

Is the Market Moral? A Dialogue on Religion, Economics, and Justice

Rebecca M. Blank and William McGurn

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This provocative set of essays is precisely what it advertises itself to be: a dialogue on the moral aspects of the market. It consists of six essays, three by each coauthor. The first two essays are lead pieces in which the authors outline their view of the intersection of faith and the market. In the second set of essays, the authors respond to each other, and in the final pair they further reply to each other. The structure of the volume provides an avenue for the authors to clarify their views and highlight their differences. Though they both approach the market through the lens of Christian faith and thus have much in common, they also evince some significant differences. These differences give rise to fruitful discussion.

Rebecca Blank is an economist and comes to questions of the market from her tradition, which she describes as “culturally Protestant in habits of mind and heart.” Most readers will likely identify her views as typical of mainstream Protestantism. William McGurn is the chief editorial writer for the *Wall Street Journal* and for years lived in Hong Kong while covering Asia for the *Journal*. He is Roman Catholic. Their religious lenses are apparent almost immediately in the initial essays, in which (as Blank points out) she begins with Scripture and McGurn begins with the papal encyclicals.

This volume is one of a series published by the Brookings Institution, as part of the Pew Forum on Religion and Public Life. All the volumes so far are in this same dialogue format and if all the volumes are as successful as this one, then Pew and Brookings have provided the public, especially those interested in the integration between religious worldviews and public life, with a set of very helpful and stimulating resources.

In contrast to many religious leaders, both authors view the market quite favorably. Blank is more worried, however, about the limitations and failings of the market, and thus sees more reason for government to intervene, both to correct market failings and to alter market outcomes. McGurn sees government more as the problem than the solution, is skeptical of government’s ability to correct market failings, and suggests that altering outcomes is not part of government’s role. Though he is not a libertarian, he clearly has a more optimistic view of the market and a more pessimistic view of government than does Blank. That is the heart of their disagreement—and hence the heart of their dialogue in the final two essays.

Both sides of the dialogue are full of insightful comments. For example, Blank rightly rejects the market model of human beings, which reduces them to individualistic, self-interested, economic actors. She correctly points out that the Bible calls human beings into communities in which altruism and the common good are to balance the pursuit of self-interest. She further points out that the problems of poverty are rarely the result of the market but are rather the result of the failure of various social systems that

do not support market activity. In addition, she correctly views the church as an institution that must speak for an alternative set of values that can challenge the socioeconomic status quo, modeling the approach Jesus took with his first-century critics.

McGurn brings to bear on the discussion his rich experience of living in Hong Kong, one of the “Asian tigers.” He observes that the market has lifted millions of people out of poverty and insists that poverty is due to the absence of markets, not their presence. He clearly sees the glass as half full with respect to the poor, asserting that the remarkable fact in contemporary economic life is not the high number of people who are still in poverty (which he and Blank would both argue is due to the market not being allowed to function properly) but the historically extraordinary number of people who are no longer impoverished. He also insightfully answers critics of the First World consumption of resources by highlighting how much of the world’s resources the First World produces and pointing out that it actually consumes fewer resources than it produces. He further argues that the market is not based on greed (both he and Blank correctly distinguish between greed and self-interest) and connects economic activity with being made in God’s image. Thus, the free market accords best with human nature in its power to unleash creativity, initiative, and innovation.

The authors’ primary point of contention is the proper role of government. McGurn trusts the self-correcting mechanism of the market more than does Blank, arguing that government is often ineffective and more often than not does more harm than good. Blank replies that, given the complexity of the problems government faces, we should be pleased that government gets it right as often as it does. McGurn points to numerous examples of government inefficiency as evidence for his more limited role for government. I am not as optimistic as Blank about the efficacy of government to correct market failures, and I am very skeptical of government’s role in altering market outcomes, but I am not as optimistic as McGurn about the market correcting its own failings, particularly due to the inevitable time lags during which people do get hurt.

This volume is ideal reading for students and business people who are interested in seeing how faith informs economic life. It provides plenty of useful material both for those seeking an introduction to the issues and for those who have thought about them for some time.

—Scott B. Rae
*Talbot School of Theology, Biola University,
La Mirada, California*