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Abstract

Christian theology shaped economics in the early years of the discipline in Britain. Natural theology provided a framework for the fruitful relations between economics and theology through 18<sup>th</sup> and early 19<sup>th</sup> centuries, then as this framework collapsed in the mid-19<sup>th</sup> century the disciples separated. Economists came to see theology and ethics as irrelevant to their scientific enterprise, and churchmen retreated from mainstream economics to debatable enterprises such as Christian socialism in the late 19<sup>th</sup> century and social ethics in the 20<sup>th</sup> century. Since the 1970s there has been a revival of interest in religious economics, especially among evangelicals, and Roman Catholics.

There can be no doubt that theology has contributed to the development of economics since the enlightenment. Understanding the relationship in different times and places can guide contemporary engagements between economists and theologians.

Introduction

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The relationship between Christianity and economics since the Enlightenment is a vast, mostly unexplored territory. Assessments of the strategic importance of this terrain vary, with scholars of religion devoting a lot of attention to it but economists and historians of economic thought not showing much interest until recently. Signs of growing interest among economists include the recent History of Economics Society Annual Conference at George Mason University in Washington DC, where the number of papers on religious aspects of economics (including the Presidential Address on the secularization of American economics) led one participant to jest that the theme of next year's conference ought to be atheist economics to redress the balance. The major journal in the field, History of Political Economy, devoted its most recent annual conference to religious influences on economics. Theologians and scholars of religion have tended to be more interested than economists in exploring the connections, but lack of knowledge of economics has limited their engagement with the discipline. For the last two years at the American Academy of Religion annual meeting, there

have been well-attended sessions on theology and economics, with scholars from both disciplines participating.

It remains a puzzle why there has been so little progress in the area.<sup>i</sup> The scale and complexity of the issues are illustrated by the work of two of the most distinguished explorers of the historical connections between theology and economics, Jacob Viner and Anthony Waterman. Viner was described by Lionel Robbins as ‘the greatest authority of the age in the history of economic and social thought’ and by Mark Blaug as ‘quite simply the greatest historian of economic thought that ever lived’. Viner began writing in the 1920s about the theological dimensions of Adam Smith’s work (Viner 1927), and then spent most of the second half of his professional life on ‘an intellectual history of the economic aspects of Christian theology from the Fathers to modern times’ (correspondence in Viner papers). However, even a scholar of Viner’s capacities found this task beyond him; the work was never completed and we have to be content with a posthumously published set of lectures (Viner 1972), four unfinished chapters of the projected book edited by his PhD students, Donald Winch and Jacques Melitz (Viner 1978), and the correspondence and unpublished manuscripts among his papers at Princeton. Viner’s devotion to understanding the theological context of early economics is especially significant given his distinctly sceptical personal attitude to religion, and the large investment required in teaching himself theology to equip himself for the work.

Anthony Waterman, one of a small number of scholars with formal qualifications in both economics and theology, has devoted a large part of his professional life to the historical relations between these two key parts of Western culture. Waterman, a Canadian Anglican priest who studied economics at Cambridge, was sent by his bishop to acquire a PhD in economics at the Australian National University in order to better advise the Canadian church on economic matters. Economics and the church’s social ethics tradition don’t often mix well, and he turned increasingly to intellectual history, partly to understand why this is so. ‘If I am right in my belief that economics has gradually ousted theology from the discourse of politics over the past two centuries, and if I am also

right in thinking that this is the most significant intellectual mutation ever to occur in the political life of the civilized world, then the point of such a history is obvious. We want to know when it happened, why it happened and how it happened' (Waterman 2004, p.13). Like Viner, he saw the 18<sup>th</sup> and early 19<sup>th</sup> centuries as the crucial period in shaping relations between economics and theology. His work (including Waterman 1991b and essays collected in Waterman 2004) has greatly enriched our understanding of the alliance and eventual separation between economics and theology. Yet he writes 'That story has yet to be written. This book is nothing but a straw in the wind' (Waterman 2004, p.14). Even with a substantial discount for modesty, this statement illustrates the difficulty of the task, albeit for a rare individual who has focused his scholarly energies for several decades on a small subset of the questions for a particular period for a particular country.

Many scholarly lives will be spent before we can claim anything like a comprehensive and robust understanding of the relations between economics and theology. However, we must not be put off the task. History combined with philosophical analysis is the best strategy for learning about the relationship, and especially about what might be helpful and unhelpful strategies for relating economics and theology today. As Quentin Skinner (1969, p.53) says, we 'learn from the past—otherwise we cannot learn at all'.

The aim of this chapter is to survey what we know about the contribution of Christian theology to economic thought since the Enlightenment, and to draw lessons where appropriate for contemporary discussions of the relationship. The contribution of Christianity to economic thought will be taken to mean historical influence, for good or ill. Economics includes economic theory produced by economists, policy discussion and public understanding of the functioning of the economy. It is worth noting that professional economists are a fairly late arrival on the scene, with the first Chairs in political economy created in British universities in the early 19<sup>th</sup> century and the public awareness of an object called the economy arising rather later. I will concentrate on post-Enlightenment Britain and America. Continental Europe and important figures such as J.B. Say and Bastiat will be excluded, apart from some brief comments on the Roman Catholic Social Encyclicals

beginning with Rerum Novarum in 1891. Also excluded are contemporary Asia and Africa where the vitality and different cultural situation of the church is generating some challenging new perspectives on economics. I will not discuss the influence of religion on economic behaviour, such as Weber (1905) or the recent literature on the economics of religion (Iannaccone 2002).

## **Britain**

We know relatively more about the contribution of theology to British economic thought, partly because it has been the focus of the work of historians of economics such as Jacob Viner and Anthony Waterman, and partly because of the rich parallel literature on the relations between theology and science in Britain (for instance, Brooke 1991), together with discussions of economics by theologically sensitive historians of the period such as Clark (2000), Hilton (1988) and Winch (1996).

Political economy in 18<sup>th</sup> century England emerged out of moral philosophy, then a deeply Christian enterprise. It was much stimulated by Scottish Enlightenment writers such as David Hume, Adam Smith and Dugald Stewart. Some Scots would claim that the genesis of political economy was an almost entirely Scottish affair (Dow, Dow and Hutton 1997) and find the notion of an English Enlightenment hilarious, but this stretches things too far. In terms of theology, recent writing on Adam Smith suggests that substantial amounts of theology were embedded in the political economy the Scots passed on (for example, Hill 2001, Long 2006 but contested by Fleischacker 2004).

Even without the Scots, it is likely that political economy would have emerged as a distinct body of thought in England some time in the 19<sup>th</sup> century partly through the process of specialization within moral philosophy (hastened in the area of economics by new problems connected with industrialization), and partly through a desire to emulate other successful sciences. Of course, in the 18<sup>th</sup> century emulating other sciences in no way meant distancing from theology, as the sciences were part of a larger natural theological project. As Robert Young (1985) has put it, natural theology

was the common context of intellectual inquiry in 18<sup>th</sup> and early 19<sup>th</sup> century Britain. This was a project of reading God's nature from creation, a project in which most of the major figures in what we would now call British science participated, including Francis Bacon, John Ray, Robert Boyle and Isaac Newton. The extension of the natural theological project to the social world from the 18<sup>th</sup> century is described in Oslington (2005, forthcoming). Natural theology legitimated political economy, shaped economic theory and provided a common language for economists and theologians through this period.

William Paley exemplifies the process of specialization within moral philosophy as well as the natural theological context of the emerging discipline. Paley was a central figure in the British tradition of moral philosophy and worked out his economics in the context of his theological utilitarianism. His Principles of Moral and Political Philosophy (Paley 1785, based on 1766-76 Cambridge lectures) became a hugely influential Cambridge textbook, admired by Malthus, Charles Darwin, J.M. Keynes and others. It was the first part of a project of explaining and defending the Christian society then existing in Britain, a project that included his Evidences of Christianity 1794 and culminated with his Natural Theology 1802. Paley's economics is mostly contained in the lengthy Chapter XI of Book VI 'Of Population and Provision'. It was only lightly influenced, it seems, by Adam Smith's Wealth of Nations although published almost ten years later. Waterman (1996) discusses the details of Paley's fairly sophisticated growth model but the question of most interest for our purposes is the extent to which Paley's theology contributed to his economics.

In the end I believe the most we can say is that his commitments to natural theology, utilitarianism and individualism, and positive view of the growth of wealth and population, created space for economic investigation. His method involved 'combining the conclusions of reason, the declarations of scripture, when they are to be had, as of co-ordinate authority, and as both terminating in the same sanctions' Paley (1785, p.x) but emphasized that 'whoever expects to find in the Scriptures, directions for every moral doubt that arises, looks for more than he will meet with'

(Paley 1785 p.5). This is a key methodological move, also made by other 18<sup>th</sup> century English moral philosophers interested in economic matters, including Butler and Josiah Tucker.

The links between the theology and the economics are perhaps clearer for T.R. Malthus, one of ‘joint founders of the science’ of political economy with Adam Smith (Winch 1996, p.373). The Essay on the Principle of Population, published in 1798 as a refutation of the perfectibilist ideas of William Godwin, brought Malthus to national attention.

Just as for Paley, Malthus’ natural theological commitments cleared the ground for economic investigation. He states that ‘it seems absolutely necessary that we reason from nature up to nature’s God and not presume to reason from God to nature’ and goes on to speak of ‘the book of nature where alone we can read God as he is’ (Malthus 1798, p.220). It could be objected that Malthus does not consider at length the argument from design and other staples of natural theology, but he explains in correspondence that he considered Paley to have dealt sufficiently with these and assumed his own works would be read in this context.

The core economic argument of Malthus’ Essay was that population tends to grow more rapidly than the food supply, with any discrepancy corrected by the checks on population of vice and misery. Policies such as more generous poor laws would thus increase population without increasing the food supply, increasing vice and misery rather than improving life for the poor. In the second edition of the Essay published in 1803, Malthus added an additional check, moral restraint (essentially delaying marriage), which could operate as an alternative to vice and misery in restraining population. Adding the check of moral restraint softened the harsh implications of the theory, so that human choice along with divine design was responsible for vice and misery. The struggle to reconcile Malthus’ economics with the goodness and omnipotence of God—in other words to construct an economic theodicy—is the subject of Waterman (1991b).

Is there a link between Malthus’ economic analysis and his theology? John Pullen (1981) has argued that Malthus’ theological ideas (which Pullen helpfully elaborates in the categories of contemporary theology) are ‘an essential component of his system of thought’ and the ‘Essay

without its theology would be a very different work' (p.51). The difference in Pullen's view is that the seemingly pessimistic economic analysis must be read in the context of an optimistic theology, so that the work overall is an exploration of feasible and infeasible policies for progress. Pullen's argument about the inseparability of the economic and theological aspects of Malthus' work suggests the theology influenced the economics and vice versa. Recognizing Malthus' optimistic theological framework also makes sense of his enthusiastic acceptance of Adam Smith's providential account of markets.

Another example (suggested by Winch 1996, p.349) of how Malthus' theology contributed to his economics is the argument that the surplus accruing to English landlords in the form of rents was a 'bountiful gift of providence' (Malthus 1815, p.16) and hence justified. If the price of output is determined by costs of production on the least productive land, then owners of more productive land who receive the same price for their product earn a surplus rent. Malthus asks rhetorically:

Is it not ... a clear indication of a most inestimable quality in the soil, which God has bestowed on man—the quality of being able to maintain more persons than are necessary to work? Is it not a part, and we shall see further on that is an absolutely necessary part, of that surplus produce from the land which has been justly stated to be the source of all power and enjoyment? (Malthus 1815, p.16).

Ricardo and others had similar theories of rent but very different theological commitments. Malthus also saw that large rents to landlords and their consequent luxury consumption had a function in maintaining the general level of demand and guarding against gluts (or recessions in modern terminology). Malthus' theology led him to a different use of the rent theory than Ricardo, who saw providentialism as nonsense.

If we accept Quentin Skinner's (1969) interpretative rule that 'no agent can eventually be said to have meant or done something which he could never be brought to accept as a correct

description of what he had meant or done', we must take account of the theological context and this makes it impossible to separate the economics of Smith and Malthus from their theology. If so, many historians of economic thought and contemporary economists who quote Smith and Malthus without recognizing the theological framework are at grave risk of misleading their readers.

In the 19<sup>th</sup> century the theological economics of Smith and Malthus was developed by J.B. Sumner, Richard Whately, Thomas Chalmers, William Whewell and others (as described by Waterman 1991b). Whately, for instance, amplifies Smith's providential account of markets: 'Man is, in the same act, doing one thing by choice, for his own benefit, and another, undesignedly, under the care of Providence, for the service of the community' (Whately 1832, p.94) and praises Smith as a greater natural theologian even than Paley. For Chalmers, 'The greatest economic good is rendered to the community ... by the spontaneous play and busy competition of many thousand wills, each bent on the persecution of his own selfishness, than by the anxious superintendence of a government, vainly attempting to medicate the fancied imperfections of nature' (Chalmers 1833, p.238) and this 'strongly bespeaks a higher Agent, by whose transcendental wisdom it is, that all is made to conspire so harmoniously, and to terminate so beneficially' (Chalmers 1833, pp.238-239.).

Theology contributed not just to the formation of economics in Britain but to its eventual separation from theology. Forces of specialization and professionalization operated to separate all the sciences from theology during the 19<sup>th</sup> century (Brooke 1991). Specifically for political economy I have argued (Oslington 2005) that two tensions fatally damaged British natural theology, destroying the framework that linked economics to theology: first, tension between the static design arguments which dominated early 19<sup>th</sup> century natural theology and the dynamics of classical political economy; and secondly, problems of theodicy created by extending the natural theological project to the economy. Waterman, in his work, emphasizes the damage done to natural theology by the publication of Darwin's Origin of the Species in 1859, but in my view this overstates the tension in the 1860s between evolutionary theory and theology (see Moore 1979) and concedes too much to

T.H. Huxley's tale of a war between science and theology, in which Darwin fired the decisive shot on the scientific side.

Whatever consensus emerges about the causes of the separation, the process was well advanced by the later decades of the 19<sup>th</sup> century. Keynes (1933) identified the 1860s as 'the critical moment at which Christian dogma fell away from the serious philosophical world of England, or at any rate of Cambridge'. An economist like Phillip Wicksteed whose economics arose from an underlying religious vision (Steedman 1994) did not consider it appropriate to deploy theology in support of his economics or discuss the relationship of his economics to theology. Alfred Marshall, who set the tone of British economics well into the 20<sup>th</sup> century, introduced his Principles of Economics with the statement that 'the two great forming agencies of the world's history have been the religious and the economic' then makes little reference to religion, dealing with what he sees as the separate realm of economics.

But although theology retreated from or was pushed out of mainstream economics, economic questions could not be avoided in the church. In England an influential strand of the continuing church discussion of economic issues was the Christian socialism of F.D. Maurice, Charles Kingsley and others (See Norman 1987). Others in the established church attempted to bring theologians and economists together to discuss policy—for example, the Oldham groups and Oxford Conferences of the early 20<sup>th</sup> century—but the growing gap between the ways theologians and economists viewed the world made such gatherings less and less fruitful.

## **Continental Europe**

In the 18<sup>th</sup> century political economy was an international affair; developments in France, the Netherlands and Italy were important, and all had strong theological connections. The French Revolution dampened this. Moving to the 19<sup>th</sup> century J.B. Say and Frederic Bastiat offered theologically based defences of the market in France, but the dominant strands of European

economics in the second half of the 19<sup>th</sup> century were sceptical at best about markets. Much European discussion of economics in the churches ran parallel to the Christian socialist movement in Britain.

Catholic social teaching from Leo XIII's 1891 encyclical Rerum Novarum is a strong and distinct tradition. It stood apart from British classical political economy, being influenced somewhat by European political economy, but more so by the earlier Scholastic natural law thinkers and the emerging Personalist tradition. It offered an anti-modern or at least non-modern alternative, with a different philosophical framework and different anthropology, and asked different questions. The key papal texts may be found in O'Brien and Shannon (1992) and the background discussed by Waterman (1991a), Charles (1998), Barrera (2001), Dorr (1992) and Yuenguert (1999) among others. Fruitful questions were asked about the relationship between this tradition and contemporary economic theory by a series of writers, including Lonergan (1999, 2002), De Roover (1955), Noonan (1957) and Dempsey (1958). Bernard Lonergan's work began in the 1930s and continued until his death in 1984, and is in my view particularly significant. It is hard to identify significant contributions to economic theory, but this tradition certainly influenced policy, and public understanding of economics.

## **America**

The Enlightenment in America tended to be allied with religion, in contrast to the sceptical tone of the English Enlightenment, and the outright hostility to religion of the continental European Enlightenment (May 1976). Scottish common sense philosophy was perhaps the most important philosophical framework in 19<sup>th</sup> century America, and common sense philosophy, together with the economics of Adam Smith and a large measure of optimism linked to the growing economy were the ingredients of most early American political economy.

The 19<sup>th</sup> century clerical economists such as Francis Wayland, Alonzo Potter and John McVickar have been analysed by Marsden (1973), Noll (2002) and Davenport (forthcoming). In this period economics was often part of a capstone course in moral philosophy taught by the college president or another figure of sufficient moral standing. The clerical teachers and textbook writers regarded Adam Smith's economics as harmonising perfectly with their theological commitments and disseminating it to be a religious task. Confidence in the robustness of this harmony allowed them to investigate economic questions, just as had Smith, Paley and Malthus in Britain. For instance, Francis Wayland, Baptist minister, President of Brown University and author of one of the most popular textbooks of the period, Elements of Political Economy 1837, argued 'economical questions on economical grounds' and 'has not thought it proper to intermingle them with moral philosophy and theology' (Wayland, quoted in Marsden 1989, p.31).

Clerical laissez-faire was dominant in 19<sup>th</sup> century America but had difficulty coping with the changed late-19<sup>th</sup> century American economy. Marty (1969) and Marsden (1989) have argued that a gradual and mostly unintentional process of secularization was going on in this period. Francis Wayland expressed his theological reasons for putting theology and moral philosophy to one side when considering economical questions, but neglected the theological framework leading to a wholly secular economics. It is similar to Max Weber's (1905) argument that capitalism was formed in a particular Calvinist theological framework but, as this framework had been discarded, only an 'iron cage' remained. A remark by the late 19<sup>th</sup> century advocate of laissez-faire, W.G. Sumner, also captures something of the spirit of the secularization of American economics: 'I never consciously gave up a religious belief ... it was as if I had put my beliefs into a drawer and when I opened it there was nothing there at all'.

The often-told story of the religious foundation of the American Economic Association in 1885 (Bateman and Kapstein 1999, Coats 1985) is not the beginning or in my view the most important religious contribution to American economic thought. Instead it is better seen as an attempt by Richard Ely and economists associated with the Social Gospel movement to legitimate

their version of economics, against critics like Simon Newcomb. Bateman (forthcoming) argues that the collapse of the progressive movement after WWI was the decisive event in the secularization of American economics, and is sceptical about the creeping, unintentional secularization argument of Marty and Marsden. Bateman's argument seems to me to work if the Social Gospel movement was the dominant theological influence on American economics, but this does not seem to be the case when we look at the earlier history.

A popular tale of this period which must be rejected traces the secularization of American economics through J.B. Clark. The tale opens with the early Clark basing his economics on religious sentiment in Philosophy of Wealth 1886, then abandoning this for secular scientific reason in Distribution of Wealth 1899. Alongside Clark's own change is a transformation of the American Economic Association as Ely and his supporters are displaced. However, close examination of Clark's transformation by Everett (1946) and Henry (1982) does not support this tale. There seems to be little change in Clark's theological commitments, his anthropology or view of private property—just his attitude to competition. Many of the differences between the two books are of rhetoric rather than substance, as Clark accommodates his style to the different situation of the 1890s where appeals to religion are less persuasive. If the tale is false, then so too the moral of the tale that is so much a part of the self-identity of American economists: that religious influences are inevitably cast aside in the march towards good economics.

It is undoubtedly true that the gradual process of secularization that Marty and Marsden describe removes explicit reference to theology, but this is not the only way theology can contribute to economics. There are also the implicit influences of the Christian theological frameworks of economics in a deeply religious culture and these are harder to detect. Even identifying such influences in one's own work is difficult. Great scholarly skill and persistence is needed—we need more work like that undertaken by Ross Emmett on Frank Knight (e.g. Emmett 1994 and his forthcoming book on Knight).

There is another type of contribution if we accept the argument of Robert Nelson (1991, 2001) that all economics is religious, irrespective of whether explicitly religious language is used, and irrespective of the personal faith commitments of economists. Nelson's emphasis is on the religious functions of economics rather than theological content, but Milbank (1990) argues that all social theory, including political economy, is deformed theology.

As in Britain, the separation of professional economics from theology did not end discussion of economic issues in the churches. 'Social ethics' has arisen as a church alternative to mainstream economics. This literature does not attract much attention from economists and it is difficult to think of any substantial contribution it has made to economic theory or policy, or any deep engagement between economics and theology that tends to generate contributions.

## **Australia**

Australia's Enlightenment (Gascoigne 2002) was not dominated by imported Scottish common sense philosophy, but instead by the non-religious utilitarianism of Jeremy Bentham and his followers. This utilitarianism provided a congenial framework for economics to grow in Australia, as it did with great distinction but with little connection to theology. Australia's universities, unlike their British and American counterparts, excluded theology and this limited the capacity of theology to participate in Australian intellectual life and contribute to economic thought in Australia.

It is interesting to read Scott's (1990) history of the Economic Society of Australia alongside the reports of the founding of the American Economic Association. Its objects were limited and practical—there is no trace of an overarching religious vision for the economics profession that drove the American founders.

The standard histories of Australian economic thought, Goodwin (1966) and Groenewegen and McFarlane (1990), give little hint of religious influences. They are probably right for explicit religious influences, but possible influences through the religious backgrounds of important

individual economists have not been investigated. And a Nelson-type argument that economics functioned as some kind of alternative theology probably has more force in Australia than elsewhere as, for instance, in the Australian debates of the 1980s over the supposed intellectual dominance of 'economic rationalism'. All this is speculation and our ignorance of connections between religion and economics in Australia remains profound.

### **Recent developments**

A way of trying to understand the dearth of work in the 20<sup>th</sup> century connecting economics and theology is to look at the incentives facing professional economists and theologians. Professional economists, particularly academic economists, are rewarded for publishing research in a well recognized set of journals. Specialization and heavy personal investment in particular techniques are the usual paths to these journals. Not all specializations though are equal, and we have seen the marginalization of specializations like the history of economics which have the potential to engage with theology. Papers in the history of economic thought are no longer published in the top journals, nor are historians of economics found in the elite North American departments which lead professional opinion. Philosophy of economics, another of the specializations that can engage religion, has fared a little better. It remains to be seen whether the economics of religion, which has grown rapidly as a subfield and won professional acceptance in recent years, will evolve in ways that engage more deeply with theology. There are extremely weak incentives for economists to engage with theology, or to acquire the training in theology that makes deep engagement possible.

The situation facing the professional theologian or scholar of religion is similar, with specialization and heavy sunk cost investments in technique required in particular subfields. By their nature theology and religious studies ask a broader range of questions than economics, and so there has been some space in the major journals and conferences for discussion of economics. The main problem is that there is no incentive for scholars of religion participating in discussions of economics

to inform themselves about economics. Their colleagues in religious studies who assess discussions of economics are similarly ill-informed, and we observe a low equilibrium level of discussion of economics—to put it kindly.

Besides incentives in the particular disciplines, there is the question of incentives for interdisciplinary work. This has seemed an almost permanent flavour of the month among higher education policy makers and university administrators, but reality for interdisciplinary scholars in the theology or economics job markets, especially at the junior level, is grim.

Despite the lack of incentives in the mainstream of the disciplines of economics and theology, we have seen a remarkable revival from the mid-1970s of discussion of relationships between theology and economics. Reasons are complex—the interest in Christian critiques of economics coincided both with a larger crisis of confidence in economics and with a revival of interest among evangelicals in social issues. Some of this has occurred in segments of the profession distanced from the incentives facing mainstream economists, such as the US Christian colleges.

I will briefly mention two parts of this revival. First, in the Roman Catholic church it is fair to say that the tradition of social teaching stemming from Rerum Novarum was losing its way in the 1970s. Beginning about then has been a vigorous reassessment of the role of markets in the Catholic traditions, exemplified by the work of Michael Novak (1982, 1981, 1993), John Paul II's encyclical Centesimus Annus and more recently the work of the Acton Institute for the Study of Religion and Liberty in the US.

Secondly, in the Reformed tradition, especially that part of it stemming from the work of Abraham Kuyper, we have seen a series of works about the theological nature of economics (Cramp 1975, Vickers 1976, Goudzwaard 1979, Storkey 1993) and a long term project centred at Calvin College in the US to reconstruct economics on Christian foundations (Tiemstra, Graham, Monsma, Sinke and Storkey 1990, Tiemstra 1994). This work in the Reformed tradition has stimulated evangelical writers such as Donald Hay (1989) and Kim Hawtrey (1986). Organizations such as the

Associations of Christian Economists in the UK and USA, and the Zadok Institute in Australia, all founded in the 1970s reflect this revival.

It is interesting that both share a natural law background. Aquinas and Calvin in their own ways are natural law thinkers (Grabill 2006) and thus the Roman Catholic and Reformed traditions have more in common with each other than they do with the utilitarian and empiricist philosophical framework of mainstream economics.

Alongside these revivals, the Christian Socialist tradition remained influential in Britain up until the 1980s, producing a steady stream of church documents and reflections—for instance, Preston (1983). Mainstream Protestant social ethics continued to generate vast volumes of material, especially in the US, without producing much of lasting value or influence in relation to economics. It remains to be seen whether the current interest in Public Theology will amount to anything more than a new marketing slogan for this type of work.

Nor has religious economics been without its critics, among whom are included Bauer (1984), Anderson (1984), Coleman (2002), Heyne (1994) and Richardson (1994).

## **Conclusion**

There can be no doubt that theology has contributed to the development of economics since the Enlightenment. In the 18<sup>th</sup> century theology shaped and legitimated the new discipline in Britain, and greatly influenced early American economics. Natural theology was a framework that made the development of political economy possible. Much theology was built into economic theory and remains with us. And theology had an important role in the defence and popularization of economics. Without theology (if this counterfactual is conceivable) we might not have modern economics, and if we did it would be a very different discipline.

As well, there is a continuing contribution of theology to economics through a number of channels—most obviously, but perhaps least importantly, from Christian economics. Writers who

identify their work as Christian economics are a small and probably biased sample of the Christian contributions. The nature of this larger contribution is extremely hard to identify, and we need more studies of the connection between the theologies (and anti-theologies) of major economists. Finally, if we accept the arguments of Robert Nelson and John Milbank that all economics is ultimately religious, then the religious contribution becomes overwhelming.

What lessons can be drawn from this history? First, that good economics and theological influences are not mutually exclusive, although recent history has been less encouraging in this regard than periods such as 18<sup>th</sup> century and early 19<sup>th</sup> century Britain. Secondly, we need an adequate intellectual framework for linking economics and theology—natural theology has operated this way in the past, but may not be the best framework for contemporary circumstances. Thirdly, for deep and fruitful interaction we need institutions and incentives that make for good scholarship across the disciplinary boundaries.

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<sup>i</sup> Contributions to the economics and theology dialogue are collected in Oslington (2003).

His economic thought (especially his value theory) is insightful but occasionally contradictory and inconsistent. Human Action and Political Economy. In the Topics, Aristotle provides his philosophical analysis of human ends and means. He explains that means or instruments of production are valuable because their end products are useful to people. Aristotle taught that economics is concerned with both the household and the polis and that economics deals with the use of things required for the good (or virtuous) life. As a pragmatic or practical science, economics is aimed at the good and is fundamentally moral. Because Aristotle saw that economics was embedded in politics, an argument can be made that the study of political economy began with him. Thomas Aquinas's economic thinking followed Aristotle's economic thought. The basis was the idea of justice and wages, and prices. Economics was about fairness and justice to both philosophers. However, there was one idea that I liked was unique to the economic thinking of Aquinas. I believe in a Christian economic ideal. I also believe Aquinas was one of the top five thinkers in philosophy. I mean everything can not be determined by the market. ReplyBy Post Author. It is very hard to make moral judgements in economics other than protecting basic rights like life, liberty and the pursuit of happiness. For example, I am pro-life and it hurts me we live in a society that is does not have an awareness that can not collectively agree this is a wrong and it is obviously so. "Christianity's Post-Enlightenment Contribution to Economic Thought" in Christian Morality and Market Economics - Theological and Philosophical Perspectives edited by I. Harper and S. Gregg, Edward Elgar. Schweiker, W. and C. Mathewes, Eds. (2004). Having: Property and Possession in Religious and Social Life. Michigan, Eerdmans. Viner, J. (1978). "Religious Thought and Economic Society." History of Political Economy 10(1): 9-189. Also published in book form by Duke University Press, edited by Donald Winch and Jacques Melitz. William Cavanaugh uses Christian resources to incisively address basic economic matters -- the free market, consumer culture, globalization, and scarcity -- arguing that we should not just accept these as givens but should instead change the terms of the debate. Among other things, Cavanaugh discusses how God, in the Eucharist, forms us to consume and be consumed rightly. Examining pathologies of desire in contemporary "free market" economies, Being Consumed puts forth a positive and inspiring vision of how the body of Christ can engage in economic alternatives. At every turn, Cavanaugh Part One Christian Perspectives on Schools of Legal Thought. Section 1 Enlightenment Liberalism. [Section 1 Introduction]. [Section 1 Introduction]. Law and economics is the school of jurisprudence in which the tools of microeconomic analysis are used to study law. Those of us who practice it have a deceptively simple task. We translate some legal doctrine into economic terms. We then apply a few basic principles to the problem--cost-benefit analysis, collective action theory, decision-making under uncertainty, risk aversion, and the like. Positive economic analysis simply asks whether the law is efficient, while normative law and economics commands that the law Cite this Item. A Catholic Social Teaching Critique of Law and Economics.