ORTY years have elapsed since the promulgation of the Encyclical of Pope Leo XIII on the "Conditions of the Working Classes." Fully a century before the writing of the Encyclical industrial relations and institutions had experienced one of the most important changes in economic history. The new development that had taken place is commonly known as the Industrial Revolution. The Industrial Revolution began with a series of changes made possible by the scientific inventions discovered during the last quarter of the eighteenth century. Chief among these inventions was the steam engine which was introduced into the textile industry in 1785. The steam engine created a revolution in production and also in transportation. It gave the initial step toward the "vast expansion of industrial pursuits." By transforming the processes of manufacturing it has established the factory system.

By the factory system is understood the substitution of power machinery for the simple tools of the artisan. Hitherto the means of production had been in the hands of the artisans or craftsmen who were assisted by apprentices. The work of the craftsmen was accomplished at their homes or in small shops annexed to their homes. With the advent of the factory system the ownership and means of production was transferred from the laborer to the employer. This situation made the former dependent on the latter. Here we have the beginning of "the changed relations between masters and workmen." The personal relationship that formerly existed between master and workman was made less and less possible under the new order of things by the introduction of hired foremen under hired management.

Naturally the new order of things called for new methods of regulation. With successive inventions came ever increasing modifications in the quality and prices of goods and in the periods of apprenticeships and rates of wages. To establish any set rules
to govern these particulars seemed almost futile. The Elizabethan Statutes which still regulated wages and apprenticeships were in some respects impractical under the existing circumstances. It was necessary that they should be revised. This revision, however, did not take place. To the detriment of the laborer and to the advantage of the employer they were completely abolished in 1813. Influenced by the theories of Adam Smith\(^1\) and the self-interest of the Capitalists the policy of *laissez-faire* or non-interference of government in industry was adopted by the legislature to supplant the old laws. This newly created theory of industrial liberty paved the way for economic conquest and exploitation rather than for economic freedom. A ceaseless and frenzied activity in industry ensued. It characterized the pursuit of material progress and unrestricted competition and led also to the exploitation of subject classes. Not content with contract labor, the grasping Lords of Industry turned to prey upon the inexhaustible resources of slave labor. Such conditions were bound to bring about "the enormous fortunes of some few individuals, and the utter poverty of the masses." Unable to obtain any substantial redress from the legislature by way of an amelioration of their degrading and slavish existence, workingmen began to affiliate themselves with organizations called labor unions. The labor unions, generally speaking, were potent factors for good; but occasionally, as when they came into the hands of crafty agitators, they became the means of exciting violence and disorder which added to "the prevailing moral degeneracy."

At the time when Pope Leo XIII was preparing his immortal document on Labor, industrial disturbances had assumed such grave proportions as to become a question of deep concern in the legislatures of nearly all the leading nations. In Germany legislative proceedings were under way to further the preparations of the proposed Labor Conference to be held in Berlin. To this conference were to come representatives of fourteen different nations. Meanwhile the long-expected Encyclical Letter of Pope Leo XIII, on the social question, had taken its place among the noted documents of history. The Encyclical measured up to the highest expectations of all who anxiously awaited its promulgation. "Since the divine words, 'I have compassion on the multitude,' were spoken in the wilderness, no voice had been heard throughout the world pleading for the people with such

\(^1\) Seager, *Principles of Economics*, p. 15.
profound and loving sympathy for those that toil and suffer as the voice of Leo XIII. This is no rhetorical exaggeration, but strict truth. None but the Vicar of our Divine Lord could so speak to mankind. No pontiff has ever had such an opportunity so to speak, for never till now has the world of labor been so consciously united, so dependent upon the will of the rich, so opposed to the fluctuations of adversity and to the vicissitudes of trade. Leo XIII, looking out of the watch-tower of the Christian world, as St. Leo the Great used to say, has before him what no pontiff yet has ever seen. He sees all the kingdoms of the world and the sufferings of them."

Having reviewed the course of events that had taken place since the beginning of the Industrial Revolution, Pope Leo XIII clearly and succinctly traces, in the opening paragraph of his noble work, the causes which directly or indirectly lead to the social conditions of the time. He declares that "the elements of conflict now raging are unmistakable in the vast expansion of industrial pursuits and the marvelous discoveries of science; in the changed relations between masters and workmen; in the enormous fortunes of some few individuals, and the utter poverty of the masses; in the increased self-reliance and closer mutual combination of the working classes; as also, finally, in the prevailing moral degeneracy."

The growth of industry and the new scientific inventions were inevitable. They exemplify one of the salient principles of economics, namely, that industrial relations and institutions are subject to change and development. Nevertheless they became elements in the social conflict in so far as they greatly influenced the new profit system which began to manifest itself shortly after the discovery of the New World and later by the plunder of the monasteries. The profit motive inculcated a spirit of acquisitiveness and cupidity which ran counter to the teachings of the Gospel. The philosophy of the new system was imbued with the doctrine that the highest aim in life was the acquisition of material gain. It taught men to acquire selfishly, rather than to give abundantly. This revolution in thought went hand in hand with the industrial revolution and might well be said to have brought about the deteriorating conditions which became so conspicuously prevalent during the first half of the nineteenth century.

---


If society was to be saved the increasing moral degeneracy had to be checked. "All agree," writes Pope Leo XIII, "that some remedy must be found, and found quickly, for the misery and wretchedness pressing so heavily and unjustly at this moment on the vast majority of the working classes. For the ancient workingmen's guilds were abolished in the last century, and no other organization took their place." The great principle of medieval economics was the consideration of the common good as paramount. It was the aim of the craft guilds, which were the trade unions of the time, to work for the industrial and commercial interests of the city as well as for their own fraternal fellowship. This saving principle of Christian economics which guided the destinies of industry for centuries was forced into oblivion as the growth of industry and the quest for gain became more and more pronounced.

Many and diverse have been the opinions advanced by the various sects in an effort to solve the social question. The evils and grievances, which Pope Leo XIII speaks of as affecting the working classes, and the removal or remedy of these ills is commonly known as the social question. It is not expected that a full and complete solution of the social question may be realized. What is most desired is the removal of the more serious evils upon which it hinges. "It is impossible," writes the great statesman Pope, "to reduce civil society to one dead level. Socialists may in that intent do their utmost, but all striving against nature is in vain." Socialism is a system of political economy which subordinates the right of the individual to that of the State. One of its chief tenets is to do away with private ownership. "Private ownership," continues Pope Leo XIII, "is the natural right of man; and to exercise that right, especially as members of society, is not only lawful, but absolutely necessary. 'It is lawful,' says St. Thomas of Aquin, 'for a man to hold private property; and it is also necessary for the carrying on of human existence.' 4 But if the question be asked, How must one's possessions be used? the Church replies without hesitation in the words of the same holy Doctor: 'Man should not consider his outward possessions as his own, but as common to all, so as to share them without hesitation when others are in need.' 5

"Furthermore," writes Pope Leo XIII, "when a man engages in remunerative labor, the impelling reason of his work is to obtain

4 Summa Theologica, Ila, llae, q. lxvi, a. 2.
5 ibid., q. lxv, a. 2.
private property, and therefore to hold it as his own. If one man hires out to another his strength and skill, he does so for the purpose of receiving in return what is necessary for sustenance and education; he therefore expressly intends to acquire a right real and full, not only to the remuneration but also to the disposal of such remuneration, just as he pleases. Thus, if he lives sparingly, saves money, and for greater security, invests his savings in land, the land in such case is only his wages under another form; and consequently, a workingman's little estate thus purchased should be as completely at his disposal as are the wages he receives for his labor." In addition to this Pope Leo XIII states that "the practice of all ages has consecrated the principle of private ownership, as being preeminently in conformity with human nature, and as conducing in the most unmistakable manner to the peace and tranquillity of human existence." This well-ordering of human existence is characterized by the differences manifested in the mental and physical capacities of the members themselves that go to make up society as a whole. Were it not for these differences a state of inertia or passivity would set in whereby the initiative and ingenuity of the individual would be at a standstill. Consequently these differences are in harmony with the course of nature itself. Any attempt, therefore, by the Socialists or any other faction, to bring them under the control of the legislature militates against the fixed laws of nature.

Having refuted the Socialists' ideal of perfect equality by establishing the inviolability of private property, the great Benefactor of the working classes directs us where to turn in order to seek a true and permanent remedy for the alleviation of the ills that beset society. "When a society is perishing," he writes, "the wholesome advice to give to those who would restore it is to recall it to the principles from which it sprang; for the purpose and perfection of an association is to aim at and to attain that for which it was formed." In proceeding to discuss the social question Pope Leo XIII assures us that "no practical solution of this question will be found apart from the intervention of Religion and of the Church." He further declares that "religion teaches the wealthy owner and the employer that their work-people are not to be accounted their bondsmen; that in every man they must respect his dignity as a man and a Christian; that labor is not a thing to be ashamed of, if we lend ear to right reason and to Christian philosophy, but is an honorable
calling, enabling man to sustain his life in a way upright and
creditable; and that it is shameful and inhuman to treat men
like chattels to make money by, or to look upon them as so
much muscle and physical power.” Moreover Pope Leo XIII
adds that “religion reminds each class of its duties to the other,
and especially of the obligations of justice.”

There are some who assume the social question to be entirely
outside the sphere of religion. That such an assumption is erro-
neous and misleading is evident from the words of Pope Leo
XIII who says, “It is the opinion of some and the error is already
very common, that the social question is merely an economic one,
whereas in point of fact, it is first of all, a moral and religious
matter, and for that reason its settlement is to be sought mainly
in the moral law and the pronouncements of religion.”6 In so
far as the social question involves a consideration of rights it
necessarily takes on a moral aspect. For only to a moral basis
can we trace the fact that men seek what they regard as their
rights, what they consider to belong to them in justice. The
social question is likewise a religious question, since it is the
mission of the Church to make truth, justice, and love prevail.
“For this came I into the world; that I should give testimony to
the truth.”7 Is it not fitting therefore, that from the Pope the
visible head of the Church and chief custodian of Religion, should
come the authoritative pronouncements pertaining to the moral
and ethical solution of the social question? It has always been
the rule, not the exception, that the Church has ever championed
the rights of mankind, whether of prince or serf, of rich or poor.
“Nor must it be supposed,” writes Pope Leo XIII, “that the
solicitude of the Church is so occupied with the spiritual con-
cerns of its children as to neglect their interests temporal and
earthly. Its desire is that the poor, for example, should rise
above poverty and wretchedness and should better their con-
dition in life; and for this it strives.”

Social disturbances are inevitable so long as the strained
relations between capital and labor continue to exist. That
these two parties should be engaged in mutual strife would
seem to defeat the very end and purpose for which they com-
bined, namely, for the purposes of production. In speaking of
this division in the field of industry Pope Leo XIII says, “The
great mistake made in the matter now under consideration is

7John xviii, 37.
to take up with the notion that class is naturally hostile to class, and that the wealthy and the workingmen are intended by nature to live in mutual conflict. So irrational and so false is this view that the direct contrary is the truth. . . . Each needs the other. Capital can not do without labor, nor labor without capital." Since capital and labor are mutually dependent it would seem, therefore, to be to the interests of both to engage in the joint undertaking of establishing a maximum of productivity. But unfortunately capital and labor do not agree concerning the division of the product. Both parties are, for the most part, self-centered as regards their respective interests. The former is desirous of amassing wealth and power irrespective of the rights of labor, whereas the latter is intent on securing higher wages and more leisure regardless of the rights of capital. If any steps are to be taken to adjust this situation the initiative rests with the capitalists. The capitalists may and can change the present trend of industrial relations by permitting labor to participate in the management of industry. The advantages of labor participation in management would be no less great to the employer than to the employed. Amicable relations would exist where there was previously a spirit of antagonism, the creative faculties of the workers would be further developed, and their actions would be motivated by a desire to work for mutual interests instead of personal interests, and finally, a sense of responsibility would impel the wage-earner to curtail the possibilities of waste and strive for an increase of production. In a word, a partnership would be established whereby greater benefits would be assured not only to capital and labor, but also to the general public. However it is not surprising that the capitalists should fail to recognize the expediency of labor participation in management, since it is characteristic of man to overlook that which is obvious. Hence for the present the wage-earner must continue as an animated cog in the machinery of industry, and consequently must be reckoned with as a cost item.

Since labor, viewed from the standpoint of profit and gain, is a cost, the services of labor are naturally sought by the employer for the greatest possible time at the least possible expenditure. In following this mode of procedure, the employing classes are very apt to deprive the working classes of their just claim to a living wage. In fixing a norm concerning the living wage Pope Leo XIII declares, "The remuneration must be enough to support the wage-earner in reasonable and frugal comfort."
If through necessity or fear of a worse evil the workingman accepts harder conditions, because the employer or contractor will give him no better, he is the victim of force and injustice."

In discussing wages Pope Leo XIII restricted himself to the question of the minimum of wage justice, and fixed a living wage as the least amount that will conform to justice. In what a just wage really consists has never been adequately determined. However it is established that when the employer and the wage-earner enter upon a legitimate contract, the former is required to give at least a living wage, and the latter is likewise held to perform an honest day's work for the compensation he has agreed to accept. In other words, the contracting parties are expected to conform to the right and reciprocal duties which the contract necessarily entails. Right and duty are correlative,\(^8\) so that wherever a right exists it presupposes a duty in others. Much of the friction existing between capital and labor may be traced to the tendencies of both parties to evade the principles of justice and right as set down in the moral law. This apparent negligence of the employing classes and the working classes to adhere to the principles of the moral law has been well described by Dr. John A. Ryan as follows; "Inasmuch as the material interests of capital and labor are identical in some respects and opposed in other respects, the duty of every lover of peace and justice is to emphasize and extend as far as possible the field of common interests, and to reduce to its lowest attainable dimensions the domain of antagonistic interests. The most effective means to this end would be religion; for, as Pope Leo XIII declares, it reminds 'each class of its duties to the other, and especially of the obligations of justice.' Nor is the objection well taken that the teaching of religion concerning justice and the other social virtues is of no practical efficacy, since both parties to the industrial controversy profess devotion to these ideals. For the most part such profession is mere lip service, and confined to the realm of abstractions. Only a minority of either capitalists or laborers ask themselves sincerely and searchingly the question: 'What does justice require of me in this controversy with the other party of the industrial contract?' The great majority content themselves with a militant assertion of their rights. They give little deliberate thought to the limitations of their rights, and still less to their reciprocal duties. And

the content of their rights they interpret in the light of their desires rather than upon the basis of religion and morals.

“In practice this attitude is equivalent to a flat rejection of the moral element. Were capitalists and the laborers to take seriously the proposition that their mutual relations are subject to the moral law, each one would ask himself these questions: ‘What are my just claims? What are the limits of these claims, that is, just how far may my claims be rightfully extended? What are the rightful claims of the other party? What, therefore are my duties?’ The man who honestly puts to himself these questions, and takes a reasonable amount of time and trouble to answer them in the light of the best information that he can obtain, will find that the principles of justice as applied to industrial relations are by no means empty platitudes. So long as men fail to weigh and consider in some such fashion the application of these principles, the fault is with themselves, not with the principles.”

The aim and purpose of the great Labor Encyclical of Pope Leo XIII was not only to bring about an amelioration of the conditions of the working classes, but also to restore peace and order on the firm basis of justice and Christian charity. Hence the greater portion of the Encyclical, which is upheld as a complete and perfect summary of social economics, has been devoted to the solution of the social question from the standpoint of Christian teaching. Therefore, in closing his noble and inspiring message to a struggling society, Pope Leo XIII bids us turn to the healing fountain of Religion. He teaches that, “since religion alone can avail to destroy the evil at its root, all men should rest persuaded that the main thing needful is to return to real Christianity, apart from which all the plans and devices of the wisest will prove of little avail.”


**BIBLIOGRAPHY**