Review Essay

The Shadow of Constantine and Our Economic Life*

Introduction

Largely struggling for survival under the shadow of communism in the twentieth century, Orthodox Christian theologians have not developed anything comparable to the traditions of social thought and political theology found among Western Christian traditions, such as Roman Catholics, Calvinists, and Anabaptists. Two recent books, however, make great strides in advancing the state of scholarship in this regard: Christianity, Democracy, and the Shadow of Constantine (henceforth: Shadow of Constantine), edited by George E. Demacopoulos and Aristotle Papanikolaou; and Political Theologies in Orthodox Christianity (henceforth: Political Theologies), edited by Kristina Stoeckl, Ingeborg Gabriel, and Aristotle Papanikolaou. The former refreshingly seeks to set Orthodox perspectives in dialogue with Western ones, while the latter commendably seeks to present the broad spectrum of Orthodox political theologies currently on offer. On these accounts alone, they are valuable texts that deserve engagement for years to come.

Stanley Hauerwas, in his postscript to Shadow of Constantine, makes the claim that John Howard Yoder was able to offer a “fresh perspective” on the social gospel tradition stretching from Walter Rauschenbusch to James Gustafson

because he “did not stand in the same tradition” as they; he was “an outsider.”¹
It is in that spirit that I wish to commend this essay to Orthodox and other political theologians. My own research focuses on the parallel discipline of Christian social thought. Modern political theology developed originally as a critique of liberal democracy from the right (Karl Schmidt) then the same from the left (liberation theology). Before their time, in between, and to the present, there have also been many, from Rauschenbusch to the Niebuhrs to Aristotle Papanikolaou,² who instead formulated diverse theological justifications for it. Modern Christian social thought, similarly, developed in response to the “social question” in the nineteenth century and in dialogue with modern (liberal) market economies, beginning with figures like Pope Leo XIII and Abraham Kuyper³ and expanding to a wide array of scholars in the present, some harshly critical and some quite affirming, and not without overlap with political theology (e.g., liberation theology, with its economic focus). Thus, while I, too, am Orthodox like many of the volumes’ contributors, I am admittedly an “outsider” to the discipline of political theology and hope to offer a “fresh perspective” by raising questions more proper to Christian social thought, which unfortunately remains woefully underdeveloped among Orthodox theologians. This is not due to lack of resources. In his own time, Fr. Georges Florovsky favorably noted, “‘Social Christianity’ was the basic and favorite theme of the whole religious thinking in Russia in the course of the last century [i.e., the nineteenth], and the same thought colored also the whole literature of the same period.”⁴

Indeed, at the end of the nineteenth century, Vladimir Soloviev⁵ noted how old paradigms of social philosophy would need to be modified and expanded due to changes in the modern era. From the primitive stage of the clan, in which family, religion, and nation were all conflated, humanity passed through a second stage in the development of modern nation states “from the fifteenth to the nineteenth century inclusive,” where piety and pity found their primary expression in different realms: the religious and the political, respectively. This, in turn, “began to pass in the course of the nineteenth century into a third stage, in which “the domain of material life,” that is, our economic life, has gained its own autonomy.⁶

While Soloviev is right that the economic sphere of life has only recently come into its own, his narrative is somewhat historically inaccurate with regards to the second stage of distinction between religion and politics. Despite the complex and often underwhelming reality,⁷ the concrete distinction between church and state arguably has its beginning in ancient Rome with Constantine, who transformed the cult of the emperor from worship (latria) in the form of sacrifices to (albeit lavish) veneration. The religion/state distinction was vividly confirmed later in the confrontation between St. Ambrose of Milan and the emperor Theodosius.
over the slaughter the latter perpetrated in Thessaloniki. This ancient model, which contained great overlap but clear distinction between religion and politics, is perhaps most quintessentially captured in Justinian’s Sixth Novella, in which all of society is divided between the priesthood and the sovereignty, and its welfare depends on there being “splendid harmony” (i.e., symphonia) between them.\(^8\) The totalizing tendency to view all of society as a duality of either the ecclesial or the political is as much a legacy of the shadow of Constantine as is any particular arrangement between them. It was an improvement for the time, but Soloviev was right to point to its inadequacy.

This inadequacy is present in several contributions to these volumes. While the focus of many is strictly political, several chapters veer into the economic—but always from beneath that same two-dimensional shadow. It is most evident in the contribution of Pantelis Kalaitzidis, the subtitle of which is “The Church’s Theological Foundations and Public Role in the Context of the Greek Economic Crisis.”\(^9\) In this chapter, which is otherwise excellent scholarship, Kalaitzidis cites many other political theologians and social critics, but he cites no economists, not even in his footnotes. How can one hope to offer an adequate description—not to mention analysis—of the Greek economic crisis without using any of the tools of modern economics?

The goal of my essay is, in dialogue with *Shadow of Constantine* and *Political Theologies*, to demonstrate that political theology needs political economy. I use the latter term, as did Lionel Robbins and the classical economists, to mean the normative and interdisciplinary application of the insights of economic science to questions of policy.\(^10\) As Frank Knight put it, “Without an adequate ethics and sociology in the broad sense, economics has little to say about policy.”\(^11\) In distinction from positive economics, political economy integrates the insights of political philosophy, sociology, and history together with economic analysis and makes no pretense about being value free. While welfare economics has been the preferred normative approach in recent years, classical political economy has continued in the works of many economists from a wide variety of schools within the discipline.\(^12\) It is far less quantitative and far more open to insights from other disciplines, making it a natural point of contact with political theology and Christian social thought. Examining the issues of economic inequality, the democratic nature of business and markets, and religious liberty, I argue that Orthodox and other political theologians need economics and political economy if they ever hope to step out from beneath Constantine’s shadow.
Problematizing and Personalizing Economic Inequality

Aristotle Papanikolaou raises serious questions about the church’s social-ethical priorities in his contribution to Political Theologies, asking,

Where is the Church’s outcry at the growing income inequality that exists globally? Where is the Church’s outcry at the recent report of the Economist that states how only 110 people in Russia out of a population of 140 million control 35 percent of the wealth? Why does the Church care so much about gay sex and not about this massive income inequality, which also exists, albeit to a lesser degree, in Greece and the United States? These are excellent questions. While I tend to think that less is more in general when it comes to official statements from the church, there has been growing discontent over economic inequality in recent years, to the point that there is a real need for someone, whether clergy or laity, to be able to speak intelligently and prophetically about this issue.

Less nuanced, and more representative of that popular discontent, is the following statement from the Roman Catholic scholar Mary Doak: “Our increasingly global economy holds out the hope that all might participate in the benefits of economic development; yet thus far this economic system is evidently more inclined to increase inequality, resulting in a small group of super-rich and massive populations of deeply impoverished people.” While Doak is correct that inequality has increased in recent years, the assertion that poverty has simultaneously grown is empirically false. As Max Roser and Esteban Ortiz-Ospina note in the University of Oxford’s Our World in Data entry on “Global Extreme Poverty,” extreme poverty in the world has been on the decline as a percentage of population since the Industrial Revolution and in absolute terms since the 1970s. This means that despite billions more people in the world since that time, the hard number of people living in extreme poverty is actually fewer now than it was fifty years ago, when the world was less globalized and less economically unequal.

This raises not only the question of whether all economic inequality is inherently unjust, but also whether it may even be a necessary accompaniment of economic development and poverty alleviation. Concerning the former, Soloviev offers an important consideration:

When the Pharaoh issued a law commanding to put to death all the Jewish new-born babes [cf. Exodus 1:15–22], this law was certainly not unjust on account of the unequal treatment of the Jewish and Egyptian babes. And if the Pharaoh subsequently gave orders to put to death all new-born infants and not only the Jewish ones, no one would venture to call this new law just, although it would satisfy the demand for equality.
He concludes, “Equality, then, can be just or unjust.” So also inequality can be just or unjust. The insights of economics can help us discern the difference and avoid the depersonalizing rhetoric of indiscriminate denunciations of the “super-rich.” In addressing this concern, I will also hint at one possible reason that inequality and poverty alleviation tend to correlate.

Is J. K. Rowling, for example, massively wealthy because of some injustice? Or was it simply that she produced a product (Harry Potter novels) that people freely and gladly paid for? I, for one, say it is the latter. She is most certainly “super-rich,” as a result not only of book sales but also of film rights, merchandizing, and even a theme park inspired by the fantasy world she created. But, so far as I know, she did not cheat anyone. She created wealth that has had positive economic effects far beyond her own fortune (e.g., for all the people who work for her publisher, make Harry Potter toys, or give tours of Pottermore). Her wealth has simultaneously increased the wealth and well-being of others, despite also propelling her to a state of extreme inequality by comparison to them.

When markets are free or open, when they have as few barriers to entry as possible, then competition thrives, driving producers to increase the quality of products and decrease prices to consumers. As Adam Smith noted, they are able to do this while nevertheless profiting through the division of labor, the expansion of which characterizes all advanced economies. Furthermore, markets are exchange systems, and exchange systems, as distinct from integrative systems like churches and threat systems like the law, are positive-sum due to the subjective nature of economic value. Wealth is a matter of perception: If I want a candy bar more than my dollar, and a gas station clerk wants my dollar more than his candy bar, we both consider our welfare to have increased by exchanging the dollar for the candy bar.

Yet, not all exchanges are free, open, and positive-sum, and not all inequality is just. Papanikolaou is right to continue his line of questioning to the problem of corruption: “Why are the Orthodox Churches globally so silent about the rampant corruption in their countries?” Corruption is a violation of the rule of law, without which markets cannot be free, open, and just, often exacerbating economic inequality. However, we should not stop there. The justice of markets is also endangered through democratically popular and legal means when one interest group successfully lobbies for privileged treatment and protection against competition, what Frédéric Bastiat called la spoliation légalé (often translated “legal plunder”) and Public Choice economists have called rent-seeking. As I have written elsewhere, healthy businesses, markets, and economies are characterized by a proper attitude toward the thanatomorphic character of our economic life, to borrow Perry Hamalis’s term, unafraid of the death of business.
models, product lines, companies, or even whole industries, and instead poised to adapt, grow, and rise from the ashes of sudden shifts and shocks due to the dynamic nature of economic competition and development. Rent-seeking, by contrast, seeks the force of the state to protect established firms and industries and insulate them from failure, diverting resources to products that people would not otherwise want, mistakenly viewing competition as necessarily zero-sum, and often producing negative-sum results due to opportunity cost and diverting resources into lobbying.25

International Corporations and Democratic Accountability

Having problematized economic inequality, I now move to the related claim, common to both Mary Doak and Davor Džalto, that international corporations are insufficiently accountable to democratic control. Džalto goes so far as to say that many state structures in their present form, as well as many other sources of political and economic power that formally do not participate in the exercise of political power, and yet have tremendous influence over the lives of other people (such as transnational corporations, for instance), should be dismantled in order to create a more free and just society.26

Once again, it is easy to depersonalize a faceless transnational corporation without thinking about all the real human persons that may depend on that business for their livelihood and even be quite satisfied with their employment. So long as Orthodox Christians still believe prudence to be a virtue, we must be cautious about radical proposals like Džalto’s.

The end result of trying to put such idealism into practice is often quite different from what one expects. As S. L. Frank put it, commenting on the prime historical example of radical liberalism, “The leaders of the French Revolution desired to attain liberty, equality, fraternity, and the kingdom of truth and reason, but they actually created a bourgeois order. And this is the way it usually is in history.”27 Frank notably wrote this in 1930 after fleeing to Germany from Russia after the horrific societal dismantling by left-wing antiliberals following the 1917 Revolution (of which he was also critical), only to be forced to flee again later, this time to Paris, from the horrific societal dismantling by right-wing antiliberal National Socialists (Nazis) in Germany. The lesson being that such radical dismantling tends to be an impractical means to one’s desired ends, no matter the ideological motivation (unless one is a Nazi, I suppose, which Džalto clearly is not).
That said, there is a deeper issue here in that the problem is misdiagnosed in the first place. In reality transnational (and other) corporations are subject to democratic control on multiple levels. If no one chooses to buy their products, they fail. If their workers strike, then production halts, profits fall, and if they are unable to resolve the dispute, they fail. Many companies are publicly traded as well, meaning that the capitalists who own them are many and diverse, and even if they do not hold a controlling 51 percent, they exercise influence through their ability to disinvest from the shares they do own. Indeed, even many workers invest in corporations through 401(k) programs and IRAs, blurring the traditional and overly simplistic Marxist distinction between capital and labor, bourgeoisie and proletariat, oppressors and oppressed. And most importantly, all of these corporations must function within systems of law. Either these laws are passed by democratically elected legislatures or the problem is not that companies lack democracy but that the states whose responsibility it is to properly regulate them do.

Now, it may be that Džalto is simply calling for disinvestment, boycotts, strikes, and more democratic governments. In that case, I have no principled objection, but it would be an exaggeration to call that “dismantling” or to claim, as does Doak, that economic globalization is “thoroughly undemocratic.” Rather, once one understands how businesses and markets actually function, it becomes clear that they are thoroughly democratic. However, they can be either justly or unjustly so. As already noted, when markets are closed and established actors are protected by discriminating against would-be entrepreneurs—despite this often being democratically popular and obtained through legal means—then Orthodox Christians and other people of goodwill should raise the alarm and democratically advocate for the liberalization of such markets, remembering that market openness comes in degrees and that gradualism is historically preferable to radicalism.

**Church, State, and the Religious Marketplace**

Many of the contributions to *Shadow of Constantine* and *Political Theologies* do not directly address economic issues at all. Instead, most explore the problem of religious liberty and the relationship between church (or churches) and state. Nevertheless, even these could benefit from the economic way of thinking. In this context, it is helpful to explore how the positive, value-free analysis of economic science can benefit the normative, value-laden discipline of political economy.

The economist Peter Boettke has famously formulated what he calls the “devil and angel test” for value neutrality. The way it works is to ask the following
question: Would both an angel and a devil agree on the analysis but disagree about what policy to advocate on its basis due to differing values? In illustrating this, he uses the example of the marketplace for religion:

[Adam] Smith contrasts the benefits of competition in religion (in terms of dynamic sermons and thus attendance) with state monopoly in religion (with boring and routine sermons and low attendance). Smith, who valued religion, viewed competition as good for the flourishing of religious belief, but Hume, who despised religion, thought competition was bad and that state-sponsored monopolies were desirable because they would eventually drive religious influence to zero. Note that Hume and Smith just provide another example of the devil and the angel test.29

While declining religiosity is a phenomenon common to most Western nations, the United States has always been something of a unicorn in its comparatively high rates of religious participation. From an economic point of view, this is no accident. The market for religion in the United States has been relatively (though by no means completely30) free and genuinely neutral (in contrast to French *laïcité*, notably prominent in the jurisprudence of the European Union31).

Even in the 1830s, the French diplomat Alexis de Tocqueville noted that “the philosophers of the XVIIIth century explained the gradual weakening of beliefs in a very simple way. Religious zeal, they said, must fade as liberty and enlightenment increase. It is unfortunate that facts do not agree with this theory.”32 In contrast to France, where “the spirit of religion and the spirit of liberty march almost always in opposite directions,” in the United States, said Tocqueville,

The religion I profess brought me particularly close to the Catholic clergy, and I did not delay in striking up a sort of intimacy with several of its members. To each of them I expressed my astonishment and revealed my doubts. I found that all of these men differed among themselves only on the details; but all attributed the peaceful dominion that religion exercises in their country principally to the complete separation of Church and State.33

In eastern Europe since 1989, we see something of a counterexample in that Orthodox Churches have experienced genuine revival while holding places of privilege, protection, and influence in historically Orthodox nations (especially in Russia). However, in most of these cases freedom of religion was actually far worse under communism. So the rebirth of religiosity there does not necessarily contradict the foregoing analysis. Religiosity and religious liberty still positively correlate. However, this analysis raises the question of how long before renewed positions of privilege for the Orthodox will erode the piety these nations have
regained. As one religion or pseudo-religion, such as atheism under communism, gains social dominance, there is social pressure for people to hypocritically identify with it and pretend to practice it even if they do not believe it. Given restrictions on freedom of religion in many of these countries (again, especially in Russia), we may reasonably wonder whether this phenomenon might distort the data.

Speaking now more theoretically, we might also wonder what a free market of religion would mean. If the economic analysis of Smith and Hume holds, it would mean more “dynamic sermons and thus [greater] attendance,” not to mention more active ministries of mercy. It would mean that we who believe the Orthodox Church has most faithfully preserved the “gospel of Christ, [which] is the power of God to salvation for everyone who believes” (Rom. 1:16 NKJV) would have to actually prove it. Of course, we would be more vulnerable to the loss of members through competition with other churches and religions, but if we rise to the challenge, we will become better Christians, and through us our nations will become more genuinely Orthodox. If our conviction is not in vain, our parishes will grow as people “see [our] good works and glorify [our] Father in heaven” (Matt. 5:16). If we have truly been liberated from bondage to the devil through the fear of death by the resurrection of Jesus Christ (cf. Heb. 2:14–15), we ought to reflect the boldness of that liberty in our religious, political, and economic lives, not only out of our own interest, but for the common good and the kingdom of God.

Conclusion

I began this essay by urging Orthodox and other political theologians to step out from the shadow of Constantine, under which our social life is portrayed in the binary terms of only two realms: church or state. To illustrate what this might look like, I examined the issues of inequality, the democratic nature of business, and religious liberty in dialogue with Shadow of Constantine and Political Theologies. By now it should be clear why I am convinced that political theology, and Christian social thought more generally, needs political economy and the insights of economic science for more nuanced and relevant analysis.

Yet, while adding markets or economics to this church and state distinction is an improvement, I want to conclude by raising the bar a rung higher. Luke Bretherton deserves special commendation for his brief mention of the Dutch Neo-Calvinist statesman and theologian Abraham Kuyper and the tradition of social thought that has been built upon the foundation of his works. While it is rare enough that Orthodox writers will take the time to engage even Roman Catholic sources, it is rarer for them to engage constructively with Calvinists.
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Kuyper deserves such engagement because he uniquely stood out as far ahead of the curve when it comes to stepping out from Constantine’s shadow.

Perhaps this was easier for Kuyper as a Protestant, and of course his work is not beyond criticism, but his multifaceted theological vision of society is remarkable. For Kuyper, even to speak in terms of church, state, and market is too reductive. Rather each sphere of life—and any that may emerge in the course of history—has its own God-given calling, character, principle, and sovereignty, from church, state, and market to family, art, science, ethics, and education. We Orthodox need not be Kuyperian (not to mention Calvinist), but I submit that we have a lot to learn from Kuyper and commend his thought to any Christian social or political theologians who desire greater nuance not only when it comes to the economic aspect of our lives, but to every other sphere of life as well.

Notes


5. I use the spelling “Soloviev” (as opposed to “Solovyov” or “Solov’ëv”) in the body of this essay because that was his own preference. See Vladimir Wozniuk, “Vladimir S. Soloviev: Moral Philosopher of Unity,” Journal of Markets & Morality 16, no. 1 (Spring 2013): 323–29


7. For an excellent overview of the early relationship between church and state in Constantinople, see Timothy D. Barnes, “Emperors and Bishops of Constantinople,” in Shadow of Constantine, 175–201.


11. Frank H. Knight, “Ethics and Economic Reform. III. Christianity,” *Economica*, n.s., 6, no. 24 (November 1939): 422. I do not share Knight’s pessimism about the usefulness of Christian ethics and social thought for that task, but I agree with the sentiment expressed in this quote.


> My picture of man is fashioned by the spiritual heritage of classical and Christian tradition. I see in man the likeness of God; I am profoundly convinced that it is an appalling sin to reduce man to a means (even in the name of high-sounding phrases) and that each man’s soul is something unique, irreplaceable, priceless, in comparison with which all other things are as naught.


23. See Pahman, “Asceticism and Creative Destruction.”


25. This is not to say that all lobbying is unjust, but that is a topic for another essay.


27. Frank, Spiritual Foundations, 37.


30. Just ask a Jew, Roman Catholic, or Mormon in the nineteenth century, for example.


33. Tocqueville, Democracy in America, 1:479–480.
