

Today all the western world has a higher standard of living than anyone had during the Middle Ages. The reason is not a system of planned distribution or socialistic organization. It is because a few people of ability and energy found opportunity and sufficient incentives to improve methods of production. They themselves made wealth out of it, but the standard of living of the whole area was raised. By the process of industrialization, and the freeing of individual enterprise in modern times, groups here and there were able to produce more. While they themselves profited greatly, the increased production accrued to the benefit of all. The amount of goods available was constantly being increased, and competition made different groups bid against one another. Thus, the results were distributed more and more widely and inexpensively. It is free enterprise and respect for personal earned property which have raised the world's standard of living.

The word 'capitalism' is often used synonymously with 'free enterprise'. It is unfortunate this is the case. The true emphasis of the word is not on the fact that control of economic activities is in the hands of one who has money, over against one who does not have money. In any economic system, control over activities cannot be evenly distributed. Some individuals must have control and direction over the work of others. The stress in capitalism is on the fact that it is a flexible system, rather than a fixed one. The word came into being in contrast to the systems of the Middle Ages, in which control rested in a man's hands because he happened to be born into a certain family, or inherited landed estates, or was a favorite of someone. Under a system of semi-socialism, the power to direct the economic activities of others is in the hands of those who have been elected for that purpose. Political acumen is what determines direction of economic activities. This