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prosperity increased, but that from 1890 to the commencement of the present year depression prevailed in almost every sphere of commercial activity. This contention cannot well be refuted, and it is supported by the writer himself by means of numerous charts and diagrams dealing with such 'antennæ of business' as the volume of our foreign trade, the clearing-house returns, and the creations of new companies, all of which tell the same tale of activity followed by depression. It is, then, as a contribution towards the study of Credit Cycles that those who approach this book from the theoretical side will mainly value it. It is not, and it does not claim to be, an original contribution to the theory of the subject, but it affords material in abundance, and on the whole of a trustworthy kind, for the illustration of existing theories. 'Quiescence, improvement, confidence, prosperity, excitement, overtrading, convulsion, pressure, stagnation, distress, quiescence'—these, according to Lord Overstone, are the characteristics of a credit cycle, and a perusal of Mr. Van Oss's work will convince any reader who may stand in need of conviction that practically all these features mark the period under review. The writer's preliminary disquisition on the ultimate causes of these alternate waves of prosperity and depression need not be discussed here. It will be sufficient to indicate that, whether consciously or unconsciously one cannot say, he leans to Mill rather than to Jevons, and attaches due importance to influences of a psychological kind.

One other feature of Mr. Van Oss's part of the work calls for remark, for by some readers it will be regarded as the most valuable of all. In addition to giving a summary of each year's financial events, the author has devoted a separate chapter to the history of all the more important classes of securities included in the Official List. Thus we have a chapter on Government and Municipal securities, one on Colonial securities, another on American rails, and so forth; and also separate short treatises on the course of trade, the money market, the price of silver, &c., &c., for the ten years concerned. The chapter devoted to the money market is very clear, though it may be noted that two of its tabular statements, one headed 'The London Money Market,' and the other 'Cheap Money,' contain each a mistake—the first probably a printer's error—which the author would do well to correct in his next edition. Allowance being made for such small matters as these, the whole treatise constitutes a valuable work for present reading and for future reference.

F. E. STEELE

Catholic Socialism. By FRANCESCO S. NITTI. Translated by MARY MACKINTOSH. (London : Swan Sonnenschein and Co. 1895.)

PROFESSOR NITTI's book has the advantage of a concise yet adequate introduction by Professor Ritchie, and is itself an interesting

discussion of an important subject. Everybody admits the gravity of what is termed the social question, and everybody sees that the policy which may be adopted by the Roman Church will have considerable influence on the conflict of classes in Europe. Professor Nitti aims only at the character of a historian. He is not to be understood as accepting without reserve any of the numerous programmes of reform which are set out in this volume. He has brought together a mass of useful particulars, and has left the reader to draw conclusions. Yet Professor Nitti's book is not wholly satisfactory. It is marked by the fatal facility of the Latin race. It leaves the impression that the author has not fully thought out his subject. Thus, we do not gather what precise meaning, if any, the term Socialism has for Professor Nitti. Does he include under that term the political and economic opinions of every one who does not think exactly like Mr. Herbert Spencer? Does he go further, and comprehend under Socialism the virtue of private charity. 'If by Socialism we mean all reasonable and just efforts to alleviate the sufferings and improve the moral, material, and social state of the less fortunate classes of society, then indeed we may say that Cardinal Vaughan is a Socialist in the truest and most Christian sense of the word' (p. 324). If, indeed, we mean this by Socialism we had better lay the term aside altogether. It has become too vague for use in economics. Yet only in this vague sense can some of the eminent Catholics whose names appear in this volume be termed Socialists.

Modern Catholics will naturally be influenced by what they believe to be the principles of the primitive Church, but we think that Professor Nitti has missed the true relation of early Christian ideas to the doctrines of Socialism. Many Christian writers have denounced the rich in language as forcible as even the Socialists can employ; but it does not follow that the early Christians and the modern Socialists would have agreed upon first principles. The *ECONOMIC JOURNAL* is not the place, nor is the present writer qualified, for disputations in divinity; but it may be safely affirmed on the best original authorities that the early Christians lived in constant expectation of an approaching judgment, to be followed by an eternity of weal or woe, that they viewed this life with ascetic severity, and that they deemed its good things a distraction and a snare to men who ought to be absorbed in preparation for the last awful moment. But the Socialists think this life valuable for its own sake, and a liberal provision of its good things the indispensable condition both of happiness and of virtue. As Professor Nitti truly observes, the enfeeblement of the belief in a future life and the growing desire to make the most of life here and now have materially contributed to render the Socialist doctrine popular. If the Socialists inveigh against the rich, it is not because they fear for the rich man's soul, but because they wish to make a redistribution of his goods and chattels. Catholics may join with Socialists to assail the capitalist, especially if he happens to be a Jew, a Protestant, or a Freethinker;

but the traditional beliefs of the Catholic and of the Socialist are not merely distinct; they are contradictory.

The so-called Catholic Socialism of to-day as set out in this volume is singularly indefinite. The most distinguished Catholic Socialists from Archbishop Ketteler to Cardinal Manning do not impress us as profound students of political economy. Their economic diagnosis is substantially borrowed from the writings of the systematic Socialists. They repeat the familiar commonplaces about the iron law of wages, the immorality of estimating the value of things by their usefulness and not by the amount of labour spent upon them, the enormity of taking interest for the use of capital, the growth of speculation and the recurrence of commercial crises. Nor are their proposals for reform much more original. They have overcome to a large extent their jealousy of the action of the State. The milder remedies which they suggest have already been adopted in the legislation of most European countries. Among the more drastic remedies not yet tried are the restoration of the ancient guilds with their vast regulative powers, the fixing of a minimum wage and of a maximum day's labour, a prohibition against the sale of small properties, nay, even a prohibition against migration from the country. Self-help and voluntary combination appear to be regarded by most Catholic Socialists as mere palliatives. But Catholic Socialism takes very different colours in different countries. Thus, in the United States it is democratic, in Austro-Hungary aristocratic. In Austro-Hungary it is the same thing with the agitation against the Jews. Professor Nitti assures us that the Jews own nearly a third of Hungary, and the Rothschilds alone a fourth part of Bohemia. It is easy to imagine that the proudest nobles and prelates dislike this condition of affairs as much as the peasant or the artisan, and that they eagerly embrace an ideal feudalism such as Mr. Ruskin's genius has made familiar to English readers. In general the landed proprietors of central Europe, hard pressed by taxes and foreign competition, and exasperated by the growth of cities and of the middle class, are readily accessible to the doctrines of Catholic Socialism. But the peasantry of Spain and Italy, who suffer still more severely, incline to more violent counsels.

We should repose more faith in Professor Nitti's judgment had we found in him a juster appreciation of Protestantism. In the Reformation he sees little but a *bourgeois* movement prompted by selfishness. He apparently believes that the tyranny of Henry VIII. accounts for the Protestantism of England. He dwells more than once upon the apathy and impotence of the Protestant clergy. Were all these things so, it would be natural that such a phase of religious belief should everywhere be waning. But Professor Nitti is in too great a hurry. He says that the Catholics 'numbered according to the last census 1,058,000 in England, and not less than 320,000 in Scotland, which represents *seventeen per cent.* of the entire population of the kingdom' (p. 313).

Does Professor Nitti allow less than nine millions for the population of Great Britain? Indeed, we are hurt to find how little pains Professor Nitti has taken to study for himself the condition of England and Ireland. He solemnly quotes Mr. Hyndman, and Mr. Stewart Headlam as important and authoritative writers. He accepts without criticism all that Catholic prelates can say respecting the social abuses of the most Protestant community in the world. 'The Catholics,' he tells us, 'are bound by the very necessity of things to study the social question with impartial judgment and ample views' (p. 314). Would Professor Nitti ascribe 'impartial judgment and ample views' to a fiery Evangelical discoursing upon the social disorders of Italy? He speaks of the Irish peasantry as 'depending on the caprice of their lords' (p. 328), apparently ignoring the fact that at this day no peasantry in Europe is more elaborately protected by the law. He says that the Irish Catholic clergy have been 'driven to adopt a programme which is simply that of Agrarian Socialism' (p. 331). The Irish Catholic clergy have adopted the programme of the Irish farmer, and that programme has nothing to do with Socialism. The aim of the Irish farmer is to become a proprietor. Even Mr. Davitt could not make the teaching of Mr. George popular in Ireland. We can only hope that Professor Nitti is better informed respecting affairs on the Continent than he is about the affairs of the United Kingdom.

There remains the larger question how far the tendencies towards Socialism which have manifested themselves among the Catholic clergy, especially in America, are likely to affect the policy of the whole Church. But no decided answer can yet be given to this question. There is much truth in what Professor Nitti says respecting the stringent organisation of the Catholic Church and the unique position of the Supreme Pontiff. On the other hand, a system which in any case makes severe demands upon refractory human nature must not be rashly strained. If it is important for the Catholic Church to clear herself from the imputation of hostility to democratic principles, it is hardly less important for her not to deepen the alienation of the educated classes. The public utterances of Leo XIII. show that he is fully aware of the danger consequent upon taking a side in the economic war. For a Church which moves in one rigid phalanx, every new step is a serious hazard, and for infallibility which has taken a side there is no place of repentance. Here it should seem that the Protestant Churches have a practical superiority. Their members have a wide freedom of thought and action. The ardent and impetuous can preach strange doctrines and make bold experiments; the methodic and critical can wait to observe the results and profit by the errors of perhaps better men. A loose and flexible organisation lends itself to tentative measures, and by these alone can the cure of social maladies be discovered.

F. C. MONTAGUE