

*Alumni Prize Essay, read by James MacAulay at the
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The World in the Throes of Depression

During the past two years much time and effort has been spent by the great minds of the World in pondering over the causes, effects, possible solutions, and probable duration of the depression. Ever since the first outbreak of literature on this subject, the optimists, who were in the majority, have had it that "Prosperity is just around the corner." This quotation has already been the object of so many jeers that it is doubtful whether it could bear another here. But this at least may be said: those who take an optimistic view of the present economic situation are steadily growing fewer, and those who see nothing ahead but black despair, unless "something drastic is done"—some pet measure of their own invention, no doubt,—are becoming legion. This may or may not be a happy portent. On first thought one would say it certainly is not, but, if we recall the proverb "The darkest hour is just before the dawn," we may perhaps see some glimmer of hope even in this dismal picture of despair.

To take first things first we must consider the causes of the depression. This indeed is a phase of the subject about which a great diversity of opinions has been advanced. Many blame the great war; some hold over-production responsible, some believe under-consumption is the cause of all our troubles; and, finally, there are those—and their ranks are great in brains if not in numbers—who hold that the present order is antiquated; that it is no longer suited to the conditions of the times. This sounds the most logical. And it has some measure of proof in the historical fact that, in the past, the economic order has often had to change to keep pace with the changing conditions of mankind.

In order to understand this more clearly, it might be well to glance back over the pages of history and find some concrete examples. Ancient Rome, at a certain period of her development, found it necessary to introduce coinage to take the place of the system of direct trade which had obtained until that time. This new system lasted for many centuries. Indeed it outlasted the Roman Empire. But, finally, it was discarded and a new method

grew up; or rather, not a new method but the old bartering system which money had displaced. The bartering system in its turn lasted for many centuries; and then came our present monetary order, which is, after all, not so very different from the coinage of imperial Rome.

Having considered this see-saw course of finance through the ages, who can say but that the time may be ripe for another reversion to direct trade, or perhaps a change to some new system which has never been employed before, or, if it has, so long ago that even history has no record of it. Apparently there is need of some kind of change. There must be something wrong with the system under which one man may have one million times as much money, and, as a result, infinitely more influence, than another. No one can deny that such is the case under our present capitalistic regime. There is too much money owned by too few men. Perhaps that is the seat of our economic ailments, the concentration of wealth.

However, it would be impossible to pick out one cause of the depression and say: "Our troubles spring from this." Rather let us say that many things—the war, over-production, the failure of the economic order—all have done their share in bringing on the calamity. For a calamity indeed it is to many of our fellow-men.

The effects of the depression are manifold. The blatant press keeps before us the sorry condition of affairs into which our governments, as it would have us believe, have plunged us. But we can't blame the governments. It is the people who are responsible, the people of the whole civilized world. The drunkard's night of revelling is followed by a day of torturing headaches. The world went on a wild "spree" of prosperity and luxury, and now it has a headache; and a severe one, too. Where are we to find an aspirin to ease the pain? Alas, this is a case with which the druggist is unable to cope. It is in the realm of the economists, and, unfortunately, our present day economists are not accustomed to dealing with a sick world. They are accustomed to dealing only with a world blooming with the health of affluence and prosperity. They can search their files in vain to find a precedent which they might follow in treating the present situation. True, there have been depressions in the past, but none so serious and widespread as the present one. But although this depression may truly be said to be

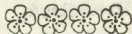
universal, it is equally true that in some places the sufferings of the people are much less than in other localities. In every country, however, there are some so precariously near destitution that it would be well to take some steps towards relief before absolute necessity demands it. This is indeed being done. Many charitable organizations are making it easy for those who are comparatively fortunate to contribute something, either in money or by way of clothing, to alleviate the sufferings of the stricken. Many private individuals are entering into this humanitarian effort with a zest and zeal which should win them some not inconsiderable measure of renown. And then, of course, our governments, as is befitting for governments which call themselves democratic and which depend upon the people for existence, are doing their share by promoting public works and thus giving work to many men who would otherwise have no means of livelihood.

This, however, is merely a relief measure, not a remedy. No government has yet adopted any remedial measure. They can find none to adopt—that is, none that seems very promising of good results. Indeed, some of the proposed remedies fall little short of being ridiculous. The opinion has recently been expressed by one author that, if everyone would consume an extra mouthful of each variety of food on the table at each meal, the depression would soon be over. And it probably would—for the doctors. Far be it from this essay, though, to sneer at the pathetic relief proposals of sincere, though incompetent, men. Far be it, also from this essay to advance any such proposal. But it would not be too bold to say this: They are not looking in the right place. They are seeking the solution in material things only. They forget that, if they have not the light and grace of God, all their efforts, sincere as they may be, will be in vain. Many years ago Pope Leo XIII saw the faults of the existing order, and that it was doomed to disaster. He, being a competent economist as well as a worthy head of the Church, was able to find a remedy, a remedy which he clearly set forth in his encyclical "*Rerum Novarum*." "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." Society in Pope Leo's time had wandered far from those principles, the principles of Christ, on which all Christian society is based.

Since his time, mankind has wandered even further from the path of Christian living; and until the world comes out of the tangled forest of selfishness and attains again the blazed trail of Christian Charity, we can hope for but little improvement of present conditions.

The duration of the depression depends upon how long it will take our leaders to realize the true causes. But, even when they know the causes, they will have difficulty in removing them, for the evil is deep-rooted and extends through all classes of society. It is the rank and file of the people who have brought the disaster upon themselves; it is the rank and file of the people who, through their individual efforts, can eliminate the causes and thus bring back to the world a true and moderate prosperity, not a gaudy bubble such as exploded in the fall of 1929.

Lending our unselfish aid, then, in bringing our storm-beaten ship back to its true course once more; beseeching High Heaven with one voice to temper Its justice with mercy and mitigate the justly merited sufferings of mankind; striving valiantly to live up to those sacred principles, enunciated with such beautiful simplicity by the One Great Economist of all,—those principles which alone to-day can save a forgetful and erring world—we may look boldly into the future; a future that will be brightened with true Christian happiness and prosperity.



Forward, forward, let us range,
Let the great world spin forever down the ringing grooves
of change.

—*Alfred Tennyson*

Nothing great was ever achieved without enthusiasm.

—*Emerson*

The first duty for a man is still that of subduing *Fear*. We must get rid of *Fear*; we cannot act at all till then. A man's acts are slavish, not true but specious; his very thoughts are false, he thinks too as a slave and coward, till he have got *Fear* under his feet.—*Carlyle*.