

and the signature of this Government to the swindlers and speculators of all nations. This is what happens when a country forsakes its constitution and gives its sovereignty over public currency to private interests. Give them the flag and they will sell it."

This time, however, the Federal Reserve Board group had overreached itself. Although the result of the world-wide crashes had been to strengthen the power of the big combines everywhere, and greatly to increase bank holdings of industrial stock, the slump nevertheless went too far; much further than it was intended to go. Two signal events proclaimed this fact. First, Great Britain, in a desperate attempt to extricate herself, was forced off gold and obliged to insulate her economy within a sterling area and a system of Imperial Preference. Repeated attempts have been made by the dollar-manipulators to crash the sterling area: only now are they about to succeed. To this mild but not incompetent British insurrection was added a much more terrifying phenomenon. Out of a Germany devastated by the Money-Power arose—Adolf Hitler.

(To be concluded). A. K. CHESTERTON.

## THE SYSTEM

MAY I animadvert upon the editorial, 'No Escape', in BLACKFRIARS, March, 1946, in so far as it blames Catholic financiers and employers for attributing social injustice to the capitalist system rather than to their own selfishness and immorality? I think I am fairly entitled to be heard on this subject, because I thought exactly the same as the Editor while I was a looker-on and an arm-chair critic. As soon as I was practically involved in industry, however, I found that the individual is almost completely helpless and that it is the system that is to blame, a fact for which Leo XIII., in *Rerum Novarum*, did not allow, but for which Pius XI., in *Quadragesimo Anno*, significantly did allow.

Yes, I thought exactly the same as Leo XIII and the Editor, and when I unexpectedly found myself the owner of a factory, I set to work to find out what I ought to do in order to treat the workmen with justice. I got the matter clear to my satisfaction and embodied my findings in a book with the suggestive title of *Wage Slavery*. Doubtless that book is full of faults, but at least it is standing evidence that I approached the subject explicitly as one of personal morality, of my duties to my employees. Moreover, it did not end in

talk, but I made a serious attempt to put my theory into practice, for not merely did I think it right, but I looked forward with great pleasure to giving the men a fair deal. In the innocence of my heart I supposed myself free to do what I thought right and wanted to do.

This was rank individualism, when one considers it, and I was just as much a disturber of the peace as any other man who gets a bee in his bonnet and sets out to do what is not done in his community. I meant well and thought my theory to be the truth—but then, so did the other people in the community. We are members one of another, even in the natural order, and the other members very naturally objected to my upsetting the established economic system. Quite politely and kindly, but firmly, it was conveyed to me from all quarters, that I would get no help in my crazy scheme. The bank manager, for example, was a personal friend of mine, but he told me that neither his bank nor any other would support me; and since no one can get along without help, it was a case of acquiescing or closing down the factory.

Now, I should be glad to be told, yes or no: was it my duty to close down the factory and throw the men out of work, simply because I could not do for them all that I thought right and wanted to do? I conscientiously judged it wiser to turn my thoughts to changing the system, and to carrying on within the system in the meantime, keeping the men in their jobs and treating them with all the humanity possible.

Nor does it prick my conscience that I let the business grow. For some years it remained a privately owned factory, in which I was on friendly terms with each man and was able to do them small kindnesses. There are those of our moralists who regard private companies of this kind as tolerable, but not large limited-liability companies. Did I, then, do wrong to let the business outgrow the small private company stage? Now, after twenty-five years, it is a large and perfectly normal public company, with many branches and subsidiaries employing thousands of men, and my shareholding in its capital is only a small fraction of the whole. I am not boasting of the development as an achievement, and in any case the growth is not due to my efforts, but to those of an organising genius whom I was fortunate enough to engage; but can it be seriously contended that I did wrong to engage him and to let him exercise his abilities?

In my conscientious opinion it is the system that is at fault, and that is why men are turning to Socialism and Communism and the New Deal. And we Catholics, too, have our solution, the Corporative Order outlined by Pius XI. I submit that we should be working for that instead of blaming one another for not doing, as individuals, what we are not free to do.

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