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The Poor Are the Solution, Not the Problem



Hernando de Soto is the president of the Institute for Liberty and Democracy, a Peruvian think tank committed to creating legal frameworks that help the poor of the developing and ex-communist world to access property rights and turn their assets into leverageable capital. Mr. de Soto is the author of *The Other Path: The Invisible Revolution in the Third World* (Harper and Row) and, most recently, *The Mystery of Capital: Why Capitalism Triumphs in the West and Fails Everywhere Else* (Basic Books).

R&L: And finding this missing thing is the mystery of capital.

De Soto: That's right. What the book tries to convey is that the traditional reforms associated with establishing a capitalist system—monetary stability, fiscal equilibrium, privatization—are definitely not enough. What makes the capitalist system function well in the

R&L: In the first sentence of your book, *The Mystery of Capital*, you write, “The hour of capitalism’s greatest triumph is its hour of crisis.” The great triumph, of course, is capitalism’s victory over communism. What is the great crisis?

De Soto: Everyone had high expectations at the fall of the Berlin Wall, when we thought that the “end of history” was in sight because market economies would allow all to flourish, but now there is a general feeling of discontent. This is certainly the case in Latin America; most are discontent, though they have not lost hope. So the crisis, as I see it, is that the economic systems that were established throughout the Third World and former Soviet Union to replace past patrimonialist and collectivist systems have not benefited the large majority of the population. My argument is that this failure does not indicate that market economics does not work but, rather, that something is missing in the capitalist formula as it exists in five-sixths of the world.

United States, Western Europe, Japan, and the four Asian tigers is a very good property and transaction legal system. As both Adam Smith and Karl Marx explained, what gives the market economy system its power is essentially the widespread division of labor, what we today call specialization. Specialization has been possible in the Western world throughout these last two centuries because of the ability of specialists to create and exchange capital among themselves, and that ability exists because the West has good property law, which allowed for good market transactions. For at least 70 to 80 percent of the world’s population, for former communist nations and developing countries, a legal system allowing for the definition of property rights and their transaction in an orderly market is not in place.

R&L: What is this property and transaction legal system?

De Soto: It is what you in the United States have right under

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your noses. Every asset, from a bicycle all the way up to a nuclear plant, is essentially titled within the law. Every act inside your legal system is done according to written rules and can be followed within up-to-date records, where transactions, debts, and investments can be tracked. Every company is owned by people represented in its shares. Every home and automobile has a recorded property title or deed, which allows the identification of who owns what and where. All developing and former communist nations, with the exception of maybe 10 to 20 percent of their population, do not have such records or rules.

R&L: What do they have?

De Soto: They have what you in the United States used to have about two hundred years ago: The majority of people own things outside the legal system, under customary devices that I call extra-legal law, which encompasses all forms of arrangements that are not codified or do not operate within the law. If you go to any village in the Amazon or any small town in Egypt, it is very clear who owns what and who has transacted with whom, but only at the level of the town. It is a little market economy that ranges maybe no more than five or ten city blocks. There is no way for transactions to occur on a national—much less, global—scale. In other words,

throughout the Third World and the former communist nations, there are thousands of little market economies that cannot be interconnected and, therefore, cannot join that larger market economy within which the division of labor is possible.

Let me give you an example. In the mid-nineteenth century, California was divided by the Gold Rush miners, some three million Americans, into eight hundred jurisdictions, each governed by local law created by the miners themselves. Most of the assets in California did not abide either by the rules dictated by the Mexicans, who used to own the territory, or by United States federal law; they abided by local arrangements that grew in customary ways. That is the situation of most of the former communist nations. The result, of course, is not chaos but anarchy—not one single order but many hundreds or thousands of little orders unable to cooperate on a large scale, form capital, or create a prosperous market economy.

R&L: Why is capital mysterious?

De Soto: Something seems to have escaped us in the course of the last one hundred fifty years. Capital was a big issue for economists of the eighteenth and early nineteenth centuries, Smith and Marx included. These economists said that the most important aspect of capital, what distinguishes it from any other physical good, is the fact that it is metaphysical. Capital is not money. It is not a physical asset. It is value. And it is the most important part of economy. (The word *capital* always refers to something that is important, such as a capital city or capital punishment.) What is interesting is that all the classical economists—and that includes Smith and Marx—said the new capitalist system was creating metaphysical value. But none of them really described it, and what I try to indicate is that there are values to things that are hard to see but that the West's legal system, with its rules and titles, manages to capture. That is the mystery.

And that is why when you buy or sell a car in the United States, you exchange a piece of paper that abides by certain rules. That is what gives you not just physical possession but also metaphysical right over the car. If you look at the capital markets of the West, you see markets where property titles in the form of shares or bonds transport value. In other words, capital is essentially metaphysical but is captured in documents that represent value. And failing to understand that real value is captured by the legal system and its symbols is why most of the attempts of five-sixths of the world to establish working market economies have failed.

R&L: In your book, you argue that the economic success of

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the West is due, in part, to the parallel life that assets are able to lead because of these pieces of paper that capture their value. What is this parallel life, and why is it so important for wealth creation?

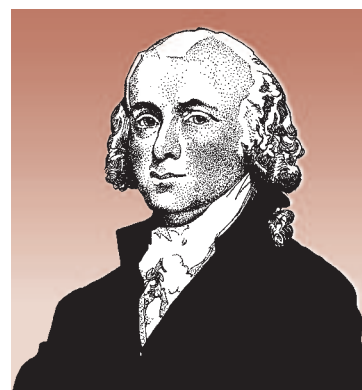
De Soto: Maybe I can give you an example. In 1990, the Peruvian Telephone Company, which was managed by the government, though supposedly owned by those who owned

telephones, had a value on the Lima Stock Exchange of \$53 million. That very year the decision was made to privatize it. In the process, it was discovered that the company was improperly titled, because Western telecommunications companies were not willing to buy the paper that represented it. We Peruvians, like everyone in the Third World, then spent the early 1990s redescribing and retitling the assets of our telephone, electric, and other major utility companies in such

James Madison (1751–1836)


“It is the duty of every man to render to the Creator such homage and such only as he believes to be acceptable to him. This duty is precedent, both in order of time and in degree of obligation, to the claims of Civil Society.”

In the Spring of 1776, with the American Revolution well under-way, the Commonwealth of Virginia’s Revolutionary Convention deliberated the new state’s constitution. The delegates intended to include a Declaration of Rights, which, in turn, would include a clause on religious liberty. George Mason proposed, “All men should enjoy the fullest toleration in exercise of religion, according to the dictates of conscience,” but James Madison objected. Such an appeal for religious toleration is defective, he reasoned, for behind the idea of toleration is the assumption that one’s religious beliefs are held at the pleasure of the state, not according to a natural right. In an effort to secure real religious freedom, Madison proposed an alternative: “That



religion or the duty we owe our Creator, and the manner of discharging it, being under the direction of reason and conviction only, not of violence and compulsion, all men are equally entitled to the full and free exercise of it according to the dictates of conscience.” Religious freedom prevailed over toleration, eventually becoming a crucial component of American politics due, in part, to Madison’s efforts.

Perhaps more than any other member of the founding generation, Madison played a major role in forming America’s political institutions. Often called the Father of the Constitution, Madison helped design the architecture of the United States Constitution and then helped defend it, in collaboration with Alexander Hamilton and John Jay, with *The Federalist Papers* (which Thomas Jefferson called “the best commentary on the principles of government, which ever was written”). Contemporary political commentator Michael Barone has summarized Madison’s legacy, as follows: “Madison’s Constitution was the greatest leap forward since the first millennium in achieving a balance of order and liberty, national pride and rational principle, faith and reason.” Madison understood that all human freedoms—political, economic, intellectual, and religious—formed an integrated whole and that restricting one was tantamount to restricting all.

After the ratification of the Constitution, Madison went on to serve in the United States House of Representatives (1789–1797), as Secretary of State under Jefferson (1801–1809), and as the fourth President of the United States (1809–1817). In retirement, he succeeded Jefferson as the rector of the University of Virginia, helping to educate the next generation of American statesmen. 

Sources: “On Property” by James Madison, and “James Madison and Religious Liberty” by Joseph Loconte in Heritage Foundation Executive Memorandum No. 729 (March 16, 2001).

a way that the titles were sound and thus could be traded internationally. This retitling cost a lot of money and took a lot of time. Three years and over twenty million dollars later, we produced a title that was acceptable to foreign companies. After bids were solicited, Telephonic of Spain paid \$2 billion—thirty-seven times the \$53 million that it cost only three years earlier.

So when you have good paper, it is able to capture the value of invisible things. In the case of the Peruvian Telephone Company, paper captured all its goodwill and the rights over possible operations of cellular phones. It allowed whoever owned the company to issue shares and bonds for loans. It immediately increased the price of everything, because not everything that is valuable about a company resides in its physical assets. A company's value has a lot to do with the way it interconnects with the rest of the system, so when the Peruvian Telephone Company was paperized, it was able to lead a life in the financial and investment sphere that it could not lead when it was simply a physical asset.

R&L: *The same thing happens with real estate deeds and titles, correct?*

De Soto: Yes. When you apply for a loan and use your real estate for collateral, you do not use the house itself but the paper representing the house. In other words, there is much more in the representation than in the physical asset itself, and that fact allows a house to have a parallel life. When you walk down a New York City street, the buildings are doing the same things physically that they are doing in Lima. But metaphysically, the building in New York is also acting as a form of security to anchor insurance policies, as collateral against some kind of a loan, and as an address to which services can be delivered and from which debts and rates and taxes can be collected. Those metaphysical functions do not exist for the majority in Lima or for over five-sixths of the world's population. That parallel life, that paperization within the legal system, permits the basis for generating capital.

R&L: *Since the Third World cannot paperize its assets for such a parallel life, they suffer the phenomenon of what you call dead capital.*

De Soto: That's right. Over the past fifty years, most of the poor and marginalized have been moving to the cities of the Third World; the population of Port-Au-Prince has multiplied seventeen times, Lima's population has multiplied seven times, and Mexico City has also multiplied something like seven times so that the city's population is now over twenty-five million. What these people who are outside the system


are telling us is that they want to move into the large division of labor of the capital system, but we are finding out that the systems of these countries have no way of representing these people within the legal order and, therefore, no way of allowing them to leverage the value of the assets.

R&L: *Many in the West have argued that the Third World is poor because it does not possess the kind of culture in which capitalism can thrive. You object strenuously to this. Why?*

De Soto: Because I do not see any proof. How do you explain the fact that capitalism works in Japan, Hong Kong, Singapore, Taiwan, and South Korea but not in North Korea and the rest of China? If only white Anglo-Saxon Protestants have the right culture, how do you explain that cities such as Venice and Florence actually developed the first basis for capitalism?

Aside from not being based on facts, such an argument does not offer much hope. I think all cultures have the possibility of creating and accumulating wealth, which has to do with legal systems. The argument that poverty is due to lack of good property laws is certainly much more solid than those about culture. Of course, this does not mean that culture is not an important issue. However, focusing only on culture does not tell you how to hold these other aspects together, while focusing on law does allow you to get a grip on the problems that could be of a cultural origin, because law is able to put culture into an order that allows it to serve productivity.

R&L: *At the end of your book, you write, "The poor are not the problem but the solution." In what way is this true?*

De Soto: Take the case of Egypt. My research team and I were invited to Egypt by the government to make an inventory of the poor's assets versus all the other sectors of the economy. We found that since the end of the Second World War the poor accumulated some \$245 billion worth of assets, including real estate and small enterprises. How big is \$245 billion? Fifty-five times bigger than all foreign investment in Egypt over the last two hundred years, including the Suez Canal and the Aswan Dam. Fifty times greater than all foreign aid received by Egypt. Thirty times greater than the Cairo Stock Exchange. So the poor are the solution. The problem is that they do not have a legal system that allows them to bring together capital, create new enterprises, leverage their assets, and cooperate on a global scale. The poor certainly were the solution in the United States, which was built by poor, entrepreneurial pioneers. And the formula has not changed in the last two hundred years. 

“To Promote the Progress of Science and Useful Arts”

D. Eric Schansberg

Lord Acton, the great historian of freedom, understood that “liberty is the delicate fruit of a mature civilization.” The liberty of which he spoke embraced a broad scope of human freedom, including dimensions political, intellectual, economic, and, especially, religious. The civilization of which he spoke was the West, whose heritage of Greek philosophy, Roman law, and Christian faith indelibly marked it and inexorably pushed it toward the full panoply of liberties we enjoy today and to which the rest of the world looks. And the history he sought to express was the unfolding witness to the expansion, refinement, and richer application of the principles of liberty.

In celebration of the Acton Institute’s tenth anniversary and in the spirit of Lord Acton, Religion & Liberty is publishing a series of essays tracing the history of, as Edmund Burke put it, “this fierce spirit of liberty.” We shall look at several watershed documents from the past thousand years (continuing this issue with the United States Constitution’s Commerce Clause), each of which displays one facet of the nature of liberty. We do so to remember our origins and to know our aim. And we do so because, in the words of Winston Churchill, “We must never cease to proclaim in fearless tones the great principles of freedom.” — the Editor

When Mark Twain’s Connecticut Yankee assumed control of the administration of Camelot, his very first official act, he tells us, “was to start a patent office.” Why? Because “a country without a patent office and good patent laws was just a crab, and couldn’t travel any way but sideways or backwards.” The Framers of the United States Constitution seemed to agree. In Article 1, Section 8, Clause 8 of that document (often called the Commerce Clause) they made a point of ensuring that “the Congress shall have power to promote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries”—interestingly, the only explicit reference to a right in the body of the Constitution. James Madison, in *Federalist* no. 43, writes,

The utility of this power will scarcely be questioned. The

copyright of authors has been solemnly adjudged, in Great Britain, to be a right of common law. The right to useful inventions seems with equal reason to belong to the inventors. The public good fully coincides in both cases with the claims of individuals.

Indeed, the institution of patent and copyright law, especially the manner in which it recognizes and establishes intellectual property rights, is an important watershed moment in the history of liberty and an essential aspect of the impressive productivity and creativity of the free economy.

Property Rights in a Nutshell

The specific application of intellectual property rights builds on the principles of property rights more generally. The economist’s concerns with property rights are simply practical: Property rights establish the “rules of the game,” which typically encourage naturally selfish individuals to behave in socially productive ways. Economists observe that people often treat their belongings more carefully than the belongings of others. As a case in point, consider how people treat rental cars compared to how they treat their own vehicles. (Of course, Christians are called to treat the belongings of others at least as well as their own belongings; whether they respond to the temptation to do otherwise is another matter.) Property rights encourage people to work to own things and then to treat those things with greater care.

The practical merits of property rights extend further. In combination with contracts to regulate their exchange (assuming a judicial system that is not costly or corrupt), robust property rights allow people to focus their labor on what they do best and then to engage in mutually beneficial, wealth-creating exchanges with people who have done likewise. Without such a system of easily exchangeable property rights, each person must rely on himself for all the necessities of life, and the resulting inefficiency prevents the specialized division of labor as well as the freedom to pursue goods beyond mere necessity.

Property rights have moral and philosophical merits as well. The absence of property rights leads to waste. The poor enforcement of property rights leads to theft. Property rights

derived merely from the whims of a capricious ruler result in graft. On the other hand, strong property rights encourage productive behaviors, which amount to acts of creation, as people behave in ways consistent with their creation in the image of God.

What is more, property rights—at least to an economist—are not merely concerned with owning stuff but with having legitimate sovereignty over one’s body, the fruits of one’s labor, the way one conducts business, and so on. (It follows that property rights are limited to the extent that they impose direct costs on others, such as when one violates the property rights of another.) Laws permitting slavery, excessive taxation, and intrusive commercial regulation all restrict property rights and lead to the same practical and philosophical concerns described above.

Voluntary, mutually beneficial trade can occur in all sectors of an economy. In fact, wealth can be created simply by reducing transaction costs (the costs of making a trade happen), which increases the frequency of wealth-creating activities. Although hands and feet often play a role in creating wealth, the more essential engine of capitalism is the activity of the mind.

Carefully protected property rights, then, are important for countries no less than for individuals. Strong property

complex. Imagine that you invent something in a regime that lacks effective patent laws. If your invention turns out to be profitable, others will seek to directly copy it, thus reducing the rate of return from your entrepreneurial investment. In fact, your costs of research and development would then likely outweigh any financial benefits you might accrue, since you would still incur the burden of the costs but realize less revenue. Would you engage in such inventive and entrepreneurial investments in the future? Probably not.

In chapter two of his book, *The Fire of Invention*, Michael Novak relates Abraham Lincoln’s “Lecture on Discoveries and Inventions,” in which Lincoln describes the Commerce Clause as the last of the six great steps in the history of liberty—along with the origin of language, “the art of discovery,” the creation of writing, the invention of the printing press, and the discovery of America.* Lincoln argued that, before the adoption of the Commerce Clause, “any man might instantly use what another had invented; so that the inventor had no special advantage from his own invention.” The institution of patent law changed this and “secured to the inventor, for a limited time, the exclusive use of his invention; and thereby added the fuel of *interest* to the *fire* of genius, in the discovery and production of new and useful things.”

Novak, glossing this, writes, “Ever the realist, Lincoln knew what is in the human being: to be a genius is one thing, to be motivated is quite another, and then to be supported in this motivation by a wise regime is an unprecedented blessing.” Lincoln’s “fuel of interest” and Novak’s “motivation” are the financial incentives stemming from the state’s recognition and protection of intellectual property rights. In contrast, Novak notes that “a regime that does not secure natural rights depresses human energy.” Furthermore, patents and copyrights emphasize that, for capitalism, wealth springs less from land, money, or machines than it does from intellect and know-how, which is no less true for us today that it was in Lincoln’s day.

If Twain, Madison, Lincoln, and Novak are correct, Americans owe their material prosperity to the boon of having patent and copyright law secured by their Constitution. Moreover, with regard to the Constitution, this boon is a consequence of a natural right, not governmental fiat. Note that the Com-

* One here could note the irony of my closely following Novak, who closely followed Lincoln. But since everyone gives proper credit to the origins of the expression of the ideas, everyone’s intellectual property rights are respected.

Patents and copyrights emphasize that wealth springs less from land, money, or machines than it does from intellect and know-how.

— D. Eric Schansberg



rights are not only to be passionately *preserved* in countries that have grown prosperous in large part because of them, but also to be passionately *pursued* in less developed countries where their absence has contributed greatly to poverty. It is fortunate that institutional reforms of this sort are more popular today than in years past.

Adding the Fuel of Interest to the Fire of Invention

The specific role of copyrights and patents is an application of the above principles to the arena of creative and innovative endeavors. One additional point merits a mention in this context. The disincentives created by the absence of intellectual property rights are equally troubling but a bit more

merce Clause discusses “securing” the right, which implies, first, that intellectual property rights are pre-existent and to be protected by government, and, second, that they are not a privilege artificially created and then conferred by government. But how did individuals discover and then protect this natural right?

A Short History of Intellectual Property

Patents and copyrights were essential for the advent of the Industrial Revolution; not surprisingly, patent and copyright laws pre-date the economic prosperity of the West. The first recorded patent, granted in Florence in 1421, allowed for the exclusive manufacture of a type of barge for three years. As George Wagman and Stephen Scofield note in the *S.A.M. Advanced Management Journal*, this first patent was established so that the benefits of the patent holder’s “genius and skill may not be reaped by another without his will and consent” and so that “he may be animated more fervently to even higher pursuits and stimulated to more subtle inventions....”

Similar monopoly privileges were granted by European monarchs over the next two centuries and were concerned with either importing new products or establishing new industries; in this way, patents essentially functioned as tariffs and subsidies. In 1623, the English Parliament, frustrated by the Crown’s prodigal and imprudent sale of monopoly rights of all kinds, enacted the Statute of Monopolies, which curtailed state power by limiting royal grants only to genuinely new inventions and only for fourteen years.

Copyright law had a similar origin. Just as the Crown would provide royal monopolies in certain industries, it would give to authors and printers exclusive rights to publish certain books. Such privileges were not given to protect the rights of authors or publishers but to provide a governmental mechanism for taxation and censorship. Again, in England, the Parliament intervened by passing the 1710 Statute of Anne, which established that authors, not the Crown, should enjoy the rights to and benefits of their work. As in the case of patents, copyrights also were valid for a limited time, after which point the works entered the public domain. Such restrictions of governmental power entered English Common Law, which, as Madison attests, informed the Commerce Clause of the United States Constitution.

Lives of Creative Genius

The existence and duration of patents and copyrights stimulate creative energies, economic advances, and market competition. The competition to innovate is enhanced by


patents, as well as by attempts to get around those patents legally. Patent and copyright law harnesses self-interest in a manner that typically augments the public good. Still, some have questioned the justice of the “winner-take-all” nature of patent awards. For example, if you and I were to independently devise a mechanism for improving the production of a product, and if you were to apply for a patent one day earlier than me, you would receive all of the patent’s benefits, and I would receive nothing. It is troubling that one person is rewarded completely and the other is not rewarded at all, but, given the constraints of an imperfect world, it is difficult to imagine a more equitable or efficient system. In their book *How the West Grew Rich*, Nathan Rosenberg and Luther

Strong property rights encourage productive behaviors, which amount to acts of creation, as people behave in ways consistent with their creation in the image of God.

Birdzell expand on the importance of patent law’s emphasis on competition:

The competitive nature of the process was intensified by the Western practice of leaving the losers to bear their own losses, which were often substantial. This use of a competitive spur to stimulate change was a marked departure from tradition, for societies and their rulers have almost always strongly resisted change unless it enhanced the ruler’s own power and well-being.

Law that rewards innovators is an impediment to mercantilism, special interest group politics, and the economic stagnation that result from protecting an inefficient status quo.

The extension of strong property rights to intellectual property is, indeed, a watershed in economic history and, more specifically, in the West’s march toward economic prosperity. Along the way, individuals have been freed to pursue lives of creative genius—in everything from product innovation to artistic creativity, from the mundane to the extraordinary, from the crass to the academic, from the trivial to the revolutionary. In sum, the resulting liberty makes for stronger and more prosperous nations and allows people to pursue creative endeavors in line with their creation in the image of a creative and creating God. 

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The Delusion of Darwinian Natural Law

Marc D. Guerra

In a short, inconspicuous paragraph in the conclusion to the first edition of *On the Origin of Species*, Darwin speculates that “in the distant future ... psychology will be based on a new foundation, that of the *necessary* acquirement of each mental power and capacity by gradation.” One hundred and forty years later, Darwin’s eerie prediction about the revolutionary effect of his work on human beings’ self-understanding seems all too prophetic. After a century of dissemination, the once-novel theory of evolution is widely accepted as established scientific fact. Given the quasi-religious hold of evolutionary theory over the modern mind, it is not surprising that it should serve as the spiritual inspiration for developments within the field of psychology. First popularized in the 1970s by Harvard’s Edward O. Wilson, evolutionary psychology, originally called sociobiology, interprets all human behavior in light of the evolutionary process. Evolutionary psychology aims to be a comprehensive science, explaining the origins and ends of every human behavior and institution.

Not wanting to be left behind, a number of conservative thinkers have let themselves be caught up in this movement. Conservatism initially identified evolution exclusively with Darwinian materialism and, therefore, viewed it as a fundamental threat to human dignity. But, recently, conservatives such as James Q. Wilson, Francis Fukuyama, and Charles Murray have used evolutionary psychology to show that morality is rooted in human biology. Fukuyama’s *The Great Disruption* goes so far as to claim that “a great deal of social behavior is not learned but part of the genetic inheritance of man and his great ape forbears.” Drawing on categories borrowed from evolutionary psychology, Fukuyama argues that human beings are drawn to the kind of moral order provided by traditional rules of trust and honesty.

Evolution’s most ambitious and vocal conservative advocate, however, is political scientist Larry Arnhart. But where Wilson and Fukuyama speak of evolution generally, Arnhart appeals directly to Darwin himself. In *Darwinian Natural Right: The Biological Ethics of Human Nature*, Arnhart argues that conservative thought has fundamentally misunderstood Darwin. For Arnhart, Darwin is not a bio-

logical materialist but a modern disciple of Aristotle. Properly understood, Darwinism proves that morality is rooted in human biology. Indeed, Arnhart claims that Darwinism can identify twenty biological desires that are common to all human societies. The fulfillment or frustration of these desires provides universal standards for judging the morality of human social behavior. Darwinian natural right consists of the “right” to have these biological desires satisfied. Arnhart recently argued in the conservative religious journal *First Things* that both secular and religious conservatives currently “need Charles Darwin.” By “adopting a Darwinian view of human nature,” both groups would be able to give a rational, non-sectarian response to the prevailing dogma of moral relativism. For Arnhart, the attraction of Darwinism is essentially practical: It provides a “scientific”—not “metaphysical” or “sectarian”—basis for “conservative moral and political thought.”

One has to question, however, the wisdom of evaluating any account of human nature primarily in terms of its political utility. But this does explain why, on every critical point, Arnhart lets his political concerns shape his theoretical defense of Darwinism. Consequently, Arnhart never really confronts conservatism’s original charge that Darwinism reduces human beings to clever, biologically determined animals. But he does present natural lawyers with an intriguing and, by no means, inconsequential choice: Should they embrace Darwinism and give natural law conclusions the air of “scientific legitimacy,” or should they continue to defend an unfashionable but richer account of human nature that transcends human biology?

The Biology of Morality

Essential to the Darwinian defense of morality is the belief that social behaviors are “biologically rooted” in human nature. Darwinians such as Arnhart start from the premise that human beings are “hard-wired” for specific species-preserving behaviors. Darwinism explains all human societies, ranging from families to political communities, as *unintended* byproducts of the evolutionary process. Social behaviors and institutions came into existence as evolutionary responses to

“species-threatening” changes in man’s environment. Friendships, marriages, families, and even political communities, all of which are commonly seen as vital features of a meaningful human life, have their origins outside of the moral universe. Every society came into existence in a world where “species-survival” and “species-extinction,” not good and evil, were the fundamental human categories. Darwinism views sociality and morality as part of man’s genetic inheritance—the adaptive means through which the species perpetuates itself. Contrary to popular belief, morality is really instrumental to the larger goal of individual and collective preservation.

Darwin’s thesis that all species, including the human species, possess a biological drive for self-preservation is not novel. Arnhart, for example, frequently observes that Saint Thomas Aquinas, the natural law’s classical exponent *par excellence*, makes a similar claim. And as Arnhart likes to note, Aquinas even once described natural right as “that which nature has taught to all animals.” Aquinas’s strongest statement on this matter, however, occurs in the context of a wider discussion of natural law. Aquinas there states that the natural law’s second inclination, which man shares with all animals, directs him to preserve the species. But as Arnhart shows, Darwin extends this insight substantially further than Aquinas does. In contrast to Aquinas, Darwin believes that those behaviors that are necessary for the survival of the species gradually become woven into human biology itself. Over time, human beings eventually come to view behaviors that are necessary for survival as both meaningful and moral.

The Darwinian defense of morality characteristically points to the *end* of the family as illustrative of how morality is rooted in human biology. Arnhart himself traces the family back to the strong sexual drive of young men. Rooted in their “biological nature,” this drive plays an important role in the preservation of the species, yet it also fulfills “the natural desire for conjugal bonding.” Once properly channeled (Arnhart conspicuously never explains how or why this occurs), the sexual drive allows for the kind of bonding that naturally occurs within the family. The preservation of the family and, ultimately, of the species itself are the result of the “biological drive for sexual mating.” Scrutinized from the Darwinian perspective, the biological desire for conjugal bonding is revealed to perform the necessary task of stabilizing society.

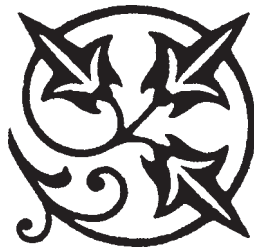
While Darwinism can defend the family as a natural institution, it is not a genuinely moral or spiritual defense.

Wedded to biological materialism, Darwinism necessarily reduces the *good* to the *useful*—finally viewing the family as instrumental to evolution’s larger goal of the preservation of society. While family life undoubtedly helps stabilize society, this clearly is not the only thing that is good about it. Arnhart’s recognition of natural desires for “conjugal and familial bonding” shows that he is aware of this fact. But the logic of his position ultimately requires him to view the family in terms of its preservation of society.

The Morality of Biology

But is this really compatible with conservatism? Is it really possible to understand family life solely in terms of its role in the preservation of society? Setting aside for the moment any sacramental notion of marriage (not mere conjugal bonding) and family life, Darwinism would have one believe that a husband’s self-conscious love for his wife or the personal sacrifices that parents willingly make for their children are byproducts of a primordial desire to perpetuate the species. Viewed from the perspective of human beings’ lived experience, Darwinism’s appreciation of the family is even more dehumanizing than modernity’s view of marriage as simply a contractual arrangement.

Part of the reason for this flattening of the human horizon



Should natural lawyers embrace Darwinism and give natural law conclusions the air of “scientific legitimacy”?

— Marc D. Guerra

is Darwinism’s systematic identification of the good with the flourishing of the species rather than with the self-conscious individual. There is then something fundamentally incoherent about the effort to defend the intrinsic goodness of morality on the basis of Darwinism. This incoherence, however, explains a number of oddities about the Darwinian defense of morality. The most obvious of these is its creative effort to present Darwin as a teacher of “evolution.” As surprising as it sounds, Darwin never uses this term in *The Origin of Species*. Rather, he speaks of “descent with modification.” The difference between these terms is not merely semantic. Darwin realized that *evolution* is a teleological term. To say that something evolved is to say that it

has evolved *toward something*. Evolution implies the kind of purposful change by which something unfolds according to a prearranged plan—precisely the understanding of evolution that the Roman Catholic Church claims is not necessarily inimical to Christianity. While often popularly misunderstood, what the Catholic Church consistently has opposed, from Pius XII's nuanced 1950 encyclical *Humani Generis* to John Paul II's recent statements, is not the idea of evolution per se but, rather, those materialist theories that reduce psychic humanity to biological animality.

Darwin, however, eschews such teleological thinking—going so far as to note in his manuscript not to use “hierarchical” terms such as *higher* and *lower*. For him, nature is intrinsically mechanistic. Change results from “natural selection,” the process by which species adapt to environmental changes by weeding out variations that jeopardize their survival. Far from acting towards an end, nature responds to external forces of chance and necessity. It is not difficult to see why Darwinians such as Arnhart try to gloss over the harshness of this teaching. By drawing attention to the fact that nature is a blind and continuous process, they effectively undermine their political defense of the intrinsic goodness of morality.

Darwinism's teaching on perpetual modification points to another problem with the idea of Darwinian natural law. For Darwin, the process of modification is, in principle, continuous. Contrary to what they may wish to believe, human beings are not the end of the evolutionary process. The Darwinian defense of natural morality, therefore, is not to be taken too literally. Lacking the fixity of any genuine end, the goods supported by natural law are useful only over long periods of time. Like nature itself, they are transitionally good. This explains why Arnhart places so much emphasis on biology, since it offers the only real source of “temporary fixity” in the world.

Natural Law and the Humanization of Biology

What is most striking about the Darwinian defense of morality is that it argues *for* one of the positions that natural law traditionally has argued *against*. Natural law historically has opposed any simplistic identification of the natural with the biological. Contrary to Darwinism's identification of the natural with the instinctual, natural law associates the natural with the reasonable. It seeks to humanize and transcend the realm of biology by incorporating it into the realm of reason—to view the low in light of the high, not vice versa. Whereas materialist Darwinians see human nature culminating in the biological instinct to perpetuate the species, Aquinas thinks that man's natural inclination directs him to seek the truth about God and to live in society. Rather than insisting

that he be completely at home in the biological world, natural law realizes that his natural desire for transcendence ensures that man can only be ambiguously at home in the world. Psychically different from other creatures, the rational creature (not merely the calculating, species-preserving animal) somehow embodies all of the aspirations of the evolved biological world.

This natural desire to know does not negate the desire to perpetuate the species but, in fact, can explain why such perpetuation is desirable. Part of the attraction of natural law thinking, therefore, lies in its ability to show that human beings are not slaves to their instincts but, rather, that they possess the psychic freedom to make sense of these instincts. Over and against Darwinism's biological determinism, natural law theory is grounded in the all-too-human experience of wrestling with matters of conscience—of trying to do what one ought to do and not merely what one instinctively wants to do. Rejecting the reality of such an inner life, Darwinian-based defenses of morality are necessarily self-defeating. They replace relativism's belief that nothing can legitimately make a claim on the human soul with materialism's belief that human beings are biologically incapable of caring about their souls.

Near the end of his essay in *First Things*, Arnhart celebrates the remarkable recent advances of science in the areas of neurobiology and genetics. In light of these advances, Arnhart warns that “if conservatism is to remain intellectually vital, [it] will need to show that [its] position is compatible with this new science of human nature.” But what does Arnhart think Darwinism has to say to these new sciences? If there really are no natural limits on human beings, if nature really is in a constant slow state of flux, how can a Darwinian, even a morally serious Darwinian, oppose something such as the “new science” of human cloning? A self-conscious Darwinian such as E. O. Wilson realizes that cloning is simply the next stage of human “modification.” Faithful to the spirit of his Darwinism, Wilson looks forward to the day when cloning or “volitional evolution” will allow scientists to alter “not just the anatomy and intelligence of the species but also the emotions and creative drive that compose the very core of human nature.” Less consistent Darwinians such as Arnhart choose to remain blissfully unaware of this fact. Consequently, they fail to recognize that what they offer is not so much up-to-date moral guidance as the ultimate moral justification for the “brave new world.” ❤

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Citizen Kuyper: Born-Again American

A Review Essay by Lucas E. Morel

There is not a square inch in the whole domain of our human existence over which Christ, who is Sovereign over all, does not cry, 'Mine!'" said Abraham Kuyper (1837–1920), a Dutch pastor-theologian by training and jack-of-many-trades by vocation. To say he practiced what he preached would be an understatement. From university founder and newspaper editor to party activist, statesman, and church reformer *par excellence*, Kuyper strove to live and teach in hopes of saving humanity—starting with his own beloved Netherlands—from gliding into the maw of modernity.

With *ni Dieu, ni maitre* ("No God, no master") as the ideological mainspring of modern life, Kuyper saw the need for the church to preach the sovereignty of God. In particular, he believed that if Christians spoke and lived as if the lordship of Christ began this side of the veil, their testimony would not only draw others into the kingdom of God but also protect society at large from tyranny. Kuyper's doctrine of sphere sovereignty, which distinguishes society from the state, protects "social spheres" such as the family, business, science, and art from the encroachment of politics, and frees the church to proclaim the gospel without state regulation. Does this mean there is a Christian system of organizing or regulating these various spheres?

More Poetic than Priestly or Philosophic

C. S. Lewis once said that "the New Testament gives us a pretty clear hint of what a fully Christian society would be like." He hastened to add that it does not, however, give a blueprint for a Christian government. Alas, this has not kept folks from trying, which makes a consideration of Kuyper's public theology all the more instructive—and timely, given American evangelicals' resurgence in political affairs over the past thirty years.

John Bolt, professor of systematic theology at Calvin

Theological Seminary, offers a labor of love that encourages political participation by Christians while correcting certain excesses that have marred attempts to bring the reign of Christ into the public square. At almost five hundred (extensively footnoted) pages, *A Free Church, A Holy Nation* ranges far and wide to cover the breadth of Kuyper's service to his church and nation. But as the subtitle suggests, the book's length owes more to a demonstration of Kuyper's civic affinity to the United States than to an explication of Kuyper's Dutch-Calvinistic theology as such. In fact, Bolt argues in a substantive introduction that Kuyper's public career is more

poetic than priestly or philosophic. Kuyper engaged the Dutch masses through "a remarkable imaginative facility to use and apply scriptural imagery, Dutch national history and mythology, and a grand historical sense of providential purpose."

Bolt's emphasis on Kuyper's appeal to the imagination, as opposed to reason, follows from Kuyper's critique of modernity as the product of the atheistic French Revolution. By lauding "human autonomy and sci-

entific reason," the Enlightenment philosophes liberated human beings from all transcendent authority, including what the Declaration of Independence calls "the laws of nature and of nature's God." This set the stage for tyranny, whether by a minority or majority of individuals.

So how does the American Revolution, with its Lockean pedigree, not only avoid the rhetorical wrath of Kuyper but also garner his utmost praise? Kuyper saw the Spirit of '76 as a "Puritan/Calvinist spirit," which understood political freedom as the blessing of a sovereign God and not the grant of a sovereign state. Seeing government as only one of several institutions God ordained to order their freedom, Americans would keep government from meddling with other social institutions (such as the church) and thereby preserve what he called "the free life of free citizens."

Building on Kuyper the poet, Bolt defends the need for

***A Free Church, A Holy Nation:
Abraham Kuyper's American
Public Theology***
by John Bolt

Wm. B. Eerdmans
xxv + 502pp. Paperback: \$38.00

an American public theology. After a long hiatus for the better part of the twentieth century, evangelical Americans returned to the public life of the nation in the 1970s with more zeal than knowledge. But now with a Christian, civic heritage to draw upon and a vanguard of evangelical intellectuals offering serious Christian reflection on history and politics in an increasingly secularized academy, the time is ripe for Christian activists to consider another evangelical voice. Kuyper's public career, convincingly portrayed in *A Free Church, A Holy Nation*, offers an apt guide and inspiration for evangelical Americans yearning to bear witness to their citizenship in the Kingdom of God as they engage the work-a-day world.

***A Free Church, A Holy Nation
offers an apt guide and
inspiration for evangelical
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work-a-day world.***

— Lucas E. Morel



Aversion to Tyranny in All Its Forms

The bulk of the book comprises two parts: first, a historical contrast of Kuyper's American bona fides with foreign commentators on the American regime, such as Alexis de Tocqueville, Lord Acton, and Pope Leo XIII, in addition to native observers, such as Jonathan Edwards and Walter Rauschenbusch; second, a comparison of contemporary approaches to applying the Gospel to public life with Kuyper's own public theology. This latter section addresses political theories informed by "God talk" that spans the political spectrum—from liberation theology to dominion theology—in addition to those supposedly offering a "third way" alternative to the Right/Left partisan divide. Bolt invokes more than enough names to keep the comparative critiques lively and informed.


Given Kuyper's project to re-Christianize Holland through public appeals to the nation's heritage and free proclamation of the Gospel, some critics might associate his party activism with a theocratic agenda. Bolt quotes Kuyper to the contrary, highlighting his aversion to tyranny in all its forms, whether atheistic or religious. Bolt argues that only a "structurally pluralistic" society would satisfy Kuyper, who saw the need for both the church and the state to stay within the

confines of their authority and competence in order for both to flourish. The concept of *simul iustus et peccator*—the person of faith as righteous by divine imputation but still savoring of original sin—should inform all human institutions until Christ's return.

Bolt concludes his book with a critique of *Blinded by Might: Can the Religious Right Save America?* (1999), by Cal Thomas and Ed Dobson, a book that downplays the significance of concerted political action by Christians for the sake of increased individual testimony. Arguing that their call for political disengagement is tantamount to "self-censorship," Bolt suggests that Kuyper's public theology offers a more biblical alternative: "For Kuyper, this distinctly

Christian associational life was, in fact, a mandate of the organic unity of the body of Christ." In Tocquevillean fashion, examples would include private schools, labor unions, philanthropic societies, and even political action groups formed by Christians as an expression of their discipleship in a free society.

In the preface, Bolt shares about a recent visit to Calvin College and Theological Seminary by the Rev. Dr. Kwame Bediako of Ghana. After re-

counting the political turmoil of West Africa, Professor Bediako was asked if the region "was not badly in need of its own Thomas Jefferson." He replied, "What Africa needs even more today is its own Abraham Kuyper." It is a lesson that resonates all the way through to the appendices of this fine book, and one that should inspire citizen-Christians to redouble their efforts to think through and practice what we preach throughout every square inch of our society. 

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The Second One Thousand Years: Ten People Who Defined a Millennium

edited by Richard John Neuhaus

Wm. B. Eerdmans, x11 + 126 pp. Paperback: \$14.00

Review by Michael R. Stevens

A thousand years is a long time. Hence, Richard John Neuhaus has taken on a difficult task in formulating *The Second One Thousand Years: Ten People Who Defined a Millennium*. His decision to compile a collection of ten essays, each essay focusing on one figure from each of the past ten centuries, certainly creates a broad and illuminating angle on intellectual history, as the volume moves chronologically through Pope Gregory VII, Moses Maimonides, Thomas Aquinas, Dante Alighieri, Christopher Columbus, John Calvin, Blaise Pascal, Jean-Jacques Rousseau, Abraham Lincoln, and Pope John Paul II. Any volume giving equable treatment to these ten men is a worthy venture, and this volume is consistently informative and interesting.

Its lingering problem, though, is one of focus. Neuhaus states: "There is no suggestion that these are 'representative' figures. At least in some instances, they are figures who posited themselves against what might be taken as representative of their time." But besides this sporadic opposition, it is not always clear what links together these ten essays. Neuhaus further offers the theme of the "Church militant": "Christians cannot, and should not try to, expunge the irrepressible sense of history as the drama of testing, battle, and contention for the truth that is nothing less than the story of the world." But to what extent should this spiritual conflict of the ages be manifested in the socio-political world? What should be the place of the church in political life? The volume does not offer a coherent picture, and one senses that the answer is not, and could not be, simple.

What does become clear is that the question is best engaged not from the direction of the church but from the political sphere. The chief irony of the book arises from the fact that, as the place of the church in relation to the socio-political order becomes increasingly convoluted after the Reformation, the engagement with the essential questions of the volume becomes more pronounced and profound. The two figures who best characterize this are the two men most directly involved in political governance in their day: Calvin from the sixteenth century and Lincoln from the nineteenth. Alister McGrath's essay "Calvin and the Christian Calling"

sheds new light upon the first half of the volume: "The need for some kind of moral and intellectual shake-up within the church had been obvious for some time.... It is therefore both inevitable and entirely proper to explore the continuing impact of the Reformation, particularly concerning religion and public life." In his role as the increasingly powerful civic leader of Geneva, Calvin is seen striving for the balance


wherein Christianity would be "a faith that engages the realities of both personal and public life." McGrath points repeatedly at Calvin's attempts to place the spiritual verities of the faith into the everyday workings of his city: "A culture of free enterprise flourished in Geneva, in large part thanks to Calvin's benign attitude towards economics and finance.... Calvin also articulated a work ethic that strongly encouraged the development of Geneva's enterprise culture."

Calvin's success in Geneva (even granting all the baggage associated with theocratic regimes) points to a subtler and, in many ways, more sublime moment of success. The high point of the entire volume, Jean Bethke Elshtain's "Abraham Lincoln and the Last Best Hope," is about a man who has less connection with the church and more connection with political life than any other figure in the volume. Indeed, one can trace the morality that moved him only through the vehicle of his political choices. Elshtain's careful reading of Lincoln's ideas allows her to see through his spiritual ambivalence to the fundamental concerns of his mind: "In this way of thinking, the Framers had not resolved but had only postponed the question of slavery, and Lincoln's sense that the time had come to move, however cautiously, toward a resolution had about it a force of obligation that he did not hesitate to call sacred." In a context where both apologists for slavery and their abolitionist antagonists were quick to quote Scripture and to invoke divine sanction, it seems that Lincoln found a hard but true middle way.

Both the difficulties and the achievements of this volume are epitomized in the way the book is framed. In the very first essay, Robert Louis Wilken's "Gregory VII and the Politics of the Spirit," the defense of papal authority over secular rulers is expressed in terms unequivocal, and is, thus, slightly disconcerting. Not everyone who is interested in issues of religion and public life will be comfortable, for instance, with this assertion: "Once the king had been directly accountable to God; now he was accountable to the pope." Wilken does admit the awkward effects of Gregory's approach: "In the centuries that followed, as canon lawyers

scoured earlier sources to provide a legal basis for papal authority, the church came to be viewed less as a spiritual fellowship than as a hierarchical and juridical corporation composed of clergy and bishops and pope.” However, Wilken’s tone becomes defensive as he argues for the necessity of Gregory’s heritage: “Yet Gregory’s preoccupation with the constitution of the church cannot be dismissed simply as an unwelcome inheritance from medieval times that needs, in a more enlightened age, to be displaced by a spiritual conception of the church.... Whatever else the church is, it is very much an institution.”

In light of such claims, one might expect me to express disappointment with the choice of Pope John Paul II as the figure of the twentieth century. To begin and end the volume featuring a pope is a definite statement of the enduring force of the church in Western culture, but is this statement made at the price of an oversimplification, a return to parochialism? George Weigel manages a remarkable feat in transcending this danger in “John Paul II and the Crisis of Humanism” by redefining the key question of the volume: “If one be-

lieves that politics is not an independent variable in human affairs—if politics is a function of culture, and at the heart of culture is *cultus*, religion, what we cherish and what we worship—then a serious case can be made for Pope John Paul II as the man who most singularly embodies humanity’s trials and triumphs in the twentieth century.” It is the current pope who “has demonstrated the resilience, indeed the indispensability, of religious conviction in addressing the crisis of contemporary humanism” and who has embodied, throughout his papacy, the notion that “self-giving, not self-assertion, is the royal road to human flourishing.” This sort of reflection upon human community, so necessary to the flourishing of both the church and the political regime, epitomizes the valuable lessons to be gleaned from *The Second One Thousand Years*. If the parts seem stronger than the whole, this perhaps only reinforces the idea that millennia are tougher (and maybe less useful) to analyze than are individual men. 

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Book News

Roots of Freedom: A Primer on Modern Liberty

John W. Danford

ISI Books

xxiv + 203 pp. Hardcover: \$19.95

Danford’s stated intent is to provide “a serious yet accessible introduction to the great thinkers who planted the tree of liberty.” In the main, he has succeeded. What is disputable is his choice of great thinkers. These are all moderns—Machiavelli, Bacon, Hobbes, Locke, Montesquieu, and Smith—who articulated what are, for Danford, the important principles for the free society—economic freedom, individual rights, limited government, and separation of powers. Such, indeed, are great thinkers and important principles, but Danford’s reliance on early modern thought causes a troubling myopia in the book’s view of the free society’s real sources. For Danford, the drama of freedom is a modern project, begun in earnest with the sixteenth-century publication of Machiavelli’s *The Prince*. His brief overviews of ancient Greece, pre-modern Christianity, feudalism, and the Protestant Reformation serve only to note their “glimpses or anticipations of the principles that are the real bedrock of a

free society.” This is grossly inadequate.

For example, Danford mentions medieval scholasticism only to contrast its “long tradition of misunderstandings of wealth and human economic activity” with modernity’s superior understanding of liberal commercial society. But what about the Iberian scholastic moral theologians who worked out sophisticated theories of money, trade, interest, and the like, all under the rubric of moral theology? Similarly, Danford’s discussion of the Protestant Reformation mainly focuses on the political instability it precipitated and the social intolerance it engendered. But what about Calvinism’s insistence that all sovereignty belongs to God and that he has placed sure bounds to the sovereignty of the state—an insistence that contributed greatly to the theory of limited government? Such elisions and distortions are unforgivable in a book on the roots of freedom.

Among his list of Christianity’s glimpses and anticipations of the real principles of freedom, Danford mentions “the dignity and even sanctity of every single human life, no matter how obscure, in the eyes of God.” A host of subsidiary principles of the free society follow from this insight, yet it is not clear how the new modern view of humankind, a view Danford advocates, can sustain it. If this is true, perhaps Christianity is not a mere glimpse or anticipation of the free society but is, indeed, the real root of freedom.

—Gregory Dunn

The Moral Dimensions of Monetary Policy



Before the turn of this century, an entire generation of preachers and ministers concluded that a moral monetary policy was an easy-money policy. “Give the people more money and credit,” was the cry of the populist ministers. “Down with gold, up with silver.” They mistakenly believed that the Treasury’s printing press was the key to earthly salvation.

Even as late as the 1940s, this ideology is evident in film. As much as I love the Christmas classic, *It’s a Wonderful Life*, a careful viewer can detect its social credit homiletics. Even today, no matter which party holds the White House, the Federal Reserve consistently faces pressure to keep interest rates artificially low, buy more governmental debt, and trade quick economic fixes for long-term capital accumulation.

Yet, it seems to me, honesty and morality weigh in on the side of the grand tradition of sound and stable money. Holy Scripture speaks of money in terms of weight, just as it was spoken of throughout history. In the list of commandments, tampering with those weights ranked among the behaviors condemned from above. Certainly, if it is wrong for individuals to deceitfully change the weights and measures in their transactions, it is also morally incumbent upon other institutions, especially government, to keep honest weights and measures.

Allow me to provide a few examples. God told the Israelites that economic transactions should take place with honest weights. Leviticus 19:35–37 instructs, “You shall do no wrong in judgment, in measure of weight, or capacity. You shall have just balances and just weights.” This was long before the followers of Keynes revealed to us the dangerous “liquidity trap” that might result from such “outdated” morals. Again, Proverbs 11:1 announces, “A deceitful balance is an abomination before the Lord: but a just weight is his will.” But, of course, this was before we discovered the mysterious “magic” of debt monetization. Proverbs 20:10 says, “Diverse weights and diverse measures, both are abominable before God.” Would that Solomon had known about the trade off between inflation and employment, as revealed by the Phillips

curve, now back in vogue. It is true that Isaiah (1:22) warned that “faithless princes” can turn silver “into dross.” But that was before we knew how much debtors can gain from paying back dollars that are cheaper than those they borrowed. I will grant that the prophets Amos (8:5) and Micah (6:10) condemned deceitful balances when selling wares. But neither knew much of the balance of trade with Japan.

Actually, all these scriptural references make an important moral and economic point. The long history of inflation reveals the tragic consequences of excessive money creation. It can, literally, turn a society upside down. It did in Germany, in the famous hyperinflationary period of 1921–23. It did in this country in the late 1970s. It has in innumerable developing countries. Control of the printing presses is probably a first-order condition to a solid economy and stable social order. So much for the magic of credit expansion. ©

It is morally incumbent upon government to keep honest weights and measures.

Rev. Robert A. Sirico is a Roman Catholic priest and the president of the Acton Institute. This essay is reprinted from Economic Insights (vol. 1, no. 1) and is excerpted from his luncheon address delivered at the Federal Reserve Bank of Dallas on February 25, 1994.

“The Congress shall have power to promote
the progress of science and useful arts, by
securing for limited times to authors and
inventors the exclusive right to their respective
writings and discoveries.”

—United States Constitution—