

RELIGION & LIBERTY

May and June • 2000

A Publication of the Acton Institute for the Study of Religion and Liberty

Volume 10 • Number 3

The Firm's Godly Service in a Secular Society



C. William Pollard is chairman and CEO of ServiceMaster, a portfolio of service companies including Terminix, TruGreen–ChemLawn, and Merry Maids. Mr. Pollard received a J.D. from the Northwestern University School of Law and was a practicing attorney specializing in corporate finance from 1963 to 1972. Then, from 1972 to 1977, he served on the faculty and as vice president of his alma mater, Wheaton College. Additionally, he is the author of *The Soul of the Firm* (Zondervan).

R&L: In your book, *The Soul of the Firm*, you list ServiceMaster's four core values: "To honor God in all we do, to help people develop, to pursue excellence, and to grow profitably." I would like to look at each of these in turn. First of all, do you take much flak for having such a forthright theistic conviction as the first of your firm's core values?

R&L: How did you come to be involved in the business world, and what role has your faith played throughout your career?

Pollard: I came to ServiceMaster from the academic world; I was both a professor and a college administrator at Wheaton College. Prior to those roles, I was a practicing attorney. So, in one sense, I have had three separate vocations, but each time I made a change, it was around circumstances in which I felt very clearly that it was God's decision to make the change.

My career has been a constant process of being challenged to relate my faith to my business decisions and to my relationships with people in the marketplace, and, at times, to seek confidence and guidance when major decisions have to be made. In this way, my experience in the marketplace has been a laboratory for living out my faith.

Pollard: Well, I would not describe it as "flak"; I would describe it more as questions. It is a unique objective for a large public firm to have.

The most-asked questions are, What is the relationship between God and profit? Is it appropriate to mix God with business? Is it an exclusive standard, or can it be consistent with a pluralistic environment? More fundamentally, it raises the question about God, and that is a relevant, timeless, and appropriate question whether we are in our businesses, families, or communities.

R&L: There is a lot of talk today about how the modern workplace is somehow fundamentally dehumanizing, so your second value may strike some as surprising. How are the demands of the firm consistent with the development of the dignity of the person?

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Pollard: In our business, which is fundamentally a service business, we have found that we all learn by serving others and that, in fact, the workplace can contribute to a process of continuous learning and development. Work, consequently, can be considered more than drudgery, more than something done from 9-to-5 to earn a living.

R&L: *In connection with your third value, you write in your book that “the firm is like a university.” How so?*

Pollard: Learning is a lifelong experience, not something completed at the end of our school days. In fact, as we experience the knowledge explosion happening around us today, one must view the firm as a university, as a time for learning. At ServiceMaster, we consider learning not only as it relates to a particular job assignment but also as it relates to understanding history and culture. To this end, we provide various learning vehicles. (Today, for example, I just finished teaching a section of our management-skills course, the equivalent of an MBA program.) ServiceMaster has a simple principle: If managers are too busy to teach, they are too busy to work here. We are all involved in teaching and learning.

R&L: *And this teaching and learning involves more than just technical training?*

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*A Publication of the Acton Institute for
the Study of Religion and Liberty*
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Publisher: Rev. Robert A. Sirico

Editor: Gregory Dunn

Contributing Editors:

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The Acton Institute for the Study of Religion and Liberty was founded in 1990 to promote a free society characterized by individual liberty and sustained by religious principles. The Institute is supported by donations from foundations, corporations, and individuals and maintains a 501(c)(3) tax-exempt status.

Letters and subscription requests should be directed to: *Religion & Liberty*; Acton Institute; 161 Ottawa Ave., n.w., Suite 301; Grand Rapids, MI 49503. The views of the authors expressed in *Religion & Liberty* are not necessarily those of the Acton Institute.

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Pollard: Yes. It involves a variety of readings and discussions. For example, in our most recent senior management planning session, one of the assigned books was Peter Drucker's *Management Challenges for the Twenty-First Century*, but another was Leo Tolstoy's essay, "How Much Land Does a Man Need?" We assigned this essay to raise questions such as, How do your earning of money and creating of wealth contribute to the kind of person you are becoming? How does your work contribute to your role in your family and community? And what does it add up to? We think it is appropriate to raise these sorts of questions in the workplace.

R&L: *Fourth, for some, the idea of “profit” contradicts the spirit of Christianity. How do you respond to those people?*

Pollard: I relate that question to the question Jesus asks: "For what will it profit a man, if he gains the whole world and forfeits his life?" Implicit in this question is that, in fact, there is something to gain, whether it is this life or it is eternal life. This idea is also implicit in Jesus' parable of the talents. And it is implicit in the whole concept of Christian stewardship. The concept of profit is surplus—that after one expends his time, effort, or money, there is something gained in return. Profits certainly can become the end goal of one's life and, hence, totally counterproductive; whenever profits become an end instead of a means, that person has his eyes on the wrong ball. So, in my judgment, the problem is not generating profit, it is the use of profit.

R&L: *For others, the idea that a firm should have any other values (especially Christian values) besides profit contradicts the spirit of capitalism.*

Pollard: For most, the firm is all about maximizing profits. From my perspective, it cannot and should not be the sole purpose of the firm. When it is, I believe it is ultimately self-destructive, because I do think you cannot generate profits without people; if people do not have a purpose and meaning beyond generating profits, you will come up against the law of diminishing returns. In the long run, you are not going to have consistent production of quality products and services unless people see a mission beyond profit. People work for a cause, not just for a living.

R&L: *Would you forego profits in the short run in order to invest in people for the long run?*

Pollard: In some cases we have done that, but the choice is not always in such stark contrast. One of the challenges of managing in the marketplace is that you have to do both:

You have to generate profits, and you have to invest in people. Our firm is a marketplace vehicle, and the marketplace has a standard of measurement, an expectation that we grow our bottom line. In the process, we have to serve our customers and to retain good employees who want to serve. So, in many respects, we do not have the choice of saying, “Today we want to honor God, and we don’t care about making money,” or, “Today we want to make money, and we don’t care about

developing people.” We have to address all these concerns concurrently in our decision making.

R&L: *That sounds complicated.*

Pollard: It is. It creates tensions. Tensions can be destructive, and tensions can be creative. For example, all of us have built our muscles by the tension of one against another. We

William Perkins (1558–1602)

“Man is to be honored, not only for virtue, but also for divine representations of other good things: in a word, because one man before another, beareth the image of something that is in God.”

William Perkins, Cambridge scholar and preacher, was one of the most popular theologians of the Elizabethan age, eventually outselling even John Calvin. His scholarship formed his ministry; in the words of a contemporary, “Perkins brought the schools into the pulpit, and, unshelling their controversies out of their hard school terms, made thereof plain and wholesome meat for his people.” And his ministry informed his theology, which he defined as “a science of living well and blessedly for ever.” He is often labeled the father of Puritanism because of his zeal for precise Christian living, in contrast to those whom he called “drowsy Protestants, and lukewarm gossellers.”



This precise living required precise moral reflection. For Perkins, the standard for such ethics is the Bible, specifically the moral law of the Old Testament (omitting the judicial and ceremonial law, following Calvin). This use does not preclude the natural law. Perkins affirms the validity of the natural law but notes that the more reliable moral law encompasses it; therefore, for Perkins, the revealed moral law is sufficient for moral reflection. In his words, “The word of God must be our rule and square, whereby we are to frame and fashion all our actions.” Using this rule and square, Perkins frames and fashions his personal and social ethics.

For example, Perkins considers at length the right use of possessions and riches. Belying the caricature of Puritan asceticism and legalism, Perkins insists that Christians are at liberty to use material goods, without scruple of conscience, both to “relieve our necessities” and “for honest delight,” insofar as those goods are used in accordance with biblical principles. Further, Perkins affirms the Christian duty of good stewardship under God’s sovereignty: “We must so use and possess the goods we have, that the use and possession of them, may tend to God’s glory, and the salvation of our souls.”

Finally, general ethical principles find specific form as Christians “walk in [their] particular callings, doing the duties thereof to the glory of God.” A calling, according to Perkins, “is a certain kind of life, ordained and imposed on man by God, for the common good.” Further, God’s ordination and imposition of all callings bears a “notable resemblance of God’s special providence over mankind.” Participation in one’s calling is participation in God’s governance of the world. As Perkins concludes, “Therefore this must be always remembered and practiced carefully, that we do take nothing in hand, unless we have first ranged our selves within the precincts of our callings.”



Source: The Work of William Perkins, edited by Ian Breward (The Sutton Courtenay Press, 1970).

would not be able to lift anything if we did not have our biceps and triceps working against each other. Tension gives strength; that is a reality of life.

R&L: *As a Christian and a businessman, how do you view the free-market system?*

Pollard: The free-market system is morally neutral. It can bankrupt the soul if there is not an influence higher than the market. On the other hand, the free-market system allows for choice, and I believe in a God who created man with the power of choice—ultimately, a choice to accept or reject him. Choice and freedom are the factors that typically govern what is produced, sold, and manufactured in a free-market system. So I think it is positive in that respect. On the other hand, we all know that choices can be destructive.

R&L: *And since the market is morally neutral, the individuals participating in it must bring moral behavior to the system.*

Pollard: Exactly. Unless that happens, you have chaos. We have great examples of that today in some of the former communist countries where there was no moral reference point outside the state. When the state fell away, there was rampant corruption in significant segments of the economy. There is now a market system of sorts, but there are many negatives to it because there is not the moral stability that supports truth, disclosure, and honesty. When the majority of

marketplace. There needs to be a greater appreciation on the part of ministers of what their parishioners are faced with on Monday morning. As ministers think about the relevancy of their sermons, I think there is some room for improvement in putting the message in the context of where people have to live every day.

R&L: *Consequently, what should ministers know about business and economics as they prepare their parishioners for Monday morning?*

Pollard: That is a huge question. I think some seminaries are beginning to think about what role this plays in their curriculum—and I do think it should play a role—and are inviting business men and women to share with seminarians some of the practical issues they have to face. For example, one of the issues I have to face as a Christian not only in the marketplace but also in an increasingly secular society is that as I talk to people about what I believe, I am finding that they do not share my frame of reference. If I use my church vocabulary, I do not communicate with them. So, I think it would be healthy for ministers and parishioners to talk about how to communicate to a secular culture. I suggest that part of that will be raising questions more than giving answers, going back to Paul's sermon on Mars Hill and the way he was able to raise fundamental questions with the Athenians. He, too, was dealing with a totally secularized culture, and he had to raise the questions.

In the long run, you are not going to have consistent production of quality products and services unless people see a mission beyond profit. People work for a cause, not just a living.


people are not expressing these moral attributes, the system becomes very destructive, even though goods and services are being bought and sold.

R&L: *Ministers' views of the business enterprise sometimes range from the moderately suspicious to the famously critical. Has this been your experience?*

Pollard: I do not know if I would characterize my experience with ministers exactly the way that you have described it. In fact, one of the founders of ServiceMaster left the ministry to start the business. I do think, though, that there is a misunderstanding or, better, a lack of understanding of the

R&L: *In your experience, what is the heart of Christian business ethics?*

Pollard: I think the heart of Christian business ethics would be the same as how I often answer the question of what I believe: I am a follower of Jesus Christ. In other words, it would be the

example of Jesus' life. So I continually ask what Jesus would do, and when I ask that question, it typically leads to disclosure. To put it another way, when I am dealing with a difficult ethical issue, I ask myself, *Can I stand up in front of one thousand people in ServiceMaster and explain my decision?* If I cannot be open about the decision, if I cannot disclose its rationale, it is not a right decision. In this way, disclosure is one of my standards in determining whether or not I have reached the right conclusion. 



“In the Meadow That Is Called Runnymede”

David W. Hall

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 (starting this issue with the Magna Carta), 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 John Adams in 1779 noted that one of the great virtues of the new American republic rested in the fact that it was “a government of laws, and not of men,” he was pointing to the venerable principle of the rule of law. By “rule of law,” I mean a regime largely refereed by legal and judicial procedures and where all citizens, including the ruling authorities, stand equal before and are all equally subject to the law. In our day, the rule of law has become so intertwined with Western political institutions as to become a truism, and, as with most truisms, it is largely taken for granted, its origins and developments remaining largely neglected. In the past thousand years of Western political history, the Magna Carta stands as the primary precedent for the rule of law. Historian Paul Johnson, reflecting on the Magna Carta’s significance, writes, “church and secular forces came together to force the crown itself ... for the first time to submit pub-

licly to the rule of law.” This signal event had lasting political significance for the West (and, later, for the world); in Winston Churchill’s words, “throughout the document it is implied that there is a law which is above the King and which even he must not break. This reaffirmation of a supreme law and its expression in a general charter is the great work of the Magna Carta; and this alone justifies the respect with which men have held it.”

This revolutionary advance against political monopolism occurred when British nobles forced King John to approve the document, south of Windsor on June 15, 1215, with his seal. Helen M. Cam noted in *Magna Carta—Event or Document?* at its 750th anniversary that “never before had a king of England been compelled to authenticate a document which, as he said, took the crown off his head and subjected him to five and twenty overkings. The event, without precedent, set a precedent.” Shortly after the coercion subsided, King John asked Pope Innocent III to revoke the charter (which he did on August 24, 1215), but when John died a year later, the nobles rapidly reissued similar versions of the original under the name of the young Henry III. Later, in exchange for permission to increase taxes, Henry, of his own volition, reissued a similar charter in 1225. This 1225 version sits at the head of the British statute roll. Since then, this agreement between the ruler and the ruled has been recognized as a pillar of free government. (Historians debate whether the Magna Carta should be dated at 1215 or at 1225. King Henry III’s charter of 1225 is the most frequently quoted in British constitutional history, although the original was, no doubt, the first attempt to articulate these liberties.)

To appreciate fully the Magna Carta’s significance, we need to understand how radical it was at the time and, then, to learn something of how long its shadow extended. Although revolutionary, it was not entirely novel, having predecessors in Western political thought. Still, most admit its unreversed advance, the test being its abiding validity nearly a millennium after its adoption.

A Pivotal Event for the West

The Magna Carta was a medieval catalogue of liberties,

rights, and safeguards from governmental intrusion. It did not arise, however, apart from convulsion. King John's heavy taxation led to mounting opposition, and several preliminary charters were drafted by leading clergymen. By Christmas of 1214, the barons and clergymen were united in opposition to John, but the revolution was stalled until Easter of 1215 by a promise from John to grant select concessions. After that time, civil war broke out, only to be calmed by the June 1215 accords.

Reflecting the medieval theology of its time, this document was a benchmark of civic liberties, rooted in the Christianity of the day. Although it is seldom admitted by modern secularists, medieval political theories were robust and fairly well developed. The charter addressed subjects ranging from inheritance laws to the payment of widows' debts, from fair standards of trade to judicial protocols. This signal event, rather than indicating the crudity of unenlightened people (clause 42 included an early form of open immigration policy, though clause 51 banished foreign knights and mercenaries), was a sign of maturity in political thought. Moreover, it was an example of the impact of Christian teaching on matters of government. It is not difficult to detect the religious fabric of the Magna Carta. Its preamble explicitly refers to the counsel of the clergy, including Stephen Langton, Arch-

bishop of Canterbury, and other bishops. Some experts believe that if the charter was not actually drafted by Archbishop Langton, he at least was the animating force behind it.

church was to have a prominent role in politics, and one clause even guaranteed that the King could summon archbishops, bishops, and abbots for counsel.

Beyond questions of the relationship between the church and the monarchy, the Magna Carta set forth a number of important principles of limited government. For example, trials were to be fair, fines were not to be levied for inconsequential matters, personal property was not to be confiscated without remuneration, taxes were to be raised only by "common counsel," and imprisonment was not to be allowed without "legal judgment of [one's] peers or by the laws of the land." Moreover, previous unjust fines or confiscation of property were to be remitted, and a representative council of twenty-five barons was created "for god and for the amendment of our kingdom."

This ground-breaking pinnacle of pre-modern thought did not create an international movement at first. What began as a council of twenty-five barons at Runnymede's meadow later expanded into a global movement supporting responsive and free government.

Puritan Appeals to Magna Carta

To underscore the dramatic advance of the Magna Carta, we can say that it was not so much customs that were guar-

anteed but human freedoms—a seismic shift in political presuppositions. Whereas earlier treaties focused on "dignities" or customs, the charter discussed liberties. To further ensure its longevity, the Magna Carta was reconfirmed and republished in many languages and on different occasions. It was even ordered to be read twice a year in cathedral churches in 1297 and renewed yearly at Easter in other parishes. Into the early seventeenth century, it had been reiterated so often that Puritan par-

liamentarian John Selden once argued against a 1628 resolution: "Magna Carta has been confirmed thirty-two or thirty-three times, and to have it confirmed thirty-four times I do not know what good it will do."

Puritans in seventeenth-century England would later appeal to the Magna Carta as part of their justification for the overthrow of the monarchy. Prior to this surge of Puritan political thought in England, medieval advances had set the stage for limited reform. In his *History of Political Theories from Luther to Montesquieu*, William Dunning argues that the propriety of councils to blunt the power of tyranny had become an acceptable notion by the Reformation. From the Magna Carta on, these political notions would dominate.

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— David W. Hall



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The Magna Carta begins with an overt religious affirmation ("John, by the Grace of God, King of England") and places the signers in impressive company for an eternal purpose: "We, in the presence of God, and for the salvation of our own soul, and the souls of all our ancestors ... to the honor of God, and the exaltation of the Holy Church and amendment of our Kingdom...." One of the first clauses granted freedom to the English church to elect its own leaders—a controversial idea for its day but one that later stood in the vanguard in other reformation movements. The free

Earlier, medieval constitutionalists had asserted that, as Dunning writes, “the king, while subject to no man, is always subject to law.” Notwithstanding, Dunning admits that such rights of Englishmen prior to the seventeenth century were neither well defined nor clearly expressed in constitutions. The period from these medieval constitutionalists to the seventeenth century saw halting strides toward popular sovereignty. Principled formulation for limited government, however, was not grounded in lasting theory nor accepted by the masses until after the Reformation.

A century after Calvin’s reformation in Geneva, many of his ideas—ideas that became part of the fabric of America—were further pioneered in London. Not only did the British Puritans introduce new ideas of ecclesiastical government, but they also permitted those views—ground-breaking for the time—to have an impact on their view of what the state could and should do. Toward the end of the Elizabethan period, the Puritans had convinced many people of the following notions:

Monarchy, if not in service of the populace, was not immune from reformation attempts; the church was its own lawful governmental sphere, and hence free from civil interference; neither the church nor the state was divinely mandated to possess absolute power—indeed, republican or federal structure was more conformable to God’s plans; the church was free to resist, oppose, or seek the deposition of ungodly rulers in some cases; and freedom of speech, assembly, and dissent was condoned and would soon expand into numerous segments of society.

British Puritan parliamentarians such as Selden (despite his above-cited exasperation with its persistent confirmations) not only referred to the Magna Carta frequently as a basis for parliamentary authority but also recognized such notions as habeas corpus (clause 40) and rights to trial by jury (clause 39) as rooted in it. Later, the Glorious Revolution enshrined the substance of the Magna Carta as a virtually sacred token, supporting republicanism and a broad range of civil rights. By the founding of America, it was political heresy to criticize the Magna Carta. Added to its guarantees, the rights to dissent and freedom to publish (aided considerably by revolutionary advances in printing technology and distribution) would blossom in England among its Puritans as much as anywhere. From England, these ideas were exported throughout the world and became the mortar of America’s foundation.

The Magna Carta in Pre-Revolutionary America

Many Americans appealed to the Magna Carta. William Penn referred to it in his 1687 *Excellent Privilege of Liberty*


and Property (it was also reiterated in the 1701 Pennsylvania Charter), and Increase and Cotton Mather often defended New England’s liberties as being rooted in the Magna Carta. This pulpiteering family claimed that “Christian liberties and all English liberties” were guaranteed by precedential documents, not by the changing whim of rulers.

By the late-1700s, the theological arguments explored by earlier theologians and broadcast by the Puritans were sounded, especially in America. Opposition to Britain’s monarchical claims arose from a largely Christianized people, who believed that real sovereignty belonged exclusively to God. Many could sound the “amen” to the 1775 comments by Harvard President Samuel Langdon before the congress

The Glorious Revolution enshrined the substance of the Magna Carta as a virtually sacred token, supporting republicanism and a broad range of civil rights.

of Massachusetts: “Thanks be to God that he has given us, as men, natural rights, independent on all human laws whatever, and that these rights are recognized by the grand charter of British liberties.”

The Great Charter’s Legacy

The rule of law and the idea that even the king is accountable to the same law as his subjects form one of the cornerstones of the free society and, as the history of the Magna Carta’s influence demonstrates, one of the primary bulwarks against tyranny. As Winston Churchill summarized in his *History of the English-Speaking Peoples*, “The Charter became in the process of time an enduring witness that the power of the Crown was not absolute.... And when in subsequent ages the State, swollen with its own authority, has attempted to ride roughshod over the rights or liberties of the subject it is to this doctrine that appeal has again and again been made, and never, as yet, without success.” Though the Magna Carta’s birth may have been inauspicious, the history of Western politics would have been far different—and far grimmer—had that principle not been, as King John concludes the Magna Carta, “given by our hand in the meadow that is called Runnymede, between Windsor and Staines, on the fifteenth day of June in the seventeenth year of our reign.” 

David W. Hall is a senior fellow at the Kuyper Institute in Oak Ridge, Tennessee, and the author of Savior or Servant? Putting Government in Its Place (Kuyper Institute) and The Arrogance of the Modern (Calvin Institute).

How Christianity Created Capitalism

Michael Novak

Capitalism, it is usually assumed, flowered around the same time as the Enlightenment—the eighteenth century—and, like the Enlightenment, entailed a diminution of organized religion. In fact, the Catholic Church of the Middle Ages was the main locus for the first flowerings of capitalism. Max Weber located the origin of capitalism in modern Protestant cities, but today’s historians find capitalism much earlier than that in rural areas, where monasteries, especially those of the Cistercians, began to rationalize economic life.

It was the church more than any other agency, writes historian Randall Collins, that put in place what Weber called the preconditions of capitalism: the rule of law and a bureaucracy for resolving disputes rationally; a specialized and mobile labor force; the institutional permanence that allows for transgenerational investment and sustained intellectual and physical efforts, together with the accumulation of long-term capital; and a zest for discovery, enterprise, wealth creation, and new undertakings.

The Protestant Ethic without Protestantism

The people of the high Middle Ages (1100–1300) were agog with wonder at great mechanical clocks, new forms of gears for windmills and water mills, improvements in wagons and carts, shoulder harnesses for beasts of burden, the ocean-going ship rudder, eyeglasses and magnifying glasses, iron smelting and ironwork, stone cutting, and new architectural principles. So many new types of machines were invented and put to use by 1300 that historian Jean Gimpel wrote a book in 1976 called *The Industrial Revolution of the Middle Ages*.

Without the growth of capitalism, however, such technological discoveries would have been idle novelties. They would seldom have been put in the hands of ordinary human beings through swift and easy exchange. They would not have been studied and rapidly copied and improved by eager competitors. All this was made possible by freedom for enterprise, markets, and competition—and that, in turn, was provided by the Catholic Church.

The church owned nearly a third of all the land of Europe. To administer those vast holdings, it established a con-

tinental-wide system of canon law that tied together multiple jurisdictions of empire, nation, barony, bishopric, religious order, chartered city, guild, confraternity, merchants, entrepreneurs, traders, et cetera. It also provided local and regional administrative bureaucracies of arbitrators, jurists, negotiators, and judges, along with an international language, “canon law Latin.”

Even the new emphasis on clerical celibacy played an important capitalist role. Its clean separation between office and person in the church broke the traditional tie between family and property that had been fostered by feudalism and its carefully plotted marriages. It also provided Europe with an extraordinarily highly motivated, literate, specialized, and mobile labor force.

The Cistercians, who eschewed the aristocratic and sedentary ways of the Benedictines and, consequently, broke farther away from feudalism, became famous as entrepreneurs. They mastered rational cost accounting, plowed all profits back into new ventures, and moved capital around from one venue to another, cutting losses where necessary, and pursuing new opportunities when feasible. They dominated iron production in central France and wool production (for export) in England. They were cheerful and energetic. “They had,” Collins writes, “the Protestant ethic without Protestantism.”

Being few in number, the Cistercians needed labor-saving devices. They were a great spur to technological development. Their monasteries “were the most economically effective units that had ever existed in Europe, and perhaps in the world, before that time,” Gimpel writes.

Thus, the high medieval church provided the conditions for F. A. Hayek’s famous “spontaneous order” of the market to emerge. This cannot happen in lawless and chaotic times; in order to function, capitalism requires rules that allow for predictable economic activity. Under such rules, if France needs wool, prosperity can accrue to the English shepherd who first increases his flock, systematizes his fleecers and combers, and improves the efficiency of his shipments.

In his 1991 Encyclical Letter *Centesimus Annus*, Pope John Paul II points out that the main cause of the wealth of

nations is knowledge, science, know-how, discovery—in today’s jargon, “human capital.” Literacy and study were the main engines of such medieval monasteries; human capital, moral and intellectual, was their primary economic advantage.

The pope also praises the modern corporation for developing within itself a model of relating the gifts of the individual to the common tasks of the firm. This ideal, too, we owe to the high medieval religious orders, not only the Benedictines and the Cistercians, but the Dominicans and Franciscans of the early thirteenth century.

Jump-Starting a Millennium of Progress

The new code of canon law at the time took care to enshrine as a legal principle that such communities, like cathedral chapters and monasteries before them, could act as legal individuals. As Collins points out, Pope Innocent IV thereby won the sobriquet “father of the modern learning of corporations.” In defending the rights of the new Franciscan and the Dominican communities against the secular clergy and lay professors at the University of Paris, Thomas Aquinas wrote one of the first defenses of the role of free associations in “civil society” and the inherent right of people to form corporations.

The Catholic Church’s role helped jump-start a millennium of impressive economic progress. In ad 1000, there were barely two hundred million people in the world, most of whom were living in desperate poverty, under various tyrannies, and subject to the unchecked ravages of disease and much civic disorder. Economic development has made possible the sustenance now of more than six billion people—at a vastly higher level than one thousand years ago, and with an average lifespan almost three times as long.

No other part of the world outside Europe (and its overseas offspring) has achieved so powerful and so sustained an economic performance, raised up so many of the poor into the middle class, inspired so many inventions, discoveries, and improvements for the easing of daily life, and brought so great a diminution of age-old plagues, diseases, and ailments.

The economic historian David Landes, who describes himself as an unbeliever, points out that the main factors in this great economic achievement of Western civilization are mainly religious:

- the joy in discovery that arises from each individual

being an *imago Dei* called to be a creator;

- the religious value attached to hard and good manual work;
- the theological separation of the Creator from the creature, such that nature is subordinated to man, not surrounded with taboos;
- the Jewish and Christian sense of linear, not cyclical, time and, therefore, of progress; and
- respect for the market.

Capitalism Infused with *Caritas*


As the world enters the third millennium, we may hope that the church, after some generations of loss of nerve, rediscovers its old confidence in the economic order. Few things would help more in raising up all the world’s poor out of poverty. The church could lead the way in setting forth a religious and moral vision worthy of a global world, in which all live under a universally recognizable rule of law, and every individual’s gifts are nourished for the good of all.

I believe this is what the pope has in mind when he speaks of a “civilization of love.” Capitalism must be infused by that humble gift of love called *caritas*, described by Dante as “the Love that moves the Sun and all the stars.” This is the love that holds families, associations, and nations together.



The high medieval church provided the conditions for F. A. Hayek’s famous “spontaneous order” of the market to emerge.

— *Michael Novak*

The current tendency of many to base the spirit of capitalism on sheer materialism is a certain road to economic decline. Honesty, trust, teamwork, and respect for the law are gifts of the spirit. They cannot be bought. 

Michael Novak holds the George Frederick Jewett Chair in Religion and Public Policy at the American Enterprise Institute. He is the author of many books, including, Tell Me Why: A Father Answers His Daughter’s Questions about God (Pocket Books), which he wrote with his daughter, Jana. This essay originally appeared in the December 23, 1999, Wall Street Journal, © Michael Novak, and is reprinted with his permission.

In Search of the Historian of Freedom

Ingrid A. Merikoski

The quality biographer provides a portrait of his subject that extends beyond a summary description of the events central to a life. The superb biographer examines an individual life in the context of the cultural and historical milieu in which his subject lived, remaining sensitive to the forces that shaped personal and intellectual development. This, in turn, lays a foundation for appreciating a historical figure's enduring legacy. In Roland Hill, Lord Acton has found a superb biographer.

In his new book, *Lord Acton*, Hill, a retired journalist who has written widely on Acton since the 1950s, uses extensive archival and print material to analyze the many facets of Acton's life in the context of the political and religious scene of nineteenth-century Great Britain. Hill explores Acton's family history, religious faith, intellectual endeavors, political activities, and media experience. Together, these facets form the fabric of a life committed above all to the search for truth, the encouragement of personal responsibility, and the promotion of liberty.

In an admirable introduction to Hill's book, Professor Sir Owen Chadwick, the distinguished authority on Acton and eventual successor to Acton as Regius Professor of Modern History at Cambridge University, points out that writing a biography about a polymath such as Acton is no easy task.

The sheer breadth and depth of Acton's surviving materials pose challenges from the outset. The best source of Acton's personal papers is an enormous collection of loose notes now housed in the Cambridge University Library. These are difficult to use confidently. Acton was a compulsive note taker and collector of interesting quotations, and his notes often do not distinguish between his thoughts and those of others. Acton's correspondence is housed in locations across Western Europe. Furthermore, Acton became involved in a divisive controversy in the Catholic Church during the late 1860s and early 1870s that influenced the extent to which his heirs permitted access to certain letters.

Despite his lifelong Roman Catholic piety, Acton challenged the doctrine of papal infallibility (prior to its promulgation) and the papacy's increasing temporal power during the Italian *Risorgimento*. He was deeply involved in the intellectual exchanges over this doctrine—so much so, that he anticipated receiving a formal rebuke from Rome. This did not happen. However, Acton's principal heirs, his children, who did not share their father's views on the papacy, were sensitive to his participation in the controversy. Therefore, some important letters from this period were not made avail-

able to scholars until the 1960s by Acton's granddaughter, Mia Woodruff.

Hill overcomes these challenges to offer readers the first full-length history of Acton's life. This is not an intellectual biography but a rich analysis of a sometimes enigmatic man whose preoccupation with the history of freedom underscored his manifold contributions to fostering liberty. Hill's discussion about the

Victorian English Catholic and Liberal political scenes places Acton in precisely the right context. Hill introduces readers to a variety of influences on Acton's thought at various stages in his life that contributed to the development of his classical liberalism rooted firmly in Christian belief. However, identifying an evolutionary pattern to the development of Acton's classical liberalism is challenging. Rather than pointing to a natural progression in Acton's mind, Hill sheds light on key phases of Acton's education and experience that were integral to his later thought, notably Acton's early schooling and "undergraduate" education, his travels in the United States, and changes in intellectual emphases that occurred when Acton reached his middle years. Before examining these, however, Hill introduces readers to Acton's extended family.

Complicated, Cosmopolitan, and Distinctive

John Emerich Edward Dalberg Acton, first Baron Acton of Aldenham and eighth Baronet Acton, was born in Naples in 1834, the only son of Sir Ferdinand Richard Acton by his

Lord Acton
by Roland Hill
Foreword by Owen Chadwick

Yale University Press
576 pp. Cloth: \$39.95

marriage to Marie Louise Pelline von Dalberg. The Dalberg family came second only to the imperial family in the ranks of German nobility. The Acton family history was complicated, cosmopolitan, and distinctive by the standards of Victorian England.

Hill begins by tracing a series of family events in the eighteenth century that led to the presence of a cadet branch of the Acton family in Naples, various members of which served the Royal House of the Kingdom of the Two Sicilies in political and military capacities. Lord Acton's grandfather, John Francis Edward Acton, became prime minister of Naples under King Ferdinand I. When the head of the Acton family in England, Sir Richard Acton, died without male issue, the title and property of the senior branch passed to Lord Acton's grandfather and eventually came to Lord Acton himself on the premature death of his father.

In 1840 Acton's widowed mother married Lord Levenson, the future Lord Granville and Liberal foreign secretary. This alliance brought the young Acton into early and intimate contact with leading members of the Whig-Liberal establishment, which was noted for its preference for political reform and parliamentary authority.

At age eight, "Johnny" Acton was sent to St. Mary's College, Oscott. When he completed his course at the age of fourteen, Acton was sent into what he described as "polar exile" in Edinburgh for two years of private tuition to prepare for entry to university. Acton's tutor, Dr. Henry Logan, a Scot and former vice president of St. Mary's, encouraged the family to take advantage of Edinburgh's reputation as one of the finest centers for secondary education in Great Britain. It was here that Logan first introduced Acton to the works of Edmund Burke and Thomas Babington Macaulay, both of whom influenced

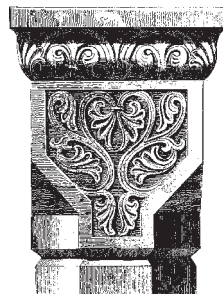
Acton's early thinking on problems of human freedom, the use of reason, and questions of historical methodology. Hill points out that although Acton was enriched by his Scottish sojourn, his three applications to various colleges at Cambridge University were rejected on the grounds of his Catholicism. Eventually, after much discussion between Acton's mother and his cousin in Munich, Acton was sent to study there with the church historian Ignaz von Döllinger. The leading German Catholic scholar of his day, Döllinger was in regular contact with John Henry Cardinal Newman and Bishop Nicholas Wiseman, former head of the English College in Rome.

Döllinger guided Acton through vast intellectual horizons

that formed the bedrock of his mature interest in history, theology, and philosophy, and Hill's penetrating examination of the relationship between tutor and student is one of the most intriguing parts of his book. Döllinger cultivated Acton's keen and observant mind, and for some time was as much a father figure to the young man as he was an instructor. Döllinger urged Acton to take advantage of the intellectual openness that pervaded Munich during the first half of the nineteenth century. Although Munich's university was backed by the resources of the state, a situation Döllinger disliked, lecturers enjoyed degrees of academic freedom. Acton's primary responsibility was to perfect his German in order to attend formal lectures, which he complemented with extensive reading across disciplines.

A Liberal of the English Burkean Sort

Döllinger introduced Acton to the works of François Fénelon and Jean-Baptiste Massillon, famous preachers at the courts of Louis XIV and Louis XV, whose sermons were emblematic of the French classical tradition that imparted truths of religion in elegant prose. Apparently, Döllinger did not inquire deeply into questions of personal religion. He was an enlightened conservative Catholic who dwelt on "folly and ignorance" as man's chief defects, the antidote to which



Acton believed that conscience was the font of freedom and that its claims upon the individual were superior to those of the state.

— Ingrid A. Merikoski

was a strong measure of duty and self-command.

On many travels together around Europe, Döllinger introduced his student to numerous intellectuals who also fostered Acton's liberalism. Chief among these was Baron Ferdinand Eckstein, the son of a German Jew born in Denmark who converted to Catholicism and settled in France after Napoleon's death. Eckstein believed passionately in the cause of civil and religious liberty. Like Döllinger, who was a member of the Ultramontane Party that called for church affairs to be controlled by church officials, Eckstein defended religious liberty against state absolutism and strongly advocated toleration.

Acton had ample opportunities to test his liberal beliefs

while still Dollinger's student. In 1853 Lord Granville arranged for his stepson to accompany Granville's cousin, the first Earl of Ellesmere, to the New York industrial exhibition. Ellesmere was a devotee of George Canning, who was a strong proponent of free trade in English political circles, and who discussed economics with his young protégé. Acton met many American luminaries, including the scholar-statesman Edward Everett, then secretary of state and former ambassador to the Court of Saint James; Henry Wadsworth Longfellow; and Archbishop John Joseph Hughes of New York. Acton admired American ingenuity but had little regard for its institutions of higher learning (which he considered inferior to those of Germany) or its standard of political debate. Nevertheless, he wrote, "My ideas will be set in order by this journey, and I shall have gained a great interest in the country." His hoped-for second visit to the United States never took place, but Hill points out that in later life Acton deepened his interest in American history, especially in the Civil War and the concept of democracy. (Like many in Great Britain, Acton supported the Confederate cause.) Acton came to believe that political freedom originated among the Quakers of Pennsylvania. In his last lecture at Cambridge as Regius Professor some fifty years later, Acton expressed his admiration for American federalism, which "has produced a community more powerful, more prosperous, more intelligent, and more free than any other which the world has seen."

Acton became, and essentially remained, a liberal of the English Burkean constitutional sort, supporting limited state intervention in education and trade. He searched for ways to

and moral critic who could be awesome in his black silences and whose style was almost too concise." Hill suggests that Acton's overly precise nature, combined with the fact that he was a slow writer, contributed to the fact that he published little in his lifetime, despite planning a series of masterworks including, "A History of Liberty."

Acton entered the House of Commons in 1859 as a member for the constituency of Carlow in Ireland. Hill pays close attention to Acton's friendship with William E. Gladstone and the Liberal establishment. Gladstone eventually rewarded Acton for his commitment to Liberal politics by offering him a peerage to which Acton was eventually elevated in 1869. Readers are given rare glimpses of Acton's sense of humor in Hill's accounts of his dealings with Queen Victoria, to whom Acton was appointed Lord-in-Waiting. The Queen, who shared the British establishment's traditional uncertainty about Catholics, was won over by Acton's loyalty, erudition, and continental sophistication. Acton was often able to assuage tension because of the strong personal regard in which so many of his peers held him, but he suffered profound feelings of intellectual and religious isolation that contributed to periods of immense frustration.

Matters of Moral Judgment and Human Action

Hill concludes that regardless of which activity concerned him at any given moment, Acton's thoughts always returned to matters of moral judgment and human action. The problems that puzzled him, Acton once told Gladstone's daughter, Mary, were "not in religion or politics so much as along the long wavy line between the two." Hill leaves the impression that as to the matter of a precise evolution to his classical liberalism, Acton perhaps deliberately kept his own counsel. He believed that each has to find his own way, and the sources that influence one may appear in random fashion.

Hill reminds us that Acton wrote more than two hundred definitions of liberty in his notes. We conclude with one of the most moving of them. In a lecture on the history of liberty to an audience of Shropshire farmers, Acton said,

By liberty I mean the assurance that every man shall be protected in doing what he believes his duty against the influence of authority and majorities, custom and opinion. The State is competent to assign duties and draw the line between good and evil only in its immediate sphere.... In ancient times the State absorbed authorities not its own, and intruded on the domain of personal freedom. In the Middle Ages it possessed too little authority, and suffered others to intrude. Modern States fall habitually into both

The problems that puzzled him, Acton once told Gladstone's daughter, were "not in religion or politics so much as along the long wavy line between the two."


combine scientific inquiry with religious truth to promote a wholeness of intellectual knowledge. Like Newman, Acton believed that religion and knowledge were not opposed to each other. As a religious man, Acton believed that conscience was the font of freedom and that its claims upon the individual were superior to those of the state. As a historian, Acton was motivated by the unique quest for moral truth in human experience. These core tenets did not change after Acton reached middle age; however, there was a shift of emphasis in him that Hill suggests divides the "early Acton" from the older man.

In his early years, Acton tended to be "diffuse and creatively discursive." Later, Acton became the "stern historian

excesses. The most certain test by which we judge whether a country is really free is the amount of security enjoyed by minorities. Liberty, by this definition, is the essential condition and guardian of religion.

Acton emphasized to his audience the importance of their native qualities of perseverance, moderation, and individuality, and upon his conclusion, received a standing ovation.

The portrait of Lord Acton that emerges from Hill's book

is that of great scholar and historian, deeply reserved but able to open his mind to a select group of friends and relatives. Hill advances our understanding of this defender of liberty, whose genius belied a sympathetic amiability. 

Ingrid A. Merikoski, Ph.D., is the editor of *Well Temper'd Eloquence* (a collection of the correspondence of David Hume) and a contributing editor to *Religion & Liberty*.

Capitalism, Democracy, and Ralph's Pretty Good Grocery

by John Mueller

Princeton University Press. 352 pp. Cloth: \$29.95

Review by Glenn Ellmers

John Mueller, political science professor at the University of Rochester, aims to show that capitalism works pretty well and does not deserve its bad reputation. Democracy, meanwhile, is not perfect and ought not be invested with longings for egalitarian utopia. Both are problematic but adequate (like "Ralph's Pretty Good Grocery" of Garrison Keillor's Lake Wobegon, where you can get what you need, though not everything you may want).

In support of these very modest propositions, Mueller has made a very modest contribution. The book is too intellectually thin to be of interest to the serious scholar; it seems intended for a popular audience. Yet, even as the prose is readable and mostly jargon-free, there is hardly a page that does not drag in some reference or citation. The notes, bibliography, and index fill eighty pages and include some four-hundred-plus authors and works. The effect, however, is not so much impressive as distracting.

The book might be called "wide-ranging," but it would be more accurate to say that it is all over the map. And because Mueller does not engage in a rigorous examination of any particular school of thought, the result is to distill everything to a lowest common denominator:

Aristotle once argued that "The happy man is one whose activity accords with perfect virtue and who is adequately furnished with external goods." Or in the words of a Slovak filmmaker, "It is better to be rich and healthy than poor and sick." Or, as Pearl Bailey put it even more succinctly, "I've been rich, and I've been poor, and rich is better."

To which this reviewer cannot help adding: "Or, as Mel

word for greed.


One of the book's central theses is that capitalism, far from being built on rapaciousness and deceit, works best under conditions of honesty and fair dealing. The virtues that make free markets work, however, are not really virtues at all; they are shrewd business tools, instrumentalities to the acquisition of wealth. "Capitalism encourages people in business to be honest, fair, civil, compassionate, and heroic, not because those qualities are valued for themselves, but because of ... greed." Now, one might argue that this is, in fact, true; and in certain places Mueller seems to say—following Aristotle—that through the *practice* of virtue, capitalism can help promote the *habit* of virtue. The author fails, though, to make the crucial next step. Nowhere does he suggest that this cultivation of morality is helpful because honesty and the virtues generally are worthwhile in their own right. Instead, morality is useful only because it facilitates capitalism. For Mueller, virtue remains merely instrumental.

Thus, he bristles at the notion that a market economy must be understood within a larger framework of the human good. In particular, he targets John Paul II, who defends private property and free enterprise while also warning against materialism and shallow consumerism. Roman Catholicism is caricatured as a "traditional enemy of capitalism." Mueller cites Saint Augustine as denouncing "money lust," which is fine, but even as he notes that it is "right up there with power lust and sex lust," he somehow fails to see that the emphasis is on the lust, not the money.

In contrast to his opinion of the church, Mueller professes to admire the American Constitution, but not because it seeks to “establish justice ... and secure the blessings of liberty.” The Constitution merely inhibits the governments from interfering with our “selfish instincts.” A low and simple thing, Mueller believes, and all we really need or should aspire to. In fact, the most bizarre part of this book is Mueller’s assertion that democracy requires hardly any effort at all. Indeed, he claims, “it can come about rather easily, almost by default, if leaders (1) happen to come to the conclusion that democracy is the way to go; and (2) put the institution into effect....” Oh, is that all?

In Mueller’s world, the Civil War (to take perhaps the most egregious example) was merely “the idea of abolishing slavery ... successfully promoted at a propitious time.” So much, apparently, for Abraham Lincoln, whose Gettysburg Address Mueller finds “overdramatic.” And for that matter, so much for Washington, Hamilton, Jefferson, and Madison,

who thought it both necessary and honorable to reflect on the problems of political justice, and who devoted their lives to the difficult tasks of first securing self-government, then making it work. The good professor assures us instead that liberty and constitutionalism are “not terribly difficult to institute or to maintain.” No need for us to “pledge our lives, our fortunes, and our sacred honor,” as the signers of the Declaration of Independence did. Anyone can “do” democracy.

Mueller is clearly well read, and not without sensible opinions. But the cheapening of virtue, and the contempt for political philosophy, civic spirit, and the challenges of statesmanship ultimately discredit what might have been a worthy attempt to defend and moderate the claims of self-government and free markets. 

Glenn Ellmers is director of research at the Claremont Institute in Claremont, California.

Book News

The Death of Adam:
Essays on Modern Thought
Marilynn Robinson
Houghton Mifflin Company
254 pp. Paperback: \$14.00

Robinson’s abiding concern in this set of ten fine essays, recently released in paperback, is the cultivation of civilization; in her words, “We must ... invest our care and hope in civilization, since to do otherwise risks repeating the terrible pattern of enmity against ourselves, which is truly the epitome and paradigm of all the living world’s most grievous sorrows.” For Robinson, the way to preserve civilization is through a renewed religious humanism—“that old romance of the self”—and this renewal should be brought about by looking anew at the long-neglected resources of our tradition. As Robinson writes, “In these essays I launched on what looks in retrospect to have been a campaign of revisionism, because contemporary discourse feels to me empty and false.”


Among the many who figure prominently in this campaign is John Calvin. Although Robinson finds Calvin crucial to understanding Western civilization, she thinks he has been largely neglected and misunderstood by modern thinkers. Calvin is, as she puts it, “a figure of the greatest histori-

cal consequence, especially for our culture, who is more or less entirely unread.... One does not read Calvin. One does not think of reading him.... Calvin seems to be neglected *on principle*....

It is such a good example of the oddness of our approach to history, and to knowledge more generally, that it bears looking into.” So Robinson looks into what Calvin wrote and thought, and finds his thought remarkably relevant as well as remarkably misunderstood by scholars who should know better, such as Ronald H. Bainton, Max Weber, and Lord Acton—all of whom Robinson takes to task for misrepresenting Calvin’s thought.

In sum, these essays display polished prose and bright thinking on the relationship between religion and society, and provide pleasant and profitable reading.

From Irenaeus to Grotius:
A Sourcebook in Christian Political Thought
Oliver O’Donovan and Joan Lockwood O’Donovan, editors
Wm. B. Eerdmans Publishing
xx + 838 pp. Hardcover: \$70.00

This ambitious volume traces the development of Christian political reflection from the second to the seventeenth century. By excerpting representative selections from over sixty-five authors (some here in English for the first time) introduced by competent essays, the editors have crafted a helpful resource for understanding the manifold ways the church has struggled with political questions. 

The Bedrock of Business Ethics



I studied ethics for years in seminary and represent a tradition that has done some serious thinking on the subject. Even so, what is called “ethics” in many business schools cannot be found in Saint Thomas Aquinas’s *Summa Theologica*. “Business ethics” as it is usually taught is not ethics in any traditional sense but an ideology committed to “social justice” and other fuzzy abstractions that, to my way of thinking, conflict with the Ten Commandments.

A few years ago, for example, Ben and Jerry’s Ice Cream announced that it was looking for a new CEO who would make only marginally more than the rest of the workers in the firm. Naturally, a problem emerged: No one competent applied. It turns out that if you want to hire a great manager, you have to bid the person away from other employment. To do so requires paying a market wage. Ben and Jerry’s surrendered to reality and increased the salary, which seems perfectly reasonable to everyone except the proponents of mainstream business ethics.

The more you look at such “business ethics,” the more you see how problematic the discipline is. So what should be the proper ethical foundation of business?


It is our common-sense understanding of right and wrong. There is no business ethics or social justice as such. There are only ethics and justice. Whether the notions are applied to individuals, families, governments, or societies, it is the application that changes, not the principle.

For example, a free market assigns property rights based on rules agreed upon by most religious traditions: Property that is acquired justly and owned lawfully cannot be stolen by private criminals or public authorities acting arbitrarily. If the property rights rest with the managers, employees, and stockholders, then the primary decision makers in how those rights are to be exercised (assuming no fraud or theft) are the owners, managers, and stockholders.

On the other hand, the implication of antitrust regulation is that all companies are ultimately owned by the state, which can choose to break them up or permit them freedom. Once you strip away all the jargon, you are left with this fact: Antitrust is a form of redistribution and confiscation of private property that has its genesis in the private interest of the competitors of a successful firm.

Ethics in the economic world ought to resemble ethics in the rest of life.

This puts antitrust regulation in a different moral category from other forms of law. The situation is as if we retold the Bible’s parable of the talents with the servants who buried or poorly invested their talents, suing the favored son for breaches in competitive etiquette. This “clobber my neighbor” behavior brings to mind a long-neglected vice: envy. Envy, the Roman Catholic Church teaches, is a graver sin than mere jealousy, for it involves more than desiring your neighbor’s goods. It implies a plot to harm your neighbor solely because he has something that you do not have.

Ethics in the economic world ought to resemble ethics in the rest of life. Does that mean that market competition is immune from moral hazards? No. It just means that regulators should not feed the green-eyed monster or institutionalize violations against the Ten Commandments. 

Rev. Robert A. Sirico is a Roman Catholic Priest and the president of the Acton Institute. This essay is adapted from the May 30, 2000, Investor’s Business Daily.

“To no one will we sell, to no one will we
refuse or delay, right or justice.”

—Magna Carta—