Inside this issue

Webb  Eric Metaxas’ golden triangle of freedom  •  Jacobse  Millennials should read Solzhenitsyn  •  Schmalhofer  What’s the state of American money?  •  Liberal Tradition  Jeremias Gotthelf  •  Sirico  Where are the leaders?

Servant leadership in a Louisiana kitchen
An Interview with Cheryl A. Bachelder
Editor’s Note

Questions about what makes a good or a bad leader dominate many conversations as we approach the 2016 presidential election. Real leadership happens all around us, not just in the Oval Office. As we pulled together the various pieces for this Summer 2016 issue of Religion & Liberty, the informal theme of leadership seemed to connect all the content. For the interview, I was able to sit down with the CEO of Popeyes Louisiana Kitchen, Cheryl Bachelder, to discuss her unique approach to leading the casual fried chicken corporation. Rev. Robert Sirico also addresses leadership in his column as he asks the question, Where are the leaders? He reflects on the legacies of Reagan, Thatcher and John Paul II, and contemplates the qualities that make for a truly great leader.


Rev. Johannes Jacobse, disappointed that so many millennials chose Bernie Sanders as their ideal political leader, argues in a new essay that this generation should read Solzhenitsyn. People, especially young men and women, are too ignorant when it comes to basic economics and the destruction that socialism ultimately causes.

For the final review, Stephen Schmalhofer examines George Gilder’s The Scandal of Money: Why Wall Street Recovers but the Economy Never Does. There’s plenty of misunderstanding when it comes to money policy, but Gilder’s new book helps clear a few things up. “Fortunately, we have George Gilder,” Schmalhofer argues, “to help us separate the signal from the noise.” Thinking, again, about servant leadership, this issue’s Double-Edged Sword highlights Mark 1 and the calling of several disciples. Christ called everyday and seemingly unimportant individuals to be his disciples, and “this fact reinforces the humility and importance of ordinary leaders in God’s church.”

You can expect some changes very soon at Acton.org. Kris Mauren explains why Acton is overhauling its website in the latest Acton Frequently Asked Question. In the Liberal Tradition summarizes the life and work of writer Jeremias Gotthelf, who is not widely known to English readers but is an influential author in his homeland of Switzerland. Gotthelf began writing on political topics for newspapers but eventually wrote novels and novellas that dealt with serious subjects, such as rural alcoholism, the need for education reform and the dangers of an overreaching secular state.

Editorial Board

Publisher: Rev. Robert A. Sirico
Executive Editor: John Couretas
Associate Editor: Sarah Stanley
Graphics Editor: Peter Ho

The Acton Institute for the Study of Religion and Liberty promotes a free society characterized by individual liberty and sustained by religious principles.

Letters and requests should be directed to: Religion & Liberty, Acton Institute, 98 E. Fulton Street, Grand Rapids, MI 49503. For archived issues or to subscribe, please visit www.acton.org/publicat/randl.

The views of the authors expressed in Religion & Liberty are not necessarily those of the Acton Institute.

© 2016 Acton Institute for the Study of Religion and Liberty.

Cover Photo: “Cheryl A. Bachelder” Photo courtesy of Popeyes Louisiana Kitchen.


Contents

Servant leadership in a Louisiana kitchen
An interview with Cheryl A. Bachelder .............................. 3

Eric Metaxas’ golden triangle of freedom
Sam Webb ........................................................................ 4

Millennials should read Solzhenitsyn
Rev. Johannes L. Jacobse ............................................... 6

What’s the state of American money?
Stephen Schmalhofer ...................................................... 8

Acton FAQ ...................................................................... 9

In the Liberal Tradition Jeremias Gotthelf ......................... 14

Column Rev. Robert A. Sirico ........................................... 15
Good leadership involves a lot more than ordering underlings around, and one prominent businesswoman, Cheryl A. Bachelder, has built her career on being a different sort of leader. In early June 2016 Bachelder discussed her views on leadership, business, faith and more with Religion & Liberty’s Sarah Stanley at the Popeyes’ headquarters in Atlanta, Georgia.

Bachelder has a long list of accomplishments. She’s currently the CEO of Popeyes Louisiana Kitchen, which she joined in November 2007 after serving as an active member of the company’s board for a year. At Popeyes, she promptly established a “Road Map for Results that focused on four key tenets of growing a restaurant chain: build a distinctive brand, run great restaurants, grow restaurant profits and ramp up new unit growth.”

Before joining Popeyes, Bachelder was president and chief concept officer for KFC Corporate, and before that she served as vice president of marketing and product development for Domino’s Pizza. Prior to her restaurant experience, Bachelder served as general manager of the LifeSavers Division of RJR Nabisco. Her early career years included brand management roles at Gillett and Procter & Gamble.

She is the author of Dare to Serve: How to Drive Superior Results by Serving Others (Berrett-Koehler 2015). Bachelder holds a Bachelor of Science degree in Business Administration and a Master of Business Administration in Finance and Marketing from the Kelley School of Business at Indiana University.

R&L: When you took over the helm of the troubled Popeyes organization, you worked hard to restore trust with franchisees, many of whom felt that they’d been let down by the company. How did you begin that process?

Cheryl A. Bachelder: Well, the company is 35 years old. So it’s been here a long time. A franchisee signs a 20-year contract to represent our brand, so it’s a very long-view investment for them and for their families. In the seven years prior to my arrival, they had met four different CEOs. There had been a lot of turnover in the role. And I was just another one. Their first look at me was, “Well, what’s so great about you?” It so quickly became evident that I had a lot of work to do to restore any kind of trust and credibility with them that would allow me to lead.

Trust always begins by one thing: listening. One of the other execs and I went on a seven-city listening tour. We had small group meetings with our franchise owners, our restaurant general managers and our customers. And we just took notes. It took us about three weeks to get to all seven cities and absorb all the feedback. But I think that’s the key—to not assume you know. And also that you never forget that the people closest to the business actually do know what’s going on. It’s a way to demonstrate respect, that their input’s valuable, and they do have some ideas they’d like to share about how to turn the business

continued on pg 10
In If You Can Keep It: The Forgotten Promise of American Liberty, author and public intellectual Eric Metaxas is concerned that the American people have forgotten the essence of our “more perfect union.” Metaxas is concerned that America today might not be worthy of future Memorial Day celebrations. He recalls in his introduction the story of Benjamin Franklin—the story that serves as the inspiration for the name of this book—who emerged from the Constitutional Convention one day and was asked whether the young country was a republic or a monarchy. Franklin replied, “A republic, madam—if you can keep it.” This is the point of the book: the American experiment is exceptional and must be kept for future generations. Metaxas writes, “Each of us who call ourselves Americans has a great duty to keep that promise [of America]—and if we don’t do our duty toward keeping that promise, our nation will soon cease to exist in any real sense.”

That main argument runs as a thread through the seven chapters of Metaxas’ book, which offers insight into the promise of America, a call to hold fast to the promise, while also casting a vision for a promising American future. Metaxas reminds the reader in Chapter 1 of the fundamental “idea of American liberty, which might also be called self-government.” This is the promise of America. To best keep the American promise, Metaxas prescribes that Americans “behold ourselves afresh” and perceive the strangeness of American liberty in political history.

Metaxas offers instructive insight in Chapter 1 when he contrasts the liberal and conservative misunderstandings of freedom. For the liberal, he writes, “American freedom is when freedom—or liberty—is confused with [moral] license.” For the conservative, however, the false hope is that an American understanding of liberty and self-government is the natural condition of humankind. Both of these are misunderstandings, Metaxas argues, because the liberal does not reckon with moral reality and the conservative understates the need for supporting structures of self-government.

Further, the inherited experiment of American liberty has “nothing to do with jingoism and nationalistic chest beating.”
contra current political zeitgeist, but rather all to do with the goodness of the people called Americans. Metaxas persuasively argues that self-government, American liberty, is not only a civil government concept, but is primarily a matter of personal ethic. “True freedom must be an ‘ordered freedom,’” and this ordered freedom grows from the bottom up, a culture to a government, rather than from the top down.

Metaxas offers a paradigm for thinking about the cultural milieu needed to sustain American liberty. In Chapter 2 he borrows a concept from the Christian public intellectual Os Guiness: The Golden Triangle of Freedom, or freedom, virtue and faith. This triad of cultural goods is mutually reinforcing. “Freedom requires virtue; virtue requires faith; faith requires freedom.”

In a secular age, the idea that freedom requires virtue and that virtue requires faith is not well-received. But the liberal misunderstanding of freedom—freedom to moral license—disintegrates the virtuous anchor of the Golden Triangle. A lack of virtue leads to a greater need for masters. Metaxas fills the pages of this book with quotes from America’s founders making this point, a point lost on the majority of Americans today.

To poke the bear even more, Metaxas argues that virtue requires faith, or more explicitly, religion. The root of virtue in a man’s life is his religion. Metaxas writes, “[Today], everyone seems to know that helping the poor is important … or that slavery is wrong, or that being good stewards of the environment is important, but what we have completely forgotten is that these ideals all stemmed from the Judeo-Christian tradition in the West. We seem to think that whatever virtues we do possess arose by themselves. History shows this to be false.” False, indeed. Humanity is incurably religious, and the religious context that spawned American liberty was specifically a Judeo-Christian context filled with its moral imperatives.

So, then, we come full triangle to freedom. Virtue and faith result in a self-governed people, a civil government constrained in its power because the people are governed by higher ideals and authority. Metaxas reminds us that faith and freedom are not bitter enemies, as thought in 18th-century France and 21st-century America. Central to American freedom is religious liberty.

Religious liberty, imperiled in various ways today, was the genius of the American founding. The founders recognized the federal government should not dictate dogma, but rather facilitate freedom of faith and practice. The civil government judges behavior, not beliefs. Religious liberty has facilitated a flurry of faith communities committed to their God, which serve to reinforce the virtue and freedom necessary for our thriving republic all these years. Religious liberty is the American first freedom. “We the people” must resolve to protect this freedom for the good of our collective American soul.

Metaxas turns in the middle section of the book to biography and storytelling. His prescription for the disease of a “forgotten promise of American liberty” is to venerate our heroes and remember our legacy. Specifically, he tells the story of George Whitefield, the 18th-century revivalist who became the first American celebrity. Whitefield was known for his theatrical and fiery sermons, attended by the likes of Benjamin Franklin. Whitefield was, in a sense, the midwife of the American Great Awakening that formed the cultural milieu of the American Revolution. Awakened Americans shared a common, imperfect virtue rooted in Christian faith that contributed to the development of civil freedoms.

Metaxas also highlights the necessity of moral leadership by examining the life of Abraham Lincoln, and interestingly, the British parliamentarian William Wilberforce. These men were marked, in different degrees and passion, by faith and virtue. We the people, according to Metaxas, must again require patient virtue, dignity and sacred honor of our elected leaders. He wants us to remember the virtuous leadership of these men as examples for how to keep the republic. I am curious how Metaxas reconciles this call for moral leadership with the current cast of candidates for president.

Overall, If You Can Keep It is a clear analysis of what made America great and what could keep her great. The mutual reinforcement of American freedom is the virtue and faith of the people. But, at times, the book ventures into a nostalgia that views the idea of America with such affection that the reality—and history—of America might get lost. Metaxas is, at times, given to hagiography and overgeneralizations. Remembering America as we wish will not make the country what it needs to be.

Metaxas’ diagnosis and warning belits the cultural moment, but I fear the prescription is lacking the moral heft necessary to, in fact, keep our great republic. If “we the people” are to pursue virtuous lives of faith inspired by our legacy and heroes to keep our republic, how can we cast votes en masse for presidential candidates decidedly opposed to virtue, faith and freedom? My concern is that our fractured republic is given more to socialistic liberalism and jingoistic nationalism than Metaxas allows.

But perhaps I am too pessimistic. One of the great virtues of this book is the Reagan-esque optimism, a hope for the future of the American republic that reverses its past and sees a promising future. To keep our republic, we need the spiritual revival of Whitefield, the leadership of Lincoln and the mass virtue of a bygone era. Do we see this on our horizon? Maybe not. But, then again, as Metaxas reminds us, the promise of America is our promise to keep—and we need to get to work.

Sam Webb is an attorney in Houston and studies at Reformed Theological Seminary. He also serves as an associate research fellow for the Ethics & Religious Liberty Commission of the Southern Baptist Convention.
The appeal of Bernie Sanders’ socialism is a puzzle to many; his appeal rises when economics is understood mechanistically, subject to impersonal forces and nefarious individuals. As a result, an economy can be directed only by the macro decisions of large and powerful entities like governments.

It is easy to appeal to free education, the eradication of poverty, and all the other promises made by those who don’t have any real experience in wealth creation. Most often their supporters don’t either, including millennials. We need to be patient with the ignorance of the young, but we should never acquiesce to it. Economics is not a mechanistic enterprise. Economics is closely tied to human anthropology—the precepts that define what a human is, how one produces artifacts first for survival and then for the building of culture, how one values nature and the principles applied to refashion matter into something new.

You can say that the presuppositions of economic theory draw from the anthropological dimension of human existence and not the other way around. This turns the common wisdom on its head, but historically the assertion finds support. Economics rightly understood then touches on deeper, transcendental truths. And, as the great Russian writer Alexander Solzhenitsyn taught, any discussion about materialism and transcendence must answer the fundamental question about whether the final touchstone of truth lies in or out of the human person. This determines how we comprehend the world around us and how we act in it. Here the materialist and traditionalist clash, and the first battleground is always language.

This point is often poorly understood by the traditionalist. For example, the word capitalism. The trap lies in the word itself. Capitalism sounds as bound to ideology as socialism is, albeit in different dress. It is perceived as a competing materialist economic theory. As a result, the shallow moral justifications of the socialist win the day, and the real and necessary connection between free markets and human flourishing is never comprehended.

The sad reality is that capitalist abuses abound. Such abuses should not be defended, but using the terms implicitly defends them.

It is difficult to rebut the shallow moral appeals of the socialist. These moral arguments appeal to the young because they are inexperienced. Who can be against the eradication of poverty? This ignorance is aided and abetted by the tenured class who presume their paychecks appear as a divine right and conclude that the greedy withhold the largess from others.

An article in the Washington Post titled “A majority of millennials now reject capitalism, poll shows” provides some insights. The article’s author, Max Ehrenfreund, says that millennials see capitalism as crony capitalism. Unfortunately, Ehrenfreund collapses the term “free market” into “capitalist,” thereby subsuming human flourishing into the same materialist worldview as the people he writes about.

Human flourishing is an anthropological issue, but if materialism holds the day, the density of economic ignorance will intensify. Christopher Ingraham took a cursory look at the reading lists of Ivy League universities in “What Ivy league students are reading that you aren’t.” Conspicuously absent are the books that examine economics from the anthropological viewpoint. Universities should add to their reading list books such as Friedrich A. Hayek’s The Road to Serfdom, which rightly perceives socialism as an enslavement of the soul.

Ignorance is alleviated by knowledge. Plato speaks of phronesis, a type of knowledge related to how to act and think in ways related to virtue, a moral understanding that penetrates deeper than immediate practicality. These concepts reach deep but appeal to a near universal yearning to comprehend things beyond their immediate appearance. This yearning is the reason the banal moral appeals and shallow criticisms of the socialist are so powerful to the inexperienced young and their poorly educated elders. Critics of socialist ideologues can fault the shallow moralism that putatively justifies the soul-crushing bondage of slavery to the state. However, until they recognize and employ the
moral dimension of economics in ways that comport to real experience, they simply will not be heard or comprehended.

Solzhenitsyn writes, “Socialism of any type leads to the destruction of the human spirit.” That premise, that truth, that touchstone, breaks the shackles that define economics as solely a materialist enterprise. It warns of the nascent totalitarianism lurking in the heart of socialism. It opens history, the real experience of real men as judges of the moral claims that hold the imagination of the socialist in paralytic thrall and seduces the inexperienced and uneducated.

Moral claims, then, are important—a point the socialist implicitly understands, but the free marketer/capitalist often overlooks. Stories must be told that deal with the real experiences of real people. The publication of Solzhenitsyn’s Gulags decimated the Marxist intellectual establishment of Western Europe. Socialism destroys the soul and nation. Stories revealing that destruction can penetrate seduction and lies. As Solzhenitsyn puts it, “One word of truth outweighs the world.”

Closer-to-home moral arguments could be marshaled in events such as the collapse of Venezuela, where a once-thriving culture has been brought to its knees by socialist doctrine.

One impediment stands in the way of the needed clarity. If the defender of free markets does not comprehend the need for a transcendent touchstone, if they believe that human flourishing will simply emerge as a functioning of free agents left unfettered, then they are constricted in the same way as the materialist and will fail. Economic freedom is predicated on more than “self-interest.” It comes only when we see that our neighbor’s flourishing is also our own.

Rev. Johannes L. Jacobse is a priest at St. Peter the Apostle Orthodox Church in Bonita Springs, Florida, and president of the American Orthodox Institute.

Double-Edged Sword: The Power of the Word

Mark 1:16–20

As Jesus walked beside the Sea of Galilee, he saw Simon and his brother Andrew casting a net into the lake, for they were fishermen. “Come, follow me,” Jesus said, “and I will send you out to fish for people.” At once they left their nets and followed him.

When he had gone a little farther, he saw James son of Zebedee and his brother John in a boat, preparing their nets. Without delay he called them, and they left their father Zebedee in the boat with the hired men and followed him.

This dramatic call of some of the most notable disciples shows that the ministry of Christ is chiefly concerned about drawing people unto himself. The incarnate Lord is a central theme of Christianity. The text highlights that following Jesus is an immediate and dramatic life-changing experience. The disciples are called to leave their former lives behind in what readers of Scripture know will require great cost but will result in eternal transformations.

Simon Peter, for example, shows great boldness for Christ in the book of Acts, though he once denied the Lord and cowered in fear for his life. Again, the call of Christ results in dramatic transformation. For the disciples, following Jesus required a physical following that tested their resolve and spirit, but the deeper following of the heart and mind that was required for them would be revealed by and in Christ.

Christ called seemingly ordinary people to be his disciples. They were not well-connected influencers, nor did they hold important government positions. This fact reinforces the humility and importance of ordinary leaders in God’s church and the world. The repercussions of the gospel eventually play a critical role in uplifting humanity to accomplish great things for the kingdom of God, as well as for human freedom.

All followers of Christ are called to bring people to him. This is an important element of the story. Sadly, this is somehow even missed by many ministers today who often concern themselves with more trivial matters of the world before the Great Commission.

The disciples here were called out of the world they were most familiar with to a very public ministry. This is important for us to hear today, especially as our own Western world becomes more secularized and hostile to the teachings of Christ. Many Churches today are insular and focus only on current members or a worship and witness invisible to outsiders. Christ, though, is calling the disciples to a bold and public ministry that proclaims the coming good news and kingdom of God. It’s a powerful reminder to place nothing above Christ and the work he calls us to do.
What’s the state of American money?
By Stephen Schmalhofer


Citizens of the world’s superpower are worried about the future. Polls of public sentiment indicate that Americans are pessimistic about their opportunities for prosperity, concerned that the next generation will not enjoy an improving quality of life, and more. This anxiety is reflected in the current presidential primary season. Hillary Clinton unimaginatively offers to manage the decline. Donald Trump offers himself unfiltered for public service, yet his strongman act seems better placed in the darker decades of the last century rather than the new challenges presented in the 21st.

By the end of the 20th century, communism proved to be the god that failed, defeated by a resurgent American resolve backed by an extraordinary new capacity for production and invention. Now Ronald Reagan’s most quoted living author returns to smash another idol: the voodoo economics practiced by those who try to conjure growth, boost employment and create cosmic justice from the office buildings of Washington. In his latest book, free-range thinker George Gilder exposes The Scandal of Money: Why Wall Street Recovers but the Economy Never Does.

To the ideas of the supply-side revolution he helped to launch during the Reagan boom, Gilder has added in the intervening decades the insights of Claude Shannon’s information theory. A monetary Marshall McLuhan, he argues that money is the medium, but the message has been lost. Unafraid to critique his own, Gilder sees a Republican Party frozen in tax-rate tinkering. An equal opportunity critic, he rejects both Ayn Rand and Karl Marx. Man is not homo economicus—a wind-up, utility-maximizing machine—but rather he is active, and his creative intelligence points to his Creator.

Instead of macroeconomic master planning, Gilder presents a new view of money based on the synthesis of supply-side economics and information theory introduced in his book Knowledge and Power. “In an information economy, growth springs not from power but from knowledge.” More than just a financial calculation, the time value of money is a message from the future. This future creativity always is a surprise, frustrating central planners with its disorderly experimentation. To measure the success or failure of these experiments, the economy requires an accurate meter of value.

Unfortunately, these valuable signals of human flourishing are being lost in the noise created by the Federal Reserve. In his latest book, free-range thinker George Gilder exposes The Scandal of Money: Why Wall Street Recovers but the Economy Never Does.

Perhaps the only futurist worthy of that grandiloquent title, Gilder draws on a lifetime of insights into entrepreneurship and innovation to consider the problems caused by the present state of American money. Generously sharing his pages with the best underappreciated thinkers, like 20th-century French economist Jacques Rueff, and introducing relevant innovations in information technology, Gilder considers possible ownership society end with individuals eating their seed corn in the form of home equity loans and second mortgages? How can our government honor commitments to Americans in old age and disability when mountains of debt zero out our future?

“Cash for Clunkers” was easily mocked, but less amusing is the attempt to run the entire economy on the principles of that failed program. Imagining that consumption, not production, drives our economy, politicians pass stimulus packages that drag assets into the present, bidding up current prices, and celebrating this paper wealth earned without satisfying human needs and wants. “How did we change from a nation of frontiersmen to flash boys?” Our monetary failures have enriched Wall Street in a hypertrophy of finance. Gilder points out that “[w]ith no global standard of value, currency trading became the world’s largest and most useless enterprise, accounting for more than a quadrillion dollars in transactions every year.” Instead of venturing into the unknown, our top technical talent is absorbed in a backward-looking battle for micro-arbitrage.

By the end of the 20th century, communism proved to be the god that failed, defeated by a resurgent American resolve backed by an extraordinary new capacity for production and invention. Now Ronald Reagan’s most quoted living author returns to smash another idol: the voodoo economics practiced by those who try to conjure growth, boost employment and create cosmic justice from the office buildings of Washington. In his latest book, free-range thinker George Gilder exposes The Scandal of Money: Why Wall Street Recovers but the Economy Never Does. After the success of the Reagan boom, Gilder has added in the intervening decades the insights of Claude Shannon’s information theory. A monetary Marshall McLuhan, he argues that money is the medium, but the message has been lost. Unafraid to critique his own, Gilder sees a Republican Party frozen in tax-rate tinkering. An equal opportunity critic, he rejects both Ayn Rand and Karl Marx. Man is not homo economicus—a wind-up, utility-maximizing machine—but rather he is active, and his creative intelligence points to his Creator.

Instead of macroeconomic master planning, Gilder presents a new view of money based on the synthesis of supply-side economics and information theory introduced in his book Knowledge and Power. “In an information economy, growth springs not from power but from knowledge.” More than just a financial calculation, the time value of money is a message from the future. This future creativity always is a surprise, frustrating central planners with its disorderly experimentation. To measure the success or failure of these experiments, the economy requires an accurate meter of value.

Unfortunately, these valuable signals of human flourishing are being lost in the noise created by the Federal Reserve. Targeting statistical aggregates, these experts remain pretentiously convinced that they, not the free decisions of individuals, determine the effective money supply. The author of Men and Marriage doubts how American families can look to the future when their horizon is narrowed to the present. How can we resist consumerism when interest rates tell us that the opportunity cost of our consumption today is zero? How did President George W. Bush’s call for an ownership society end with individuals eating their seed corn in the form of home equity loans and second mortgages? How can our government honor commitments to Americans in old age and disability when mountains of debt zero out our future?

“Cash for Clunkers” was easily mocked, but less amusing is the attempt to run the entire economy on the principles of that failed program. Imagining that consumption, not production, drives our economy, politicians pass stimulus packages that drag assets into the present, bidding up current prices, and celebrating this paper wealth earned without satisfying human needs and wants. “How did we change from a nation of frontiersmen to flash boys?” Our monetary failures have enriched Wall Street in a hypertrophy of finance. Gilder points out that “[w]ith no global standard of value, currency trading became the world’s largest and most useless enterprise, accounting for more than a quadrillion dollars in transactions every year.” Instead of venturing into the unknown, our top technical talent is absorbed in a backward-looking battle for micro-arbitrage.
Why is Acton overhauling its website?

Not all construction projects involve bricks and mortar. The Acton Institute has been engaged in a major technical upgrade and redesign of its main site, Acton.org. The drivers for this project begin with our record web traffic of 2 million visitors in 2015. Beyond that, upgrading the web publishing system—the actual tool that allows us to publish articles, videos and event registration—provides the latest data security for users.

What’s more, Acton has seen its mobile traffic outpace even the tremendous growth of worldwide usage. As an international research and educational organization with broad appeal on markets and morality issues, we have a tremendous following in developing nations.

We began this process in mid-2015 with a deep study of how Acton.org users interact with our site, which now numbers more than 4,000 unique pages. A team comprised of Acton staff and outside developers and designers interviewed users, studied their feedback and went over all of the key sections with an eye for major improvements.

When we launch the site later this year, we’ll have a platform that showcases the content from our experts in a much more engaging, easy-to-use way. Navigation will be simplified, and the pages will have a brighter, more graphical look.

Back in 2011 Marc Andreessen wrote an op-ed in the Wall Street Journal to explain “why software is eating the world.” Andreessen, the founder of Netscape and now a prominent venture capitalist, predicted that many industries would “be disrupted by software, with new world-beating Silicon Valley companies doing the disruption in more cases than not.”

If that’s true in industry, it’s certainly true in the War of Ideas. As a think tank, Acton relies on a robust and user-friendly digital capability. It’s the focal point of all communications. With a new and improved website, we’ll be able to get our work to an even larger global audience.

Kris Alan Mauren
Executive Director

Stephen Schmalhofer writes from New York City, where he works in technology and venture capital. He is a graduate of Yale University. He invites responses from readers at stephenschmalhofer.com.
around. So we collected all that input and those ideas, and that’s where we began to form a thesis about our business plan, where we should put our attention, what needed to change in what order.

We created the Roadmap for Results, a one-page summary of the goals and strategies we would pursue to turn the company around. But we didn’t just start doing it. We went back on the road and did town hall meetings in multiple cities to give people a chance to look at our thinking and to test it and say, “Does that ring true? Is that what you were trying to tell us? Is that a plan you could be excited about?”

In your book, Dare to Serve: How to Create Superior Results by Serving Others, you talk a lot about solving problems and managing with a fact-based approach. It’s been said that not everything one measures is important and not everything important can be measured. Do metrics have a limit to their usefulness in managing a large corporation?

I suppose you can measure too much and confuse the organization by having so many measures that nobody knows what’s important. But in our company we’ve typically focused on four to six measures. We evaluate all of our restaurants and our company performance on the same measures year after year. And now people understand that if we do those things well, they deliver sustained performance. And so they’ve become real guideposts. We just set new bold goals for our investors, and we announced that at our last investor call earlier this year. We said, “It’s time to stretch again and go farther faster.” We have a saying that one of our operations team members created that says you move what you measure. And we haven’t found a way to improve ourselves without a measure.

It’s a marker. It’s feedback. It tells you whether you’re going forward or going backwards. And so we are incredibly focused on measuring the things we think are important to move.

With a lot of political momentum behind the push for minimum wage hikes, which is happening in Seattle right now, for example, how will Popeyes cope with these mandated costs? How much can be automated?

Well, you’re right that the cost of wages is probably the single pressing issue on a restaurant operator today. And people forget that restaurant operators typically own four or five restaurants and live in a small town. These are not big corporations. People also think that restaurants make a ton of money. They don’t. The average restaurant in our business has sales between a million two and a million four. And they make less than 10 percent after tax profit. So then $120,000 to $140,000 a year. Or $10,000 a month. That is not a lot of money.

The total wages we pay in an average restaurant are $350,000, more than double the profit for the restaurant. So what people forget is that economics is an ecosystem. I believe we should pay fair wages. I also believe we should charge fair prices to our guests. And I also believe a small business person has a right to fair profits.

Now interestingly, in a policy talk, if we decided to double our prices overnight, there’d be a bit of a problem in the media. Or if our franchise owner said, “I think it’s my right to make twice as much money,” there’d be a little bit of a problem in the media. But we think it’s just fine to double wages overnight? The ecosystem won’t work. There isn’t enough money to make that work. The only levers in a profit and loss statement are to raise your prices or cut your cost. It’s very simple math. And so what we will see, if wages move too rapidly, we move from $7.25 to $15, which has already happened in several cities, prices will go up very fast for guests, hours will come down for the employees, because we will find a way to do it with less. We have to. We will have to seek automation. There will be no option. We’ll just eliminate the need to have people talk to you. And then, finally otherwise, if it only comes out of the profits, there will be no restaurants. And if you read the follow-up on Seattle, for example, the restaurants have left the city limits of Seattle because they can’t make a fair profit.

Does Popeyes operate in Seattle?

We do. In the suburbs. Our franchisee operates near Seattle. And not only does he have wage challenges, but he also has beverage taxes, sick day policies. The amount of regulation in the West Coast states is almost defeating to an entrepreneur. In fact, some restaurant companies have decided to retreat from West Coast
states. These things are really making it difficult for entrepreneurs to make a living, a fair living, for their families, to put their kids through college. And what people forget in the restaurant business, in Popeyes, 41 percent of our owners are immigrants to this country who came here to pursue the American Dream. They are some of the most hardworking, cool people you’ve ever met. And all they want to do is get a nice little apartment for their family and put their kids through college, things that all of us take for granted. I often say that entrepreneurs are not being defended in today’s policy conversations because they’re too busy working. And what we need is a million-person march on Washington, the hard-working entrepreneurs who really are the backbone of our country, of economic growth and of this thing that we’ve always held dear—the American Dream.

Focusing on this idea of the “American Dream,” you say in your book that “democratic capitalism creates conditions for entrepreneurs to invest and grow small businesses.” Do you think the hope for that American Dream has become more difficult today?

Yes. I’ll give you one specific example of how it’s more difficult. Today, because the economics are not as strong in the business, it is harder to borrow money to start a business. And therefore, the banks are only lending money to larger businesses. And so you’re seeing in the restaurant industry, the mom-and-pop businesses are declining. The small chain operators are becoming big and the opportunity for that one-restaurant person has declined materially—and with that, the opportunity for that one-restaurant person to become a hundred-restaurant owner.

We have people in Popeyes who started as a fry cook in an inner-city restaurant in Chicago and are multimillionaires today because they own 50, 60 restaurants. The opportunities are huge in this business. And you don’t have to have an MBA. And you don’t have to have a ton of money to get in. You have to have a work ethic and a passion for putting together a good team and taking care of your customers. Why would we want to discourage that? That’s why we work at this task. Try to influence it.

You worked for Tom Monaghan for years at Domino’s Pizza. You credit him for instilling in you a zeal for operational excellence and an emphasis on character. Could you describe some of the character lessons you learned there?

Well, the first thing I learned from him was how you run a restaurant company, which was huge. I’d never worked for a restaurant company before. And Tom had literally started the first Domino’s with $200 and a Volkswagen in Ann Arbor, Michigan. When I was there they had 5,000 or 6,000 restaurants. So he was a phenomenal restaurant operator and created a model that’s gone to take on the world, with over 9,000 stores today.

The reason I went to work for Tom is that I really wanted to work for a man whose character was an important part of his convictions about how he led. And I met Tom in his life, after he’d sold off a lot of businesses and rabbit trails that he’d gone on in his life, and he was very focused on Domino’s, and he was very focused on charitable work. I got to watch up close how his character and his values impacted the company. And I got to watch up close how he, the man, was living his life at the age of 60 or so at the time. I then got to watch him sell the company and make a big announcement. The headline of the Detroit paper was, “I’m Going to Die Broke,” because he had a plan to give it all away between that day and the end of his life. And he’s doing that today.

He talked a lot about the Golden Rule. And I don’t think I even realized how deeply imbedded that’s become in my leadership thinking. But it actually is one of the central ideas that you hear me talk about when I write about the turnaround of this company, because a huge part of leadership is being the leader you wished you worked for. I find lots of people tell me that they want to be a great leader. And I ask them, “Describe a great leader that you’ve worked for.” And they quickly tell me all the traits of that leader. And I say, “Are you being that leader to the people that work for you?” And there’s always a long pause.

As in small things, we struggle to hold ourselves accountable to the Golden Rule in leadership as well. We struggle to be the leaders that we would want to work for ourselves. And it’s become a very provocative theme that I discuss with my leaders all the time. You know, they’ll come in upset about the performance of an individual. And I’ll say to them, “Well, how would you want to be treated in this circumstance? What conversation would you want your boss to have with you right now? Where would you like them to start?” Because it flips the frame around. And it makes the leader far more accountable for their actions than just to lash out at the person they’re upset with because of their performance. And I always say, “Look first at yourself and then to the other person. Look first at your behaviors, your actions, before you criticize the next,” but, boy, that’s hard to do. None of us are good at it.

continued on pg 12
Your book, Dare to Serve, offers a path for corporate leadership that we don’t get often enough. What we usually get is the Hollywood stereotype of the greedy, selfish Wolf of Wall Street character who tramples down everyone in his way. Which of these two paths do you see more of in corporate leadership?

*“Extraordinary, engaging... a compelling approach to leadership”* —Charles H. Knippen, Chief Information Officer, AT&T

The leadership approach of our culture is what Robert Greenleaf called “Leader First.” And too often that means that the power of the position assumed by the leader is used to accomplish the leader’s ambitions. And if it, by chance, serves the people in the enterprise, well, great. But the primary motive of a leader-first leader is his or herself. It’s the leadership model we teach, reward and celebrate in our culture. It’s on our magazine covers. It’s in our homes. It’s in our business schools. It’s in our universities. It’s in our homes.

Greenleaf said at the other end of the spectrum is a leader who serves first. And he said this over 40 years ago. And he was not an academic or a consultant. He was kind of a Dilbert. He was in middle management at a large corporation called AT&T, just observing human behavior. He said there’s this other idea where you would understand you have power (because leadership does come with power), but you would understand that you would use that power for the benefit of those that have been entrusted to your care. Very novel idea. And interestingly, he’s looked at as kind of an interesting essay writer from a long time ago. He’s the one who coined “servant leadership” as a phrase in the secular business world. But his ideas have not taken hold.

Interestingly, other people have tried to make them more mainstream. The book Good to Great by Jim Collins is a seminal business book. It’s all about servant leadership. He calls it level 5 leadership. But it basically proves that humble, courageous leaders deliver the best financial performance. He decided not to call them servant leaders because it wasn’t a popular term. So he called them level 5 leaders. Then another guy recently, Adam Grant, the youngest tenured professor at Wharton, wrote Give and Take. It’s another book just like the first which says these people who think of others first or give more than they take actually outperform the rest. So it’s been documented. There’s another one called Firms of Endearment. So there are three major research-based, documented reports that companies that led in this fashion outperform the S&P 500 and their peers competitively. So why not more? It’s really countercultural.

It’s so hard for people to even comprehend—after they’ve been raised up through team sports to be winners, through college to be ambitious, through jobs—how we promote ourselves and become the top dog in a company. All of that is aimed at self-development, with little regard for anybody else. This is deep-rooted in our culture. And the reason I wanted to write about it is I wanted to be a provocative voice of how you might actually do this, because I’m not an academic or a consultant either—I’m a doer. And there hadn’t been a doer book written since Bill Pollard wrote about ServiceMaster more than 30 years ago. And Max De Pree wrote about Herman Miller, the furniture company in Michigan. Those are the last two people that wrote about doing it.

So my hope is that we can rejuvenate the conversation. But in our culture it’s going to have to be about performance, because that’s all we care about. If we did not have results, no one would be listening to this story or reading this book. It has to yield results to capture the attention of our culture. And that’s what we’ve set out to kind of prove here. “Hey, take a look at this. It’s counterculture.”

You’re very open about your faith. Is that ever a problem as the leader of a major public company? Is there a certain mode in which the faith expresses itself—words or deeds?

I believe strong leaders have strong convictions and beliefs. I think you could prove that if you look at leaders who have impacted history or change or business. They had a point of view. My point of view is faith-based. My convictions are biblical principles. And yet I work in a publicly traded stock environment. I believe I can live out all those principles without citing chapter and verse. And that makes the principles real, approachable and interesting to other people who may never have heard of the principles before or where they come from. So I love living them out. You mentioned words or deeds, and, you know, that thing your mom used to say, “Actions always speak louder than words.”

I spend my energy checking to see if I’m living my convictions, and I try to rein in my instincts to talk about my convictions. Talk is cheap. Action is where the hard part comes and where the tests come of your convictions, the place where people see if you’re true to those convictions, right? So I’ve tried to put my energy into how I withstand the pressures of this job, how I treat people in good times and in bad, how I share my convictions in a concerned, loving way for other people, not a preachy, I’m-my-convictions-in-good-times-and-bad way.

Are there any Biblical or religious themes that you apply to your corporate leadership?
The Bible verse that’s on my calendar every day is Philippians 2:3. Because I haven’t found one that’s more paramount to how I want to lead in my family and in my work. And that is, “Do nothing from selfish ambition or conceit, but in humility count others more significant than yourselves.” That’s an ESV version, because I really like the choice of words around counting others more significant than yourselves. I believe we’re all born with an inner 2-year-old. And we’d really still like to be laying on the floor, kicking and screaming because we didn’t get the candy bar we wanted. It’s pretty hardwired that we’re self-absorbed little people. And we learn to fake it well, but we’re still pretty much that 2-year-old on the inside.

I find that biblical perspective really challenging in every aspect of my day—how I’m spending my time, the decisions that I make. To put them through a filter of whether I’m thinking about myself or whether I’m thinking about others. I mean, it gets you into some really interesting conversations. “Am I doing this because I’ll get a bigger bonus check? Or am I really thinking about the long term interest of this company? Am I doing this truly for my franchise owners, or am I getting some personal benefit that I haven’t been willing to acknowledge?” Those kinds of provocative self-mirror questions hold you to a higher standard. I always say servant leadership is an aspiration, because you can really never claim you’ve arrived. Because as soon as you do, someone will find you—and in a trap of self-interest. It’s something you’re always working toward. Because we all are. We’re all in that trap. So the only question is, are you going to aspire to it, or are you going to use that as filter for your actions and decisions? And try to hold yourself more and more accountable to that over time.

With your success, how do you measure achievement in a personal sense?

One of my favorite lines from Robert Greenleaf is, “The only test of leadership is that somebody follows.” That’s a simplified version of the question. But I love that text. And I think what I’ve come to understand about my purpose and my calling is that I’m supposed to use my leadership to have an impact on the lives of others and specifically to develop better leaders for our communities, our families and our country. And so I have a personal purpose statement. Mine is to inspire purpose-driven leaders to exhibit confidence and character in all aspects of their lives. And that again holds me to, what am I doing today?

As a woman in a prominent leadership role, can you talk about your experience as a businesswoman both now as an influencer, but also when you had positions that were lower on the totem pole?

I often get asked, “When did you first know you were a leader?” And I think because I’m an oldest child, I thought I was a leader at a very young age. My first remembrance is when I was directing the family musical play at a reunion at nine years old and telling my sister she was the tree and my brother what song part he was supposed to sing. My siblings would tell you I’ve been giving direction for a very long time. That’s not necessarily leadership. So I think I grew up with a personality for leadership, a desire that helped organize and make things happen. And I experienced my father, who was an incredible business leader. I learned so much about both competence and character from my father, the single most important person in shaping who I am. So I didn’t enter work to be a working woman. I didn’t enter work to change the world or make an impact at all. None of that was really operative.

I was trying to figure out how to take the things that I felt gifted to do—I loved marketing in college, and I loved leadership—and figure out, you know, how could I jump in this pond and do some of the things my father was able to do? And he always made it clear that he was impacting lives in business. He never saw it as just a paycheck. He ran 16 factories in Asia and knew people of every culture in the world. He had a deep-rooted love for developing leaders in those countries, in those factories, and he did. So I lived in this bubble where leadership was a cool thing to aspire to. My dad told us, “Do well in school. Work really hard. Give it your best, and things will turn out OK.” He was a deeply faith-based man—always talking to us about character decisions and what’s true and what’s not true in culture—and so that’s had a tremendous impact.

The woman question is one I really didn’t think a lot about. Now, I was always among men. It was apparent that I was one of very few women, in particular when you get to the VP level, there are very few women to look to for role models. I can tell you that I was largely confused by the lack of women role models, because if there are no women role models, you have to look mostly at men for your cues. And I believe men and women are different. And so I think it was hard to find my leadership approach without role models. I think it would have been easier if I’d had people to check in with and say, “I do this a little differently. Do you think that’d be ok?” Rather than trying to constantly live by the standards of men that have been doing it this way for years. Trying to fit in.

So I always tell particularly young leaders that the most important learning for me as a woman was learning to lead out of my authentic self, my wiring, my gifts, my calling. I needed to stop thinking about what the rest of the world thought about it. Did they think I should work? Did they think I shouldn’t work? Did they think I should do it this way or that way? That really was tripping me up and making me less effective than when I kind of figured out who I was and how I would contribute to the conversation. I’ve been a better leader since. So the sooner you can get to that version of your authentic self, the better. It takes experience. It doesn’t happen overnight. I’m watching that now in my daughters. But that’s where you want to get to. And from a faith perspective, live your life for an audience of One, not all these other people that have opinions about how you should live your life. So I really think that’s where I encourage young leaders to sort out, who do you live your life for? What are your convictions and beliefs? And are you living them authentically in your leadership?
For where belief dwells, the spider may not stir, neither by day nor by night.

Though few Americans today have heard of Jeremias Gotthelf, he belongs among the great European authors of the 19th century and, indeed, the greatest Christian writers of the modern West. Gotthelf, whose real name was Albert Bitzius, was pastor in the tiny Swiss village Lützelflüh, not far from the capital, Bern. He began writing relatively late, publishing his first novel, Reflections on a Peasant’s Life, in 1837. But then his output was prodigious. In less than 20 years he produced eleven more novels and over forty novellas and short stories, while also editing an almanac for several years and, of course, fulfilling his pastoral duties. Sadly, little of his writing is available in English, though there is a recent translation of his best-known work, the novella The Black Spider.

Throughout his life, Gotthelf maintained an intense interest in politics, and as a young man he wrote often on political topics for the newspapers. He was closely allied with leading liberal politicians in Bern, who used his apartment as a frequent meeting place during the year he spent in the city as vicar. In 1830 Gotthelf supported their successful efforts to overthrow the dominant Bernese patriciate and liberalize the city’s constitution. His early writings demonstrate his commitment to liberal, progressive reform: his first novel excoriates the practice by which orphans or children removed from their homes were auctioned out by the government to whoever would accept the lowest fee for their care (and would, therefore, exploit the children brutally); his second novel dramatized the need for educational reform, a favorite cause of Gotthelf’s; an early novella exposed the growing problem of rural alcoholism; and a non-fiction work titled The Plight of the Poor warned of the danger of a growing proletariat.

In the following decades, however, Swiss liberals, under the ideological influence of the French Revolution, became increasingly radicalized, embracing greater state centralization and, often, socialism or communism. They also grew more vehemently secular. As they did, Gotthelf turned on them. Many of his later novels are filled with political criticism, not to say polemic—indeed, friends warned him that he should reduce his political commentary, lest he endanger his position as pastor. But such warnings were in vain. Novels like The Swiss Travels of Jakob, Journeyman Apprentice or The Spirit of the Age and the Spirit of Bern overflow with criticism of a centralized, bureaucratic and secular state. This state, charged Gotthelf, had become hostile to traditional morality and protected behind its impersonal and legalistic forms a new class of power-seekers who knew how to manipulate those forms for their own advantage, exploiting the less privileged in the process. By the end of his life, many contemporaries had come to regard Gotthelf—much like Burke, in England—as having changed from liberal to reactionary.

In truth, however, Gotthelf was more consistent than these critics gave him credit for, holding firm to Christian social principles while the world around him changed rapidly. The core of his political vision remained always the same: faith, family and the dignity of honest labor. The task of government was to enable virtuous families to form virtuous citizens. Gotthelf summed up this credo in a ringing declaration that can be found today on a plaque marking his birth house: “Whatever is to shine forth in the fatherland must begin in the home.”
Elections always elicit great emotions, but this year’s is particularly disheartening. Both major-party candidates are prompting buyers’ remorse from their respective political affiliates, and additionally are receiving dismal approval ratings.

Furthermore, Brexit and the subsequent resignation of Prime Minister David Cameron have sparked a change of leadership in Great Britain. Taking Cameron’s place is Theresa May, the first female prime minister since the Iron Lady herself, Margaret Thatcher. It is my wish that Prime Minister May’s tenure is as successful as was Thatcher’s. Only time will tell.

I fear that what we’re witnessing is a steady erosion of leadership in the public sphere. There was a time when we could point to Thatcher, President Ronald Reagan and Pope John Paul II and pronounce with utmost conviction and without a trace of irony: those are real leaders.

As individuals they accomplished much in a relatively short period of time. Together, they promoted policies that encouraged human flourishing and expedited the collapse of the Soviet Union and its satellite regimes behind the Iron Curtain. Taken in total, their leadership was breathtaking to behold in the era during which they exerted the most influence. The fruits of their efforts continue to resonate and draw our admiration to this very day.

What are the characteristics inherent within a true leader? Ideally, this would be a person with intellect and integrity, as well as the necessary judgment to effectively lead the country. This man or woman of character would recognize and insist on those same characteristics in the people he or she nominates and appoints for government positions.

Such an individual would inspire and challenge all of us to recognize what Russell Kirk identified as the enduring moral order in a society where we are free to pursue our respective happiness devoid of spiritual compromise and personal flourishing with minimal government interference. Even if in disagreement with the policies of this person of character, one’s level of discourse automatically would remain respectful, as the leader instructed by example.

Furthermore, true character is uncompromising. Those who possess it don’t rely on polls, focus groups and the obeisance of partisan subjects and yes-men and yes-women when determining the proper course of action. Effective and good leaders lead with moral imagination, which, properly understood, is tempered with prudence and humility. They recognize, as Kirk pointed out in his Ten Conservative Principles, that change must be reconciled with tradition in a vigorous society.

Although our current political situation may indicate a dearth of positive leadership characteristics, I don’t despair. In fact, the greatest leaders, from my recollection, exuded a preternatural optimism. Who can forget Pope John Paul II’s beatific smiles bestowed upon his detractors as he firmly supported the Polish Solidarity movement against Soviet-backed rule? Or the sunny disposition exhibited by President Reagan even after suffering a gunshot and political setbacks?

Heroic leaders need not be popes nor heads of state, however. Each of us in our own way is called to adopt the mantle of leadership every day in our business and personal relationships. Cheryl Bachelder, featured in this issue, outlines the leadership qualities she and her colleagues brought to the table when they reestablished trust and credibility between the Popeyes organization and its franchisees.

Bachelder recognizes that confrontational bullying on one hand and unprincipled capitulation on the other always results in diminishing returns. In between these two polar opposites exists a potential minefield for leaders exhibiting bad judgment or other negative leadership qualities. As she explains, conducting business in an increasingly overregulated service industry is becoming prohibitive in many parts of our country.

Business leaders, she explains, are forced to up their game to compensate for the failure of political leaders, but too often leaders in both camps forget that their primary function is to serve others. Wouldn’t our country and communities be better off if we returned to the leadership concept so aptly expressed and practiced by Bachelder?

Rev. Robert A. Sirico is president and cofounder of the Acton Institute for the Study of Religion and Liberty.
A future free from the “reign of race-consciousness” is possible

_**NOT TRAGICALLY COLORED**_

**ISMAEL HERNANDEZ**

Foreword by Michael Novak

Paperback: 300 pages | ISBN: 978-1942503224

“Both highly personal and brilliantly theoretical... one of the best and most thorough books on race ever written.” — Michael Novak, from the Foreword

“Ismael Hernandez brilliantly shows us how the American experiment can succeed only through a renewal of inclusive multiculturalism: We still need a melting pot, not just a salad plate.”

— Dr. Marvin Olasky, Editor in chief, WORLD

Despite a seemingly endless series of programs, discussions, and analyses—and the election of the first African-American president—the problem of race continues to bedevil American society. Could it be that our programs and discussions have failed to get at the root of the problem? Ismael Hernandez strikes at the root, even when that means plunging his axe deep into the hard soil of political correctness. A native of Puerto Rico, a former Communist, and a Catholic social worker, Hernandez brings an entirely unique perspective to questions of poverty, government welfare, liberation theology, and black culture.

AVAILABLE AT AMAZON AND SHOP.ACTON.ORG

**PAPERBACK** $19.95 **EBOOK** $9.95