide it along the path of public good is the extent of civil authority.

Since ownership is of a twofold nature, individual and social, both aspects must be taken into consideration regarding its use. The group whose good fortune it is to be in possession, those included under the general heading "Capital," are in this way restricted and limited. They have a just right to profit from their fortunate circumstances and to enjoy certain luxuries consistent with their position, but not, however, at the expense of society. For the greater part, that society is made up of those who fall under the second generic division, "Labour." They, also, have rights which must be safeguarded.

These are the fruits of a proper economic equilibrium, the wealthy living as becomes their state in life, and the labourer receiving for his toil all that the justice of the Natural Law demands. But only when the two classes work in mutual harmony can this ideal condition be brought about. Since "Capital cannot do without labour, nor labour without capital" (R.N.), neither can deny the other a just share in the profits. The realization of this indisputable fact, and the application of it to industry, constitutes the only practical solution to the social problem. It has been truly said that "the surest way to end the menace of Communism and Socialism is for capital to make labour a partner in industry instead of a slave." This is the Via Media of the late Holy Father.



A Smile

G. Mallett, '44

I am the needle that mends the hurt,
I am the sun that brings the day,
I am the wind that chases the dirt,
I am the path that leads the way.
I am free to young and old,
My worth is more than gold.