# *A Tribute to Michael Novak*

## *on the Occasion of His Award of the Templeton Prize for Progress in Religion*

I don't know what got into them, those hard-nosed business executives who sit on AEI's Board of Trustees, when they invited a theologian from Syracuse University to move down to Washington and join the Institute's research staff in 1979. But I do know that no other AEI appointment has been so prescient and that no one has contributed more to the AEI spirit or to the progress of its ideals than Michael Novak.

Thanks to the generosity of Mr. Templeton and the perspicacity of the Templeton Prize judges, Michael is now himself a walking illustration of the Novakian principle that wit and creativity, properly cultivated, can produce miracles of wealth. So I am happy to see him back from the Templeton Prize

ceremonies in London not yet driving a Mercedes or wearing a Giorgio Armani suit or sporting a Christophe hairdo. In fact, I have been trying anxiously to reach him and have left several voice-mail messages requesting an appointment—just a brief visit at Mr. Novak's convenience to drop off some AEI literature and tell him about the work of the Institute and answer any questions he may have about our pressing financial needs.

Michael's Templeton Prize is not only richly deserved but a source of special satisfaction to everyone associated with the American Enterprise Institute. At AEI, our concern for free enterprise and limited government is more than a matter of economics and efficiency (as important as we hold these things to be), and our concern for individual freedom is more than a matter of libertarian principle. Michael's work has singularly embodied and advanced this spirit. He has never been a utilitarian or libertarian cheerleader; his moral justification of capitalism is not abstract or mechanistic; it convinces where others fail precisely because it is sinewy and particular, comfortable with tradition, and compassionate. He began a socialist and was led to his current position by despair at the extent of poverty in the modern world and extended inquiry into the practical means of alleviating poverty. In the course of becoming one of the world's foremost supply-side poverty warriors, he developed an appreciation of the institutions of capitalism based not only on their tendency to improve material welfare but also to foster social cooperation and inventiveness. Like his old Congregation of Holy Cross and socialist comrades, he sees material wealth as the manifestation of cooperative human action; unlike them, he sees that effective cooperation springs from individual freedom and that political coercion is often the enemy of such cooperation.

We have discovered in recent years how deeply Michael Novak's writings resonated with those who suffered at the hands of state Communism; his continuing influence with political and economic reformers in post-Communist and third-world nations is surely as gratifying to him as the formal

recognition of the Templeton Prize. In my own rounds as head of a business-supported research institute, I have been equally struck by his repute and influence among those who, like the men who first brought him to AEI, devote their days to the practical managerial tasks of modern capitalism. To reiterate, this is not because Michael is anybody's cheerleader:

> Corporations err morally . . . in many ways. They may through their advertising appeal to hedonism and escape, in ways that undercut the restraint and self-discipline required by a responsible democracy and that discourage the deferral of present satisfaction on which savings and investment for the future depend. They may incorporate methods of governance that injure dignity, cooperation, inventiveness, and personal development. They may seek their own immediate interests at the expense of the common good. . . . They are capable of the sins of individuals and of grave institutional sins as well. Thus, it is a perfectly proper task of all involved within corporations and in society at large to hold them to the highest moral standards, to accuse them when they fail, and to be vigilant about every form of abuse. Corporations are human institutions designed to stimulate economic activism and thus to provide the economic base for a democratic polity committed to high moral-cultural ideals. When they fall short of these purposes, their failure injures all.[1]

That Michael regards the firm and the market not as mere engines of consumer satisfaction but as morally serious institutions—capable of great harm and great good and therefore demanding our highest standards—is, I think, the key to understanding the appeal of his writings with the general public and above all with business executives themselves.

I have noticed, in the weeks since the announcement of Michael's Templeton Prize, a rush of pleasure among his friends and admirers that goes beyond the usual feelings of friendship and good will. I think there are two reasons for this. First,

1 Michael Novak, *Toward a Theology of the Corporation* (Washington, D.C.: AEI Press, rev. ed., 1990), p. 57.

Michael's influence has become so pervasive as to be almost invisible; he is like the Nobel economist whose theories seem obvious to everyone who reads about them in the *New York Times* thirty years after they were first propounded in an obscure journal. Those who remember how very strange the terms *democratic capitalism*, *mediating structures*, and *empowerment* sounded just a decade ago, and how strenuously resisted and ridiculed they were, feel that due recognition has been given. Second, although the terms just mentioned have now become staples of political rhetoric, in promiscuous use across the philosophical spectrum, the ideas they denote are in fact radically out of favor today in official Washington—which regards empowerment as something to be bestowed by a government program and is hellbent on establishing a direct and unmediated dependence of the individual on the state.

Intellectuals often find it gratifying to stand in glorious opposition to the powers that be. But Michael Novak's friends know him to be more than an intellectual: we know that he is also an activist, that he is out for bigger game than self-gratification, and that he likes to win. What the Templeton Prize has done is to fortify our sense that he has extracted from the slag heap of the twentieth century some great truths about human liberty and the free society, that these truths are continuing to gain ground in the intellectual realm, and that they will in time prevail in the political realm to a greater degree than the current generation of politicians can foresee.

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