

## Reviews

### **Divine Economy: Theology and the Market**

**D. Stephen Long**

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D. Stephen Long of Garrett Evangelical Theological Seminary is the author of this ambitious book on the relationship between Christian theology and economic theory. It is the second contribution to the Radical Orthodoxy series<sup>1</sup> edited by theologians John Milbank, Catherine Pickstock, and Graham Ward. Many of Long's arguments follow the thesis set forth in Milbank's earlier work *Theology and Social Theory*.<sup>2</sup>

*Divine Economy* seeks to answer the question, How the disciplines of theology and economics are, and should be, related? (1) Long describes his agenda as "fundamentally a comparison of theology with economics as theoretical disciplines" (6) without neglecting "the concrete practices [that] such theories assume and reproduce" (6). In relating theology and economics Long emphasizes the importance of history and of not conceding the fact/value distinction. In so doing, he examines three traditions of relating theology and economics: the dominant, emergent, and residual traditions. The dominant tradition is that which "seizes the ruling definition of the social" (10) and "does not represent a decisive transgression against the capitalist orthodoxy" (10). In this tradition, he examines such writers as Michael Novak, Max Stackhouse, Dennis McCann, Ronald Preston, and Phillip Wogaman. None of these writers are professional economists—they are social ethicists and all, except a token Brit, are contemporary Americans. I found this somewhat of a letdown after Long's comments in the introduction about the importance of a historical perspective, and how the reader could expect a comparison of economics with theology as theoretical disciplines.

Writers in the second tradition—the emergent tradition—"oppose the notion of a theological compatibility between Christianity and capitalism and all

argue for some version of socialism" (84). This classification scheme is somewhat slippery because writers in the dominant tradition are critical of capitalism, but their criticism remains within the bounds that Long suggests capitalism allows, and even requires, to maintain its legitimacy. Among those whose criticism passes the threshold for inclusion in the emergent tradition are Gustavo Gutiérrez, Jon Sobrino, James Cone, and Rosemary Radford Ruether. The third tradition is the residual tradition exemplified by Bernard Dempsey, Alasdair MacIntyre, and John Milbank. These writers preserve something "formed in the past," something "outside the familiar twentieth-century theological landscape" (177).

Long considers each of these traditions in turn. I found the section on the dominant tradition to be dull, mainly because of the dullness of the works being discussed, but the book came alive as Long drew together his criticisms of that tradition. It was a relief to discover that there are good theological reasons why I, as an economist, have difficulty suppressing yawns when reading most works of twentieth-century social ethics. He points to the difficulties these works have, in their search for universal principles, with the particularity of Christology and ecclesiology in orthodox Christianity. Long suggests intriguingly that the emphasis of many social ethicists on disinterested love as the appropriate ethical posture for Christians is not orthodox (27). I would like to see more discussion of this point—perhaps drawing out its implication for the thought of the eighteenth-century moralist Joseph Butler—for the discipline of economics. Some of Long's points here are excellent with respect to economics. For instance, he discusses the tendency to portray capitalism as a natural system, the way that economics is heir to natural theology, the concentration of religious economics on the doctrine of sin to counter proposals for social reform, and the paradoxical anthropology of freedom that runs through economics. The concluding section on the dominant tradition ought to be read by all economists. A nagging frustration of *Divine Economy*, however, is Long's tendency to run together criticisms of the economy and economics as if everything wrong with the world must be the fault of economists. Maybe the capitalist economy and the modern economics profession are the same, but the argument must be made explicitly. Milbank provides a better treatment of this issue in his discussion of science in chapter nine of *Theology and Social Theory*.

Other frustrations stem from Long's lack of familiarity with economics. One is the way he uses the term *marginalism*, which seems to be as a generalized term of abuse. I finally gave up trying to sort out what he actually meant by the term and by relationships among things characterized as marginalist. Some of the errors seem to be recycled from the secondary literature he cites. Long's

knowledge of economics derives from a single American introductory text, a small number of general works on economics by non-mainstream economists, some reading of Adam Smith, and Milbank's chapter on political economy. Long asserts without discussion or citation that the historical break between theology and economics occurred with Adam Smith (7). In the history of economics this is an important issue and various possibilities for turning points have been identified in the period from the sixteenth to the nineteenth century. Milbank argues that the damage was done in the seventeenth century by Grotius, Hobbes, and Spinoza. This picture is complicated somewhat by his charge that the ethical indifference of political economy is due to an epistemic switch that occurred between Scottish and Malthusian political economy.<sup>3</sup> Two other minor annoyances are Long's misspelling of *Steuart* throughout the text (also in Milbank) and the bizarre suggestion that Keynes was alone among economists in recognizing that economics is a moral science (223). The latter shows an appalling ignorance of classical political economy—the classical economists and their critics were united in describing the discipline as a moral science. A striking example of this can be seen in the 1826 inaugural lecture of the first university professor of political economy, Nassau Senior of Oxford.

While I heartily agree with Long that the fact/value distinction beloved of economists is problematic, I am not so sure that Max Weber is the villain here (cf. 222). The construction of Weber as the founding father of this sociological tradition seems to have more to do with the dynamics of twentieth-century American sociology than the historical Weber. Some of the more recent Weber literature (e.g., W. Hennis and K. Tribe) might have been consulted, and it seems to me that Weber's objection was to certain of his opponents' values than to values in general. Since Weber is mentioned so often it might have been worth examining his attitude to facts and values from his lectures on economics during the time he held the chair in *Nationalökonomie*. In any case, the fact/value distinction did not come into economics through Weber but through the association of a number of influential early twentieth-century economists with logical positivism. The rigor of Long's analysis is insufficient to sustain the claim he makes about economics. However, he correctly observes that the other main use of Weber by economists—to buttress the claim that capitalism needs a religious foundation—is misleading. Weber's argument in *The Protestant Ethic and the Spirit of Capitalism* is that religion was important in the genesis of capitalism, but that capitalism has become a self-sustaining system that, in fact, undermines traditional religion. Thus, Weber's famous "iron cage" remark at the end of the book.

Turning now to the second tradition—the emergent tradition—Long’s argument is that criticisms of the dominant tradition reflect many of the problems of that tradition, particularly the deformation of Christology and ecclesiology. Long praises the emergent tradition for its greater attention to eschatology, due partly to the edifying influence of Marx.

All of this is preparatory for Long’s discussion of the third tradition—the residual tradition. Not only do writers in this tradition criticize capitalism, they preserve something from the past that truly challenges it. Long developed the threefold classification scheme to structure his central argument, so, I suppose, he could put whomever he wished into the typology. However, I found his selection of writers in the residual tradition to be idiosyncratic. He is to be commended, nonetheless, for discussing one actual economist, Bernard Dempsey, a representative of Catholic social thought, but he neglects to mention writers such as Douglas Vickers,<sup>4</sup> John Tiemstra,<sup>5</sup> and Alan Storkey<sup>6</sup> in the neo-Calvinist tradition who also challenge mainstream economics. Clive and Cara Beed’s recent work argues that there is a fundamental incompatibility between the frameworks of Christian and secular economics.<sup>7</sup> Each of these representatives are able economists with a well-developed critique that preserves something pre-modern in the same way as do the writers whom Long discusses. He completely ignores the strong evangelical Anglican tradition represented by economists such as Donald Hay<sup>8</sup> and Kim Hawtrey.<sup>9</sup>

In the section on the residual tradition, I found the discussion of Alasdair MacIntyre’s Aristotelian position to be thought-provoking. Do economists underplay the theological theme of plenitude, due to their preoccupation with scarcity? Where does the Aristotelian understanding of a *telos* leave the is/ought distinction economists are so fond of? How should economists treat virtue, which is primarily an intrinsic rather than extrinsic good? I appreciated Long’s focus on how Aristotle’s notion of the good might challenge economics broadly, rather than delving into an analysis of Aristotle’s scattered comments on economic matters.

Long’s discussion of Milbank concentrated on the critique of capitalism as a heretical ontology of violence. It would have been nice for him to link Milbank’s critique with current discussions of capitalism within economics. Two economists who readily come to mind are Albert Hirschman<sup>10</sup> and Deirdre McCloskey<sup>11</sup>—whose work, I imagine, Long would find repugnant. Long is noticeably lukewarm about Milbank’s suggestion since *Theology and Social Theory* that a revival of nineteenth-century Christian socialism is desirable. To my mind, Milbank’s suggestion does not do justice to the depth of his earlier critique.

So what should be made of Long's argument that the resources of the residual tradition should be radically drawn upon to overturn mainstream economics in the name of theology (and maybe capitalism, too, if his identification of capitalism and economics stands)? I think that Long is a little hasty here. I would accept that economics and capitalism must fundamentally be evaluated theologically, but I am not satisfied that theology itself pushes us to Long's position. He has not seriously entertained the possibility that theology could define itself in such a way as to give economics autonomy. Such a possibility is not equivalent to following the dominant tradition because, as Long points out, the dominant tradition argues the case on the basis of economics rather than on theology. Among economists, Paul Heyne<sup>12</sup> and Anthony Waterman<sup>13</sup> are notable for arguing that economics is an autonomous and valid science on theological grounds. The American economist David Richardson makes the same argument only from a practical standpoint.<sup>14</sup> In fact, a defence of the legitimate autonomy of economics is implicit in the professional work of most economists who are Christians.

I am sorry to keep mentioning annoyances in what is a profound and valuable book, but as a theologian it is easy to write off economics. What is a poor economist to do? Must we resign our jobs and anxiously await Judgment Day? We are left completely in the dark about the implications for the actual practice of economics; though, in fairness to him, working this out may be a task for economists.

Who, then, will read this book and what will they draw from it? Many theologians, social ethicists, and church workers will read it and think (further) ill of mainstream economics. Occasionally this will be for the right reasons, but Long often leaves the reader with the impression that economics is shallow and incomplete. Few economists read this type of book, but those who do will be rewarded with insightful analysis and reflective challenges to their conventional way of thinking.

## Notes

1. John Milbank, Catherine Pickstock, and Graham Ward, eds., *Radical Orthodoxy* (London: Routledge, 1999).

2. John Milbank, *Theology and Social Theory: Beyond Secular Reason* (Oxford: Basil Blackwell, 1990). Readers looking for a succinct summary of Milbank's argument should see Fergus Kerr, "Simplicity Itself: Milbank's Thesis," *New Blackfriars* 73 (1992): 306–10. Kerr's article, along with some important reviews of Milbank, has been reprinted in Robin Gill, ed., *Theology and Sociology: A Reader* (London: Cassell, 1996).

3. Milbank's discussion of this position can be found in the first two chapters of *Theology and Social Theory*.

4. Douglas Vickers, *Economics and Ethics* (New York: Praeger, 1997); and *Economics and Man* (Nutley, N.J.: Craig Press, 1976).
5. F. Graham, G. Monsma, C. Sinke, A. Storkey, and J. Tiemstra, *Reforming Economics: A Christian Perspective on Economic Theory and Practice* (Grand Rapids: Calvin College, 1986).
6. *Ibid.*
7. Clive Beed and Cara Beed, "A Christian Perspective on Economics," *Journal of Economic Methodology* 3, 1 (1996): 91–112.
8. Donald A. Hay, *Economics Today: A Christian Critique* (Leicester: Apollos, 1989); and "Evangelicalism and Economic Issues," in *Evangelical Anglicans*, ed. R. T. France and A. McGrath (London: SPCK, 1993).
9. Kim Hawtrey, "Evangelicals and Economics," *Interchange* 38 (1986): 25–40.
10. Albert Hirschman, "Rival Interpretations of Market Society: Civilizing, Destructive, or Feeble?," *Journal of Economic Literature* 20, 4 (1982): 1463–84.
11. Deirdre McCloskey, "Bourgeois Virtue and the History of P and S," *Journal of Economic History* 58, 2 (1998): 297–317.
12. Paul Heyne, "Theological Visions in Economics and Religion," *Forum for Social Economics* 25, 2 (1996): 1–7.
13. A. M. C. Waterman, "Economists on the Relation between Political Economy and Christian Theology: A Preliminary Survey," *International Journal of Social Economics* 14, 6 (1987): 46–68; and *Revolution, Economics and Religion: Christian Political Economy 1798–1838* (Cambridge: Cambridge University Press, 1991).
14. David J. Richardson, "Frontiers in Economics and Christian Scholarship," *Christian Scholars Review* 17, 4 (1988): 381–400. Reprinted as "What Should Christian Economists Do?," *Bulletin of the Association of Christian Economists USA* 23 (Spring 1994): 16–33.

**Economics As a Moral Science: The Political Economy of  
Adam Smith  
Jeffrey T. Young  
Cheltenham, U.K.: Edward Elgar, 1997, 225 pp.**

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*Economics As a Moral Science* is a common title for books of this genre. The repetition of Young's title is intentional because it evokes a well-known 1969 article of Kenneth Boulding with the same title.<sup>1</sup> Young insists that Boulding referenced Adam Smith in his article because "For Smith as well as for Boulding economics is a moral science."<sup>2</sup> The central purpose of Young's book is to ascertain in what sense economics was a moral science for Smith, but he does not separate this from an interest in Smith as a moral philosopher.