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The Human Dimension of the Business Enterprise



*François Michelin began working at his family's firm in 1951. He served there in various capacities before assuming in 1955 the responsibility of managing partner, from which he has recently retired. His achievements include promoting the development of the radial tire, which revolutionized the tire industry and established Compagnie Générale des Etablissements Michelin (CGEM) as a global company. This interview is adapted from the book, *And Why Not?*, forthcoming from Lexington Books.*

and the business receives money in return. The instrument that measures customer satisfaction is money. The market is the place where the consequences of a capitalist action are borne out, whether they are positive or negative.

R&L: *So the real character of capitalism is service.*

R&L: *Until the recent announcement of your retirement, you had worked at your family's company for over fifty years. In light of this experience, how have you come to understand capitalism?*

Michelin: Capitalism rests on an evaluation of the consequences of actions. One way or another, every action carries sanctions. For example, we are engaged in doing this interview together because we suppose—in all modesty—that we have a useful experience to communicate to people. The resulting work will be judged by the reader; its sanctions will come in the form of its success or failure.

The same principle is involved when we turn to the market. A business develops a product and makes an effort to find out whether this product has any bearing on the real needs of the customer. In effect, the ruling question is, “Does the shoe fit the customer’s foot?” The question is not, “Can we fit the customer’s foot to the shoe?”

If the shoe does, in fact, fit, the product enjoys good sales,

Michelin: Yes. You need a tire. I need to pay both wages and my shareholders. The money I receive serves many purposes. If you look beyond the short term of human life, the act of exchange is a process that is fundamental for the producer and the buyer. The market economy is the only one that works, because it truly brings people into a relationship with one another.

Our factory does not make tires; it makes objects that can be of help in transporting people who need to travel as cheaply and safely as possible while taking into account the existing technological means. The day we forget that we are manufacturing things that are oriented toward service as their end is the day that we make a possibly fatal mistake.

And, personally, I prefer to speak of the “economy of responsible choice” rather than the market economy, for the market is simply the place where choices are made.

R&L: *Could you expand on the phrase, “economy of responsible choice”?*

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Michelin: Human beings are the only self-teachable beings on the planet. In their hands they have the means to better themselves or to destroy themselves. In order to grow, they constantly have to weigh the consequences of their actions. Capitalism gives them this opportunity to be responsible.

The economic liberalism to which I subscribe establishes conditions of freedom that enable people to gather experience in circumstances that do not permit them to escape the resulting sanctions of their actions. It is the only system that leads to a betterment of the common good. “The common good is the set of means which are necessary to satisfy needs that are still unknown,” says Hayek, quite rightly. He adds that, at the heart of the market economy, every human being is in search of his happiness. This is the invisible hand. This vision of things is obviously diametrically opposed to the one espoused by the followers of philosophical liberalism, who reject any point of reference exterior to man.

R&L: *How do you distinguish between economic and philosophical liberalism?*

Michelin: A professor of history and geography once said to me, “Mr. Michelin, the terrible thing about capitalism is that it’s a natural phenomenon, not a creation of the spirit.”

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Note the logic of the phrase he uses: The terrible thing is that capitalism is a natural phenomenon! The rejection of any point of reference that is extrinsic to our own will, the rejection of any kind of judgment, a closing in on oneself and one’s own system of thought, a rejection of all transcendence—this is the very essence of philosophical liberalism. So one can do anything whatsoever without being subject to sanctions. And it degenerates rapidly with the usual results: dictatorship. Dictatorship consists of rejecting the rules of life in society in order to impose one’s own rules. It is a totally destructive system. In point of fact, however, the capacity for innovation and creation cannot find expression other than by reference to an objective “north star.”

When Pope John Paul II, for example, expresses his reservations about liberalism, he is attacking philosophical liberalism, not liberalism as the economists understand it. The two are utterly different. Philosophical liberalism rejects any kind of constraint and goes about refuting all notions of transcendence. The philosophical liberal thinks his navel is the center of the world. Instead of opening himself up to others, he closes in on himself like an oyster and considers himself God. Economic liberalism, on the other hand, is a system where people agree to live together in freedom and submit themselves to a common set of rules, which results in an economy based on the idea of contract—a social contract, as it were. In short, philosophical liberalism creates individuals who are closed in on themselves and contribute nothing to the community. Economic liberalism creates the conditions whereby individuals become persons who enter into relationships with others.

R&L: *To your way of thinking, what is the relationship between Christianity and capitalism?*

Michelin: To answer that question, we must first address the misunderstanding of capitalism propagated by Karl Marx. By artificially stressing the fundamental opposition between producers and consumers, between labor and capital, by arguing that one is stealing from the other, Marx completely overshadowed the human factor in the relationship, which binds men to one another by way of work and money. Thus he turned an act of service into grounds for conflict and stripped it of its meaning. This is what started state planning.

But, like a number of philosophers of his time, Marx mistook consequences for causes. He relates, for example, how struck he was when he noticed that financiers and industrialists always had the word *capital* on their lips. But what did he expect? The main concern of the captain of a ship is the hull of his boat, and that is what he talks about before he gets

around to talking about the rest of the boat. If there is a hole in the hull, the boat sinks. Capital is, for business, what the hull of a ship is for the sailor. The essential role of the capitalist consists of constantly seeing to it that the hull of the ship allows business to sail as far as possible without ever taking on water.

R&L: You mention that the human factor of capitalism tran-

scends the Marxist dialectic of producer and consumer and of labor and capital. How so?

Michelin: Why should there be a fight to the death between capital and labor? The two of them are as inseparable as the hand and the brain. Dialecticians are a pain, always on the lookout for division everywhere. Too much analysis kills life.


For example, one day, at the gate of the plant, I had the

Jean-Baptiste Say (1767–1832)

“Alas, how many have been persecuted for the wrong of having been right?”

Jean-Baptiste Say was inspired to write his *Treatise on Political Economy* when, working at a life insurance office, he read a copy of Adam Smith’s *Wealth of Nations*. His *Treatise*, often described as a popularization of Smith’s ideas, departed from the typical economics methodology of his day. This departure was based on Say’s conviction that the study of economics should start not with abstract mathematical and statistical analyses but with the real experience of the human person. Such a humanistic stress resulted in Say’s emphasis on the role of the entrepreneur in an economy. In fact, this emphasis was Say’s primary contribution to the field of economics.

Say was certain that the entrepreneur was “necessary for the setting in motion of every class of industry whatever; that is to say, the application of acquired knowledge to the creation of a product for human consumption.” Some provide land; others, capital; still others, labor. But only the entrepreneur—or the “master-agent,” as Say sometimes described him—can combine these factors to bring to market products that meet human needs and wants. Further, an entrepreneur “requires a combination of moral qualities,” such as “judgement, perseverance, and a knowledge of the world, as well as of business.” He must be a forecaster, project appraiser, and risk-taker. Finally, “in the course of such complex operations, there are abundance of obstacles to be surmounted, of anxieties to be repressed, of misfortunes to be repaired, and of expedients to be devised.” In short, the entrepreneur is the rare yet indispensable individual who actually makes the economy work.

While popular abroad, Say’s *Treatise* brought put him into conflict with Napoleon, who was furious at Say’s refusal to tone down his criticism of France’s disastrous fiscal policies. This run in with the French dictator soon forced Say to put his theory into practice. He was removed from the French government, and his book was suppressed. Undaunted, Say used the latest English technology to establish a cotton spinning plant, which became quite profitable for the ten years he owned it. Meanwhile, Say and his *Treatise* came to the attention of Thomas Jefferson and James Madison. Madison thought it the best book ever written about economics; Jefferson courted Say to be a professor of political economy at the new University of Virginia. It was not until 1814, with Napoleon exiled, that Say’s *Treatise* came back into print in France. Say himself was finally appointed to a professorship in economics, first at the Athénée, then at the Conservatoire des Arts et Metiers, and finally at the College de France, where he occupied France’s first chair in political economy. 



Sources: *A Treatise on Political Economy by Jean-Baptiste Say* (www.econlib.org/library/Say/sayT.html), and *Classical Economics by Murray N. Rothbard* (Edward Elgar, 1995).

opportunity to enter into a discussion with a union representative who was handing out pamphlets. I have forgotten his name, but I do remember that he had very blue eyes.

After an exchange of views that lasted at least twenty minutes, I asked him, “As far as you’re concerned, is an employer a worker?”

He replied immediately, “No, because an employer doesn’t have worker’s status!”

To define a man according to whether he has a certain status—what a strange way to look at life! He justified his answer to me by maintaining that a worker takes orders, something that is obviously not the case when it comes to an employer.

At that point I explained, “When automobile manufacturers, for example, refuse to buy our tires, aren’t they in effect ordering me to make products that are less expensive and of a higher quality? When my quality-control department rejects a certain raw material as inadequate, isn’t this also the same as my being ordered to go out and buy a better quality product that is easier to work with?”

In the end, when all was said and done, it turned out I was a worker too.

R&L: *What is your understanding of work?*

Michelin: This question was once put to a little girl. She answered, “To work is to build.” What does it mean to build? To give yourself a target that you want to reach. It is finding materials to build a house—or producing tires. You think that

suddenly by an idea that will allow you to improve the machines that you use to make tires.

You know, the Bible says that it is the mission of craftsmen to complete creation. Isn’t this marvelous?

R&L: *Do you think capitalism brings with it the threat of materialism?*

Michelin: The industrial, scientific world has put us in a position where we realize that comfort, good tires, and a nice car are not enough to nurture our souls. There you have it! The ultimate goal of economic and scientific development is to show us that there is something that transcends us. Bluntly put, we have come to realize that we have everything and that we are nothing, because we lack what is essential. “Let the splendor of the world teach you that you have been created for much more than this,” I remember reading somewhere. As Saint Augustine says, “Our hearts are made for You, O Lord, and they are restless until they rest in thee.”


But there is something else behind the word *capitalism*. You have men and women, and they have their own responsibilities and autonomy, which need to be defended constantly against the invasion of the state and society. When certain financial aspects of capitalism are criticized, what is being attacked, in fact, are the means necessary for the freedom of persons. Once again, the fundamental question is whether man is a subject or an object, whether society is for man or man for society, and whether we should opt for liberal capitalism or collectivism.

R&L: *You mention the crucial importance of freedom. To your way of thinking, what is the relationship between freedom and morality?*

Michelin: To live together, people need to respect each other. Freedom presupposes ethics, a morality—that is to say, a set of instructions

**You think that you are building a family or a company.
But, in the final analysis, it is yourself that you are building.**

you are building a family or a company. But, in the final analysis, it is yourself that you are building. In my own personal case, I believe I am working all the time. To work for a business is to always keep its objectives in mind, to assimilate anything that can help you clarify them, and to find the means to achieve them. It is also to ask yourself why things are the way they are. When you have properly understood the reason that things are what they are, you know how to make use of them. Reasoning by analogy is a marvelous tool. Quite often, different phenomena have something in common that connects them—an underlying, primary cause that allows you to understand a lot of things. You may merely be watching someone sweep the street, and you can be struck

that allows a definition of the code of behavior that should be adopted toward other people and with regard to oneself. You should not do to others what you would not want done to yourself. For this, you have to begin by arriving at an understanding of who you are. What is man? John Paul II says that man is the only being in creation whom God wanted for himself. The human being is unique. This is a marvelous thing, when you think of it. 

The Political *Is* Personal

John Bolt

The horrors of September 11, 2001, and their aftermath have so occupied our minds for the past nine months that the serious social pathologies of our urban centers have receded from our attention. The actions of a few terrorists somehow make even mugging, robbery, drug peddling, and inadequate education seem like minor troubles. These problems are not going away, however, and they may not be ignored.

The difficulty, of course, in dealing with issues such as poverty, crime, race, unemployment, and poor education is that there is no consensus as to what should be done about them. Though the continuum on which these issues rest is stretched hard, there are fundamentally two postures that can be described in a number of different ways. The two positions can be illustrated by imagining the following cocktail conversation:

A: “The solution to our social pathologies—poverty, crime, racism—is finally personal; individuals must take responsibility for themselves by acting responsibly.”

B: “There you go again with your individualism, ignoring the unjust structures that privilege some at the expense of others. Racism and poverty are systemic, not personal, defects. Personal change is not enough; we need political solutions as well.”

This conversation is contrived, to be sure, though the conflicting viewpoints represented in it are recognizable. The first, emphasizing personal responsibility and initiative, is a version of what is conventionally called the conservative position. The second, emphasizing corporate or institutional responsibility, characteristically goes by the label of progressive or liberal. The difference between them boils down to this: Do we fix social pathologies by changing individual persons or by implementing massive institutional change?

Though this debate is most often carried on in political contexts and though it concerns political choices, far more than politics alone is at stake. Politics is but one of the critical arenas in which a contemporary culture war is being waged. How do the previous labels—conservative and lib-

eral—fit the general cultural conflict? And, if they fit, do the labels portray a coherent cultural viewpoint?

One of the foremost observers of the contemporary culture wars, University of Virginia sociologist James Davison Hunter, speaks of two dominant cultural impulses, one toward orthodoxy and another toward progressivism. He understands both impulses as formal properties of a worldview and describes them in his book, *Culture Wars*, as follows: The impulse toward orthodoxy is “the commitment on the part of adherents to an external, definable, and transcendent authority”; the impulse toward progressivism is “the tendency to resymbolize historic faiths according to the prevailing assumptions of contemporary life.”

Hunter’s definitions point out an interesting problem with conventional labels. One would think that the orthodox impulse would align with the conservative political posture and the progressive impulse with the liberal. After all, liberalism or progressivism exalts the freedom of the individual and rejects external authority, does it not? Well, yes, in some instances but not in others. Notice how in our imaginary cocktail conversation above the *conservative* position champions individual, personal responsibility, while the *liberal* view sees individual persons limited by all sorts of external restraints.

Who Are We as Humans?

Labels are confusing, and all the more so today because a postmodern mindset is quite unconcerned about having a coherent and consistent worldview. But if the categories of liberal/progressive and orthodox/conservative are not entirely helpful, where do we go? What about this: Label both options as extreme and fix things by introducing a third way, usually a “moderate” approach that combines the best features of each extreme. The proponent of this third way can then arrogate to himself the moral high road by being a “moderate” situated between two extreme positions. What would the third voice in our imaginary conversation suggest? Perhaps add a little bit of government to a smidgen of personal responsibility so that one gets governmentally encouraged and funded programs to develop personal responsibility—a compassionate conservatism?

I am going to forego a third-way approach for several reasons. First, most third-way approaches are simply leftist answers masquerading as alternatives to themselves. But, more importantly, I am foregoing this approach because I am convinced that the question itself needs to be reframed. We need to start in a different place. Rather than placing state responsibility and personal initiative on a set of scales so as to arrive at an appropriately balanced equilibrium (How much personal? How much political?), we need to ask a prior anthropological question: Who are we as humans?

Why start with anthropology, with the nature of the human person? Because social problems are almost always linked to conflicts of values, and only human beings rise above purely instinctual behavior and are capable of making value judgments. Consider economic life and the social problem of poverty. Economics deals with exchanges between parties who assign value to that which they seek to exchange. Only human beings create wealth and can be said to be poor or rich, since poverty and wealth are values created by humans. While animals can share with humans the reality of deprivation and pangs of hunger, they cannot be said to be poor. Only humans can consider themselves poor; animals cannot. The theological reason for this, according to Jewish and Christian tradition alike, is that only human beings are

Stewardship, however, implies *use*—responsible use, to be sure, but use nonetheless. Unless we desire to have human beings foraging for their own food and firewood, we must *use* the resources of nature. Oil left in the ground heats no homes; fields unplowed, unplanted, or unharvested provide no food. Recognizing that the poor cannot escape material want without using creation's riches means that we should advocate policies that encourage such responsible use. Being an image bearer of God implies our active involvement in creative, stewardly use of the resources endowed by the Creator to his creation.

Not Only Individual But Also Social

This also means that we must regard the poor as image bearers of God and advocate policies and strategies that enable them to join other image bearers in being responsive and responsible members of society. The poor need property of their own for which they can be responsible and productive stewards. Strategies that merely redistribute the wealth produced by others and create levels of dependence violate the image of God in people. The poor need to be encouraged and, if need be, assisted to become active image bearers.

Thus far, it sounds as though my argument has simply provided a more elaborate justification for one of the poles in the debate to which I alluded at the beginning of this paper—namely, the conservative individualist position. To see why it is not, we must take our reflection on what it means to be human—to be an image bearer of God—one step further.

The Genesis account of Creation depicts humans as *social*, communal creatures—male and female. In addition, the entire human race is portrayed as descending from one original parent pair—Adam and Eve. Taken together,

these two elements in the Genesis Creation account make a powerful argument for universal human solidarity. *We are* our brothers' and sisters' keepers! The whole of scriptural teaching repeatedly reminds us that the rich have obligations of charity toward the poor (Lev. 19:10, 23:22; Deut. 15:11; Luke 4:18, 14:13; Acts 9:36; Gal. 2:10; James 2).

It is crucial that we see charity in a broad sociological perspective, not merely as a matter of individual generosity. Because charity is voluntary and potentially more personal than governmental welfare, the giving and receiving of charity builds bonds of community that cannot be created by nor incorporated into the state. Such voluntary association leads to the creation of networks of protective structures and insti-

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— *John Bolt*



made in the image of God, and only they have been given dominion—stewardship—over the rest of nature (Gen. 1:26–28).

Though our contemporary dominant cultural values—most notably, “environmental values”—are not friendly to notions of stewardship, we cannot deal with the social ills of our day without its exercise. The poor among us can be helped only if we use nature's riches to generate wealth. Here an important corrective to the attitude of many in the environmental movement must be made. Very often, environmentalists give the impression that proper stewardship of the earth's resources, such as the Alaska National Wildlife Reserve, is to leave it alone in its pristine “natural” condition.

tutions (what is now usually called civil society) that shield individuals from state encroachment on human liberty and the bonds of community.

Contrary to the conventional view that holds that charity is the strategy of a selfish and individualistic culture unwilling to pay its “fair share” of taxes to the federal government, totalitarian regimes are, in fact, the ones that cannot abide voluntary associations and active charity. According to that prescient nineteenth-century French observer of American mores, Alexis de Tocqueville, the American experiment is misrepresented when it is described as individualistic; it is, in fact, properly characterized as a form of associationalism. “Despotism, which in its nature is fearful, sees the most certain guarantee of its own duration in the isolation of men, and it ordinarily puts all its care into isolating them,” he wrote in *Democracy in America*. “There is no vice of the human heart that agrees with it as much as selfishness: a despot readily pardons the governed for not loving him, provided that they do not love each other.”

What is at stake here is the matter of liberty itself. In general, many people today arrogate unto themselves the moral high road by selling centralized governmental policies as compassionate, communitarian alternatives to what they call radical and selfish individualism. Hence “it takes a village” to raise a child, not a family, with the “village” often a non-threatening rhetorical sleight-of-hand to refer to the federal government. Here, too, the communitarian character of Scripture’s social concern in Israel and the early church is occasionally appealed to as a ground for the “village” argument.

Image Bearers in a Broken World


In response, it must be stressed that the communal character of both Israel’s and the church’s responsibility for the poor is rooted in a religiously framed covenant, not in a secular civil society. Secularization in the face of equality does not create voluntary associations and a strong civil society. Tocqueville saw that threat to liberty in the very democratizing process underway in America itself already in the 1830s. Conditions of equality tend to foster individualism, with the result that despotic centralizing state power begins to threaten local liberty. The founding of America, so Tocqueville believed, was rooted in a vision that exalted decentralizing governmental power: “Local liberties, then, which induce a great number of citizens to value the affection of their kindred and their neighbors, bring men constantly into contact, despite the instincts which separate them, and force them to help

one another.” The “good word” I have put in for charity is thus inseparably linked with a commitment to the responsible use of human liberty. Giving and receiving charity creates bonds of community. This the coercive arm of the state cannot do.

It is here in Tocqueville’s observations about associational life that we see a social vision transcending both individualism and statism. Each of these visions is rooted in a distinct anthropology. An individualism that forces people to fend for themselves fits hand in glove with a Social Darwinian anthropology where only the fittest survive. Collectivist visions parallel the Marxist notion that we must be liberated from alienating institutions and absorbed into the universal

According to Tocqueville, the American experiment is misrepresented when it is described as individualistic; it is, in fact, properly characterized as associationalism.

“new humanity.” The vision of humanity for which I am arguing sees human beings as image bearers of God in a sinful, broken world. Here all humans are called to be creative, responsible, and productive stewards of nature’s resources. The reality of brokenness means that some of our fellow human beings will, for a variety of reasons, be unable to join that human project. Our solidarity as fellow image bearers of the one Creator God must impel us to care compassionately for those who stumble along life’s pathway and to do so in ways that respect their dignity as image bearers.

A favorite slogan of the progressive Left in its various forms is “the personal is political.” This means that every personal and intimate aspect of social intercourse must be seen as a political act. Concretely, it means that all human actions must be placed in the service of the collective. All of life must be politicized. The anthropology I have sketched implies a much different vision. It suggests a depoliticizing of our civil society, a recovery of liberty, and a return to *voluntary* expressions of solidarity, to a rich associational world that does not measure every human act in terms of the gray, dreary uniformity of collectivism. The political is thus personal; our vision of politics is determined by our anthropology, by our view of the human person. 

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Thomas Jefferson and the Mammoth Cheese

Daniel L. Dreisbach

On New Year's Day, 1802, President Thomas Jefferson received a gift of mythic proportions. Amid great fanfare, a mammoth cheese was delivered to the White House by the itinerant Baptist preacher John Leland. It measured more than four feet in diameter, thirteen feet in circumference, and seventeen inches in height; once cured, it weighed 1,235 pounds.

The colossal cheese was made by the staunchly Republican, Baptist citizens of Cheshire, a small farming community in the Berkshire Hills of western Massachusetts. The religious dissenters created the cheese to commemorate Jefferson's long-standing devotion to religious liberty and to celebrate his recent electoral victory over Federalist rival John Adams.

At the time, the Federalist party dominated New England politics, and the Congregationalist church was legally established in Massachusetts. The cheese-makers were, thus, both a religious and a political minority subject to legal discrimination in Massachusetts.

The idea to make a giant cheese to celebrate Jefferson's election was announced from the pulpit by Leland and was enthusiastically endorsed by his congregation. Much preparation and material were required for such a monumental project. Organizers had to calculate the quantity of available milk and instruct housewives on how to prepare and season the curds. No ordinary cheese press could accommodate a cheese of such gargantuan dimensions, so a modified "cyder press" with a reinforced hoop was constructed.

On the morning of July 20, 1801, the devout Baptist families, in their finest Sunday frocks, turned out with pails of curds for a day of thanksgiving, hymn singing, and cheese pressing. The cheese was distilled from the single day's milk production of nine hundred or more "Republican" cows. (Because this was a gift for Mr. Jefferson, the new Republican president, the milk of "Federalist" cows was scrupulously excluded.)

The cheese was transported down the eastern seaboard by sloop and sleigh, arriving in the Federal City on the evening of December 29. (By the time it reached Baltimore, one wag reported, the ripening cheese, now nearly six months

removed from the cows, was strong enough to walk the remaining distance to Washington.) The "Mammoth Priest," as the press dubbed Leland, recounted that along the route he paused frequently to preach to "large congregations" of curious onlookers.

According to press accounts, Jefferson personally received the cheese on New Year's morning. Dressed in his customary black suit, he stood in the White House doorway, arms outstretched, eagerly awaiting the cheese's arrival. The gift was received with cordial expressions of gratitude and exuberant cheese-tasting. The cheese-makers heralded their creation as "the greatest cheese in America, for the greatest man in America."

Wall of Separation

On the same day, Jefferson penned a letter to a Baptist association in Danbury, Connecticut, in which he said that the First Amendment built "a wall of separation between church and state." In a carefully crafted missive, the president wrote:

Believing with you that religion is a matter which lies solely between Man & his God, that he owes account to none other for his faith or his worship, that the legitimate powers of government reach actions only, & not opinions, I contemplate with sovereign reverence that act of the whole American people which declared that *their* legislature should "make no law respecting an establishment of religion, or prohibiting the free exercise thereof," thus building a wall of separation between Church & State.

No phrase in American letters has had a more profound influence on church-state discourse and policy than Jefferson's "wall of separation." Although nowhere to be found in the U.S. Constitution, this trope is accepted by many Americans, including influential jurists, as a virtual rule of constitutional law and the organizing theme of church-state jurisprudence. "In the words of Jefferson," the Supreme Court famously declared in 1947, the First Amendment "erect[ed] 'a wall of separation' ... [that] must be kept high and impregnable. We could not approve the slightest breach." The metaphor, in

our time, has become the *locus classicus* of the notion that the First Amendment separated religion and the civil state, thereby mandating a strictly secular polity.

Jefferson was inaugurated as the third president of the United States on March 4, 1801, following one of the most bitterly contested elections in history. His religion, or the alleged lack thereof, was a critical issue in the campaign. The Federalists vilified him as an unreformed Jacobin and atheist. The campaign rhetoric was so vitriolic that, when news of Jefferson's election swept across the country, housewives in New England were seen burying family Bibles in their gardens or hiding them in wells because they fully expected the Holy Scriptures to be confiscated and burned by the new administration in Washington.

One pocket of support for the Jeffersonian Republicans in Federalist New England existed among the Baptists. The Danbury Baptist Association wrote to Jefferson on October 7, 1801, congratulating him on his election to the "chief Magistracy in the United States." They celebrated Jefferson's zealous advocacy for religious liberty and chastised those who criticized him "as an enemy of religion Law & good order because he will not, dares not assume the prerogative of Jehovah and make Laws to govern the Kingdom of Christ."

The Danbury Baptists, like the Cheshire cheesemongers, were outsiders—a beleaguered religious and political minority in a state where a Congregationalist-Federalist axis dominated political life. They were drawn to Jefferson's political cause because of his unflagging commitment to religious liberty.

Jefferson's missive was written not only to reassure pious Baptist constituents of his continuing commitment to their rights of conscience but also to strike back at the Congregationalist-Federalist establishment in Connecticut for shamelessly vilifying him as an "infidel" and "atheist" in the 1800 presidential campaign.

What the Wall Separates

Jefferson's "wall," according to conventional wisdom, represents a universal principle on the prudential and constitutional relationship between religion and the civil state. To the contrary, this "wall" had less to do with the separation between religion and *all* civil government than with the separation between federal and state governments on matters pertaining to religion. The "wall of separation" was a metaphoric construction of the U.S. Constitution's First Amendment, which Jefferson said imposed its restrictions on the

federal government only. In other words, the "wall" Jefferson constructed separated the federal regime on one side and state governments and religious authorities on the other.

Jefferson said that his response to the Danbury Baptists "furnishes an occasion too, which I have long wished to find, of saying why I do not proclaim fastings & thanksgivings, as my predecessors [Presidents Washington and Adams] did." The president was eager to address this topic because his Federalist foes had demanded religious proclamations and then smeared him as an enemy of religion when he declined to issue them.

President Jefferson's refusal to set aside days in the public calendar for national fasting and thanksgiving contrasted with his actions in Virginia, where he framed "A Bill for Appointing Days of Public Fasting and Thanksgiving" and, as governor in 1779, designated a day for "publick and solemn thanksgiving and prayer to Almighty God."

This apparent contradiction is reconciled in the Danbury letter. Jefferson firmly believed that the First Amendment, with its metaphoric "wall of separation," prohibited religious establishments by the federal government only. Addressing this same topic, Jefferson elsewhere relied on the Tenth Amendment, arguing that because "no power to prescribe any religious exercise ... has been delegated to the [federal]



No phrase in American letters has had a more profound influence on church-state discourse and policy than Jefferson's "wall of separation."

— Daniel L. Dreisbach

government, it must then rest with the states, as far as it can be in any human authority." (He also affirmed this principle in his second inaugural address.) Thus, as a matter of federalism, he thought it inappropriate for the nation's chief executive to proclaim days for religious observance; however, he acknowledged the authority of state officials to issue religious proclamations.

A Controversial Metaphor

After two centuries, Jefferson's trope remains controversial. The question bitterly debated is whether the "wall" illuminates or obfuscates the constitutional principles it metaphorically represents.

Proponents argue that the metaphor promotes private, voluntary religion and freedom of conscience in a secular polity. The “wall” graphically and concisely conveys the essence of the First Amendment, defenders say. It prevents religious establishments, discourages corrupting entanglements between governmental and ecclesiastical authorities, and avoids sectarian conflict among denominations competing for governmental favor and aid. An impenetrable barrier prohibits not only an ecclesiastical establishment but also all other forms of governmental assistance for religious objectives. A regime of strict separation, defenders insist, is the best, if not the only, way to promote religious liberty, especially the rights of religious minorities.

Opponents counter that the graphic metaphor has been a source of much mischief because it reconceptualizes—indeed, misconceptualizes—First Amendment principles. The First Amendment explicitly denies Congress the authority to make laws respecting an establishment of religion, whereas a “wall of separation” restricts the activities of religion, as well as the civil state. Jefferson’s trope emphasizes the *separation* between church and state, unlike the First Amendment, which speaks in terms of the non-establishment and free exercise of religion. (In the lexicon of 1802, the expansive concept of “separation” was distinct from the institutional concept of “non-establishment.”) The Baptists agitated for disestablishment and liberty of conscience, but they, like most Americans, did not want religious influences separated from public life and policy.

For this reason, Jefferson’s Baptist correspondents (like many pious citizens today) were apparently discomfited by the metaphor. They were alarmed by the erection of a wall that would separate religion from the public square. Few evangelical dissenters (Leland being an exception) challenged the widespread assumption of the age that republican government was dependant on a moral people and that morals were necessarily informed by the Christian religion.

The very nature of a wall further reconceptualizes First Amendment principles. A wall is a bilateral barrier that inhibits the activities of both the civil state and religion; this is in contrast to the First Amendment, which imposes restrictions on the civil state only. In short, a wall not only prevents the civil state from intruding on the religious domain but also prohibits religion from influencing the conduct of civil government. The various First Amendment guarantees, however, were entirely a check or restraint on civil government, specifically Congress. The free press guarantee, for example, was not written to protect the civil state from the press; rather, it was designed to protect a free and independent press from control by the federal government. Similarly, the religion provisions were added to the Constitution to protect religion

and religious institutions from interference by the federal government—not to protect the civil state from the influence of religion. Any construction of Jefferson’s wall that imposes restraints on entities other than civil government exceeds the limitations imposed by the First Amendment.

A “high and impregnable” wall inhibits religion’s ability to inform the public ethic and policy, deprives religious citizens of the civil liberty to participate in politics armed with ideas informed by their spiritual values, and infringes on the right of religious communities and institutions to define and extend their prophetic ministries into the public square. This wall, critics say, has been used to silence the religious voice in the marketplace of ideas and, in a form of religious apartheid, to segregate faith communities behind a restrictive barrier.

Two Symbols of Religious Liberty

The communications of two persecuted, minority communities coincidentally commanded President Jefferson’s attention on the same day. Both the Cheshire and the Danbury Baptists celebrated his election as the harbinger of a new dawn of religious liberty. Jefferson, in return, expressed solidarity with the Baptists in their aspirations for political acceptance and religious liberty.

Accounts vary as to what happened to the legendary cheese. A pungent remnant remained in the executive mansion for another two years or more where it was prominently displayed and served at Republican party functions. According to one graphic account, the decaying, maggot-infested remains were unceremoniously dumped into the Potomac River.

The mammoth cheese was, for a brief season, at once the most celebrated and most lampooned object in America, but it eventually faded from public memory as a symbol of the religious dissenters’ aspirations for religious liberty. The “wall of separation,” by contrast, represents an idea that was quietly introduced into American discourse and that, in the last two centuries, has become firmly rooted in political and legal thought. The wall stands as a defining image of the prudential and constitutional role of religion in the public arena. Serious consideration should be given to whether that wall accurately represents constitutional principles and usefully contributes to American democracy and civil society. 🍷

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Rising to the Challenge of Modern Capitalism (Or Not)

Marc D. Guerra

What is the relationship between Christianity and the modern world? Is the spirit of capitalism fundamentally incompatible with the requirements of charity that were first formulated in the New Testament? While these have always been important questions for Christians, they have taken on a renewed sense of urgency. The recent terrorist attacks on New York and Washington forcefully reminded Americans that they cannot escape the question of the relationship between God and politics. On that day, the most economically and politically successful of all modern states was attacked by men who claimed to be defending the integrity of the Islamic religion. Since then, many American Christians have begun to wonder how their religion relates to the economic and political arrangements that constitute a modern democracy such as the United States.

The new book, *Christianity Incorporated: How Big Business Is Buying the Church*, raises many important questions about the relationship of Christianity to the modern world. Michael Budde, a political economist, and Robert Brimlow, a philosophy professor, have written a highly readable, factually informative book; this attractive, slim volume can easily be read in one sitting. Combining political, economic, and theological analysis, the authors issue a timely warning: “Christianity shouldn’t be so naive to think that churches can imitate the corporate giants without risking some essentials of their faith and mission,” they write. “When [Christianity] lends its stories, symbols, and integrity to the corporate world, it always gets them back in need of some serious dry cleaning and repair.” Budde and Brimlow realize that their “gospel and church-centered analysis” of Christianity, capitalism, and liberal democracy is bound to “make people uncomfortable.” And, indeed, it will. Their book is replete with examples of how corporations currently use new-age, Christian spirituality to further their own fiscal gain and how both Protestant

and Catholic thinkers periodically have embraced the theories behind capitalist democracy too closely. Unfortunately, the “church-centered” economic and political analysis that Budde and Brimlow offer finally is not dialectical enough. Truth be told, their analysis cannot do justice either to the complexity of the fundamental religious and political questions their book raises or to the necessarily prudential responses that Christianity must give to these questions.

Protesting the Prostitution of the Gospel

Slightly more than half of this book details various instances of what the authors call “Christianity Incorporated in action.” In the first four chapters, Budde and Brimlow map out the “peculiar cross-dressing in which the church further internalizes the ideologies and practices of for-profit firms” while these same firms appropriate “Christian symbols, stories, and meaning structures” to further their own corporate advantage. The authors do a good job of showing just how widespread and lucrative so-called “corporate spirituality initiatives” have become. They shed a deservedly harsh light on Laurie

***Christianity Incorporated:
How Big Business Is Buying
the Church***

by Michael Budde
and Robert Brimlow

Brazos Press
208 pp. Hardcover: \$22.99

Beth Jones, the best-selling author of *Jesus CEO: Using Ancient Wisdom for Visionary Leadership*. For Jones, Jesus is not the Son of God who became flesh in order to ransom man from sin but, rather, a “practitioner” of a highly successful “Omega management style,” which, fortunately, “can be implemented by anyone who dares.” Jones parlayed the success of her 1995 best-seller into a virtual traveling salvation and commercialization show. She founded the Jesus CEO Foundation and continues to publish the *Jesus CEO News*—a publication with the motto, “Power You Can Use.” Such prostitution of the Gospel, the authors rightly note, “floods the culture with degraded forms of spiritual and religious engagement and cheapens whatever living religious traditions it ransacks.”

The problem with *Christianity Incorporated* begins when Budde and Brimlow move away from presenting social science-based analysis to considering the “intellectual and theological assumptions ... facilitating the subordination of the church to capitalist democracy.” (While Budde and Brimlow identify themselves as Roman Catholics, it is difficult to discern exactly what they mean by *church*.) Budde and Brimlow criticize documents such as the World Alliance of Reformed Churches’ “Justice for All Creation” and the United Church of Christ’s “Christian Faith and Economic Life,” but they reserve the bulk of their criticisms for the kind of cheerleading “chaplaincy church” that they feel is advocated by Pope John Paul II. Chapter five of *Christianity Incorporated*, unjustly titled, “John Locke in Ecclesial Drag? The Problem with *Centesimus Annus*,” revolves around the authors’ half-serious claim that “one might ... think that *Centesimus Annus* was promulgated not to celebrate the hundredth anniversary of *Rerum Novarum* but the three hundredth anniversary of [John Locke’s] *Second Treatise*.”

For Budde and Brimlow, John Paul’s encyclical does not offer a prudential defense of capitalism and liberal democracy, inspired, in part, by the palpable failure of communist totalitarianism. Rather, they remarkably argue that John Paul gives an account of the individual and his right to private ownership that “is virtually identical to that made by John Locke.” John Paul not only practically accepts the “theoretical basis” of Lockean liberalism but also comes dangerously close to subjugating the Gospel to the “American liberal, capitalist ideology.” But a careful reading of the encyclical makes these kinds of claims impossible to sustain. To take just three examples: *Centesimus Annus* repeatedly criticizes the “athe-

discipleship would help correct the now “too familiar” consequences of “neoliberal philosophy—abandonment of the poor, stagnant real wages, [and] rapidly increased levels of economic and political inequality.” Aside from the highly questionable empirical evidence behind this claim, it is important to see that Budde and Brimlow can make this claim only by downplaying the transcendent trajectory of the Sermon on the Mount. Christ, after all, blesses not simply the poor but also those who are “poor in spirit”; not simply those who hunger and thirst but also those who “hunger and thirst for righteousness.” Despite what the authors suggest, because the Sermon on the Mount is meant to fulfill, not abolish, the law, it does not easily translate into effective prescriptions for social and economic policy.

Christianity Incorporated finally fails because, in the name of preserving the integrity of Christian faith, its authors oversimplify the question of Christianity’s relationship to the social, political, and economic arrangements of the modern state. Whether one agrees with the prudential, theological accommodation that *Centesimus Annus* tries to forge with capitalist liberal democracy, one has to view the encyclical as a model of prudential Christian thinking. Such thinking appreciates the fact that the Incarnation calls Christianity to engage the world. But such engagement presents a particular challenge—a challenge that Budde and Brimlow do not fully appreciate. Christian theological reflection is called to speak to the world in a language that the world can understand; yet this does not mean that it should speak the exact same language as the world. The theological approach offered by John Paul in *Centesimus Annus*, contrary to what Budde and Brimlow claim, takes up this challenge. The encyclical presents prudential reflection on capitalist democracy that finally appeals to theological truth that transcends the limited categories of capitalism and democracy. John Paul’s success at meeting this theological challenge is, of

course, a question open to debate. That there are sound, theological reasons that this kind of challenge must be faced, however, is not.

Christianity Incorporated demonstrates that there are no easy solutions to Christianity’s relationship to the modern world. Its authors are right: A discussion of this important question should make both Christians and non-Christians uncomfortable. However, one has to think about this question far more seriously than this book does. ☹

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The Incarnation calls Christianity to engage the world, but such engagement presents a particular challenge.

ism” informing Lockean liberalism; it opposes philosophic liberalism’s “dehumanizing,” materialist account of human beings; and, in the name of Christianity, it insists on the universal destination of material goods.

The Question and How Not to Address It

Over and against the Lockean liberalism they detect in John Paul’s work, the authors offer a model of the “Church as *oikos*.” Drawing on the injunctions of the Sermon on the Mount, they sketch an “economics of discipleship,” an approach that embodies many of the “labor sharing” initiatives upheld by the Catholic Workers’ movement. By returning to the demands of “basic Christian charity,” the economics of

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Tracing the Matrix of Nationalism and Capitalism

Kevin Schmiesing

The debate over Max Weber's *Protestant Ethic and the Spirit of Capitalism* has "still not gone off the boil," wrote Anthony Giddens in 1976. It seems that Weber's striking thesis, a quarter of a century after Giddens's remark, has still not lost any of its steam, a fact manifested by its ability to provoke the thought and research of a scholar as able as Liah Greenfeld.

Greenfeld is, as Weber was, a sociologist, and she believes that Weber was correct in his contention that the predominance of a particular, collective ethic was (and remains) the decisive criterion in bringing about the material realities that can be described as the modern capitalist economy. She thinks that Weber was wrong, however, in identifying that societal ethic as Protestant theology. Instead, as she contends in *The Spirit of Capitalism* (a recent recipient of the the Historical Society's Donald Kagan Best Book in European History Prize), it is the spirit of nationalism.

Greenfeld argues that nationalism, "a unique form of social consciousness" that emerged in sixteenth-century England and gradually spread across the world,

is the key to explaining the rise of modern economies, defined as those economies that are oriented toward and experience sustained growth. She pits her thesis against economic determinism, of both Marxist and Western social scientific varieties. In her estimation, adherents of both approaches fail to grasp the central significance of nationalism because they are blinded by the assumption that the economic progress characteristic of modern economies is inevitable. Instead, economic modernization should be seen as dependent on the wide acceptance of a certain set of ideas (nationalism) that provides the impetus for economic growth.

Social scientists, she argues convincingly, have until now concentrated mostly on explaining how modern economies develop, detailing the conditions necessary for and attendant to the rise of an ever-expanding economy. Greenfeld, fol-

lowing Weber, seeks to explain why this development occurs at all. Weber asked the right question, she says, and the question led him to the sphere of human ideas and motivation. Subsequent observers, correctly critical of the connection that Weber drew between the Protestant ethic and the rise of capitalism, missed the forest for the trees. They failed to appreciate the broader theoretical significance of Weber's work—namely, his emphasis on the sphere of ideas to explain what was not an inexorable historical development: the rise of modern economies. Greenfeld's sweeping investigation across four centuries and six countries aims to demonstrate the singular and potent effect of the rise of national consciousness on economic life.

***The Spirit of Capitalism:
Nationalism
and Economic Growth***
by Liah Greenfeld

Harvard University Press
576 pp. Paperback: \$45.00

National Progress, Realized Economically

The story begins in Britain, whose rise to economic prominence in the seventeenth century is widely acknowledged. Greenfeld's unique interpretation of that rise, however, is that it was propelled not so much by the spread of a conventionally understood ethic of self-interest, as by the spread of the ideal of national

progress, realized economically. In other words, what wrought the transformation in England's economy was an intellectual transformation that led the English to identify self-interest with national economic vitality. A convincing example that Greenfeld adduces in this connection is the demise of the Hanseatic League, a fact that cannot be explained by the self-interest of English merchants who, on the basis of individual economic well-being, should have supported the continuation of the league.

Conveniently, there is an exceptional example that provides a negative proof for Greenfeld's thesis. The seventeenth-century Netherlands, she explains, possessed all the characteristics that conventional economists would attribute to a modern economy. The Dutch economy, however, stagnated in the latter half of the century, becoming disqualified

for status as an early example of a truly modern economy. What the Low Countries lacked, Greenfeld insists, was a national identity. Unlike their British counterparts, the Dutch merchant classes *were* solely self-interested, resulting in economic growth that could not be sustained.

Greenfeld addresses the rise of nationalism and its contribution to modern economies in France, Germany, Japan, and the United States, drawing the parallels necessary to demonstrate the validity of her thesis while carefully preserving the unique characteristics of each national situation. One of the assets of Greenfeld's thesis is that it posits a universal explanatory phenomenon (nationalism) for the rise of modern economies, but she parses nationalism in such a way that it can be applied to each national context without doing damage to the religious, cultural, and political uniqueness of those contexts.

As is often the case with broad, powerful theses, the obverse of this argument's strength is its weakness. It is necessary for Greenfeld to paint with broad strokes to accomplish her project, but it remains an open question as to whether those broad strokes conceal details that would undermine the argument. Experts in the history of each of the nations examined will need to determine the historical merits of Greenfeld's case. It may be the case that she has the general contours of those histories correct enough that her thesis maintains its plausibility. It is at least troubling, however, that her tendency is to call forth one major spokesman per nation who proceeds to articulate the spirit of the age. Ger-


explain, for instance, the successful economies of nations relatively untouched by Christianity (Japan being the most obvious example)? Greenfeld's blanket concept of nationalism, on the other hand, applies as well to Japan as it does to England.

One is not entirely satisfied, however, that this approach adequately addresses the role of religion. The reason for this dissatisfaction is that religion and nationalism are not completely unrelated. Greenfeld is not insensitive to the importance of religion. In fact, her treatment of the way in which nationalism builds upon and transforms religion, in both Western European and Asian contexts, is often insightful and thought-provoking. For instance, Greenfeld explains how the Japanese ethical system of *Shingaku* served as a link between traditional Buddhism and the nationalist ethic. Yet, ultimately, Greenfeld seems too accepting of the popular view that modernism equals secularism. Nationalism, in this respect, appears as secularization by another name, the process by which loyalties are transferred from the church to the state.

The relationships among religion, nationalism, and secularism may be more complicated than that, however. Historians and sociologists are continuously puzzled by the United States, generally accepted as the site simultaneously of an eminently modern economy and a welter of thriving religious bodies. How can this be, they ask, when the theories all imply that the marks of modernization such as republican governments and market economies ought to be accompanied by the decline of religious belief? This essay will not be

the first to suggest that perhaps the theories need to be modified. Greenfeld interprets the fact that nationalism was often suffused with religious meaning as a sign of the power of nationalism. It could be read, alternatively, as an indication of the power of religion.

The Spirit of Capitalism is a bold and important book. It provides a new per-

spective from which to view not only the history of the last four hundred years but also a host of theoretical debates that have troubled the social sciences since their beginning. While this essay has not ignored the problems of attempting such a broad, interdisciplinary project, Greenfeld is to be commended both for making the attempt and for placing human intelligence and action, rather than illusory iron laws of history, at the center of her story. 

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Greenfeld argues that nationalism, which emerged in sixteenth-century England and gradually spread across the world, is the key to explaining the rise of modern economies.

man romanticism was doubtlessly an important intellectual movement, but did it have the definitive impact on the collective German psyche that Greenfeld attributes to it? The book raises a hundred such questions.

Theories in Need of Modification

The book also raises important questions about the role of religion in history. Greenfeld presents a compelling case for her claim that nationalism is the decisive factor in creating a modern economy. The thesis circumvents the problem of those (including Weber and, in a different way, Michael Novak) who have argued that there is some close connection between modern capitalism and Christianity. How does one

What's Right for Labor




Monsignor George G. Higgins, who died at the age of eighty-six on May Day 2002, dedicated his social ministry to improving the lives of workers. A priest with a doctorate in labor economics, he was uniquely qualified to speak on behalf of Roman Catholic social teaching concerning the dignity of the worker. Father Higgins was also a passionate defender of religious liberty in the American tradition and was very influential in the Second Vatican Council's statement on behalf of human dignity and freedom. Yet he would be known by his concern for worker—thus the moniker, “the labor priest.”

In American parlance, being in favor of labor implies a strong support of labor unions. In the 1980s, before the collapse of communism, Father Higgins traveled to Poland to support the Solidarity movement, the main organizing body opposing the communist dictatorship. In this context, support for the labor union was consistent with supporting laborers generally. Under communism, all laborers were slaves of the state (not of capital, *per se*) and to champion their right to organize was to favor their freedom of association. It was different in the United States. Under a market economy, laborers are not slaves. Competition for labor requires firms to attract workers with the best pay and working conditions they are able to offer. The competitive engine of the market economy becomes the primary ally of workers. Labor unions, on the other hand, are not about individual choice; rather, they are about collective bargaining that assumes that private capital is the antagonist, not the friend, of labor.

The Catholic intellectual movement, which has traditionally backed organized labor, has never really understood the difference between labor under socialism and labor under the market economy. In the case of Msgr. Higgins, with whom I enjoyed spirited debate from time to time, his support for labor unions drew him into the controversial case of the California grape workers boycott of 1960, which he supported. It is true that the grape workers were in need of higher pay and benefits. It is also true that they enjoyed freedom of choice. The migrant workers did this seasonal work because it offered better terms than they could otherwise find. And these terms were available not because of the presence of union organizing but because of the free market for agricultural projects that made their labor valuable.

Business has a moral obligation to treat workers well.

To be sure, business has a moral obligation to treat workers well. The system under which this moral obligation is mostly likely to be fulfilled—because it makes the resources available and gives both workers and business owners the freedom to make contracts—is the free-market economy. The mere presence of a free-market system does not fulfill that moral obligation, but it does ensure that exchanges are made freely, without coercion, and to each party's mutual advantage.

Msgr. Higgins dedicated his life to guaranteeing the rights of workers and improving the conditions under which they fulfill their vocations in the workplace. His moral voice made a difference, not only when he championed workers' rights but also when he denounced unions for corruption, racism, and violence. Most fundamentally, he believed in the right of workers to the freedom of association. It is this right, operating within a democratic capitalist framework, that is achieving his aims. 

Rev. Robert A. Sirico is a Roman Catholic priest and the president of the Acton Institute. A longer version of this essay was recently published on National Review Online (www.nationalreview.com).

**“Neither the wisest constitution
nor the wisest laws will secure the liberty and
happiness of a people whose manners are
universally corrupt.”**

—Samuel Adams—