Part Five

RELIGIOUS IMPLICATIONS
Chapter 9

The Concept of Economic Justice in Religious Discussion

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Identifying the problem

What is economic justice? The concept is clearly a central concern for those who believe that the salvation and the righteousness of which the Bible speaks are social and not merely individual. Nonetheless, the concepts of economic justice commonly employed or assumed in theological essays and denominational statements do not seem to have been thought through with any care. A critical reader might wonder if those who use the phrase know themselves what they mean by it, and whether they could really intend what they seem to be asserting.

Justice is notoriously hard to define in any way that goes much beyond platitude and still commands wide assent. That probably explains, at least in part, why most people who use the term do so without defining it. They assume (or hope) that others will understand the word as they do. But by excusing themselves from the necessity of stating clearly what they mean, advocates of justice often fail to discover that what they are proposing has no defensible meaning at all.

The problem of talking clearly and sensibly about justice diminishes considerably, however, when we shift our focus and talk about injustice. "Injustice wears the trousers," as J. R. Lucas has put it.
[I]t is when injustice is in danger of being done that we become agitated.... And therefore we should follow the example of Aristotle, and adopt a negative approach, discovering what justice is by considering on what occasions we protest at injustice or unfairness.²

What, then, do writers in the biblical tradition have in mind when they protest against economic injustice?

**Unequal money incomes**

They most commonly seem to be pointing to an objectionable *inequality of money incomes*. Since no one is willing to argue that *all* inequality is unjust, the question immediately arises: When and why is inequality of income unjust? When the question is seriously pursued, it proves extraordinarily difficult to answer satisfactorily.

A basic but generally neglected difficulty stems from the fact that inequality of current money income is not a reliable indicator of inequality in the power to acquire valued goods. There are many reasons for this. One important example is provided by the case of Americans over sixty-five. While their money incomes tend to be low, they often own capital goods (home, automobile, furniture, a lifetime's accumulation of household tools) and special entitlements (reduced fares, tax exemptions, medicare benefits) that make their money income a very poor gauge of their real income.

The situation of older persons raises the more general question of age. Since earnings typically change with age, it will always be misleading to compare the incomes of different groups without taking explicit account of their ages. The average income of U.S. families in which the principal earner is 45 to 54 is about twice the average of income of families in which the principal earner is under 25.³ This is obviously an inequality, but it is not an injustice. On the contrary, it would be unjust to allow a medical student to qualify for welfare assistance, on the grounds of low current income, rather than having to borrow against expected future income.

**Choices and incomes**

Family size and composition also affect both money income and the welfare significance of that income. Other things being equal, people's incomes decline when they separate or divorce, or when they choose to
live alone rather than with relatives. Inequalities resulting from such
decisions are not injustices unless we believe that people have a right
to make these decisions without experiencing any income change as a
consequence.

People make many other decisions that cause their incomes to differ
in ways that few who thought about it carefully would want to call
unjust. Some families have a single earner, others have two adult
members pursuing careers. Some people work a forty-hour week or
less, while others seek overtime, moonlight, or take up a trade or pro-
Fession that enables or requires them to work twice as long and hard as
their neighbors work. Some devote their resources predominantly to
current consumption, while others opt more heavily for investment ac-
tivities: schooling, training, or the purchase of assets that will yield
larger future returns. Some simply manage their resources more care-
fully than others. Everyone does not have an equal opportunity to
make such choices, of course; but it is surely not unjust to let these
choices have some effect on people's incomes. A quite substantial in-
equality of money incomes would seem to be compatible with even
highly egalitarian concepts of economic justice.

But why do we focus so exclusively on money incomes and the
goods that money will buy directly? Our society also displays a highly
unequal distribution of power, prestige, challenging and satisfying
work opportunities, as well as risks and uncertainties. At some level of
income these other goods surely become more important than money
income. Are we preoccupied with money incomes because we think we
know how to redistribute them, whereas we don't know how to redis-
tributE power, prestige, and "meaningful" work? Is this perhaps a
form of "commodity fetishism," in which we transform the indexes of
economic calculation into measures of welfare and even worth? If so,
this would be an ironic ideological triumph of capitalism over its
critics.

How much less inequality?

Those who infer economic injustice from income inequality are rarely
willing to tell us how much inequality would be consistent with justice.
"Less" is not an adequate answer.4 Where is the limit? Many advo-
cates of greater income equality have argued that the maximum in-
equality compatible with justice is the minimum inequality that will
preserve incentives to work, risk, innovate, and perform competently
and conscientiously. It is not obvious why this should be so. But in many areas of economic life, this limit has long since been passed. Incentives don't simply “disappear” at some point. They diminish, at different rates for different people under different circumstances. More importantly, they change. People alter their activities in response to high marginal tax rates; they don’t simply retire.

The best evidence that the incentive criterion is not in fact being used by advocates of income redistribution is their widespread indifference to the readily demonstrable effects of high marginal tax rates, explicit on high incomes and implicit in current welfare programs. Imagine a situation in which acceptance of an $8,000 per year job entails a loss of $6,000 in cash and in-kind transfers such as Medicaid benefits and food stamps, plus payment of $2,000 in income and social security taxes and the acceptance of job-associated costs. That amounts to a 100 per cent marginal tax on earnings. The fact that our income redistribution system has created marginal tax rates of this magnitude and allowed them to persist is fairly good evidence that the preservation of work incentives is not an important criterion for those advocating further redistribution.⁵

The criterion of need

Equality (or less inequality) in the distribution of income does not seem, then, to be a workable criterion of economic justice. What about the criterion of need?

If we define need in terms of what is required to sustain life on an adequate level, we run into two problems. Most simply, the criterion of need is unrealistic in poor economies and irrelevant, at least for most of those who talk about economic justice, in affluent ones.

For the vast majority of the people who have ever lived or are living now, poverty is the consequence of low productivity, not of unequal distribution. No redistribution of income within the country would satisfy the “needs” of all the people currently living in Kampuchea, Bangladesh, or Ethiopia. There is simply not enough to distribute.⁶

At the other end of the income scale, people who speak of “needs” in Canada, Sweden, or the United States clearly do not have in mind anything even remotely close to subsistence incomes. “Need” in these countries is culturally defined. An American family today “needs,” if it is to maintain a decent, socially acceptable level of living, enough income to secure housing, clothing, food, furniture, recreation, and
medical services in a quantity and of a quality that could not have been provided to more than a small minority as recently as fifty years ago. By today's standards, then, a majority of Americans did not have enough income to meet their "needs" at a time when our incomes were the highest in the world and the object of widespread admiration and envy.\(^7\)

The fact is that, in wealthy countries, "need" is continuously redefined to embrace whatever becomes widely available as a result of increased production. "Need" defined in absolute or physiological terms is accepted as a standard for economic justice only with reference to very poor countries, where low productivity makes the standard impossible to meet. In wealthy countries, "need" is relative. But as soon as we allow "need" to be determined by prevailing incomes, we have actually abandoned the criterion of need for the criterion of equality. And we are back to the question, When does inequality become injustice?

The notion that "need" or subsistence is more a sociological than a biological fact has a long and respectable lineage. Adam Smith, David Ricardo, and Karl Marx all defined subsistence at least partly in sociological terms;\(^8\) the propensity to view poverty as a relative matter is therefore not simply the product of some modern rage to reduce income inequalities. However, neither Smith, Ricardo, nor Marx had any pressing reason to wonder about the ultimate implications of defining poverty in terms of relative deprivation. If it is the social significance of differences that matters, and if, as a great deal of evidence strongly suggests, the elimination of some differences increases the social significance of those that remain, then the pursuit of a just pattern of income distribution based on need could be the costly pursuit of a mirage. It might even be no more nor less than the sanctification of envy.

**The criterion of merit**

What about the criterion of merit or desert? This criterion has always figured prominently in formal discussions of justice.\(^9\) It is therefore somewhat surprising to discover how rarely it is invoked in contemporary ecclesiastical statements on economic justice. Is that because theology, or at least the kind of theology dominant in contemporary economic discussions, has no place for the criterion of merit? If all that we possess, including our intelligence, aptitudes, and attitudes, is the
gift of God, then claims of merit or special desert would indeed seem to be ruled out.

I believe that this is in fact the explanation for the puzzling absence of the merit criterion from so many theological discussions of justice. But that absence makes the discussions thoroughly unrealistic. All of us, including the most egalitarian theological ethicist, do in fact regard merit as relevant to the distribution of economic goods. We do not regard the parable of the employer who gave the same wage to all his employees, regardless of how long they had worked, as normative for the employment relationship. Those who have borne the burden and heat of the day deserve more than those who started work just before quitting time. The employer may, if he wishes, pay the late arrivals as much as he is obligated to pay those who worked all day. But that would be a matter of benevolence, not justice. And it would surely be unjust for him to strike an average and pay five hours of wages to those who worked eight hours and to those who worked but two. Those who worked eight hours have a claim in justice to receive a reward proportioned to their merit, a merit acquired by their efforts. In some contexts it may be relevant to point out that they did nothing to earn their ability and willingness to work long hours at hard labor, or that they wouldn't have had the opportunity to work at all if they hadn't just happened to be standing in the hiring hall when the employer walked in. But no one will claim that these facts diminish their deserts in the case at hand or that it would therefore be perfectly just for the employer to pay them for fewer hours than they actually worked.

A theology of economic justice that neglects merit or desert is simply not addressed to the world of social decisions. What we deserve at the hands of God is not the same as what we deserve from one another. To suppose that we can settle the one question by answering the other is to abandon the question of economic justice altogether.

Perhaps this is not always recognized in theological statements on economic justice because those statements are so frequently formulated as antitheses to a system which seems to exaggerate the role of merit or desert. Defenders of capitalism often claim that capitalism distributes economic goods justly because it distributes them on the basis of merit. Those who don't accept this claim and who believe that the distribution which occurs under capitalism is unjust may have responded by rejecting the merit criterion when they should have been criticizing its application.
Differing grounds for entitlement

There is an important difference between earning something and having a right to it. Neglect of this distinction generates confusion on the subject of merit as a criterion of economic justice. A teenager given the keys to the family car for the evening has a right to use it. The teenager would be unjustly deprived of a right if someone else—an older brother, perhaps—saw the car on a theater parking lot and appropriated it for his own use. This does not imply, however, that the teenager deserved the right to use the car that evening, or that he would have been treated unjustly if the keys had been denied. If he had been promised the use of the car in return for washing and waxing it, then he would indeed have earned its use, and failure to grant the use would have been unjust.

Defenders of capitalism sometimes seem to be assuming that all entitlements are earned entitlements and can therefore be credited to merit. This position cannot be defended without stretching the concept of earning past the point when it loses its ordinary meaning. People are sometimes lucky. They may well be entitled to what came to them as a result of luck, but they cannot properly say they earned it or that it has accrued to them as a result of their merit. Defenders of capitalism do their cause a disservice, I believe, when in their eagerness to establish the moral legitimacy of capitalism they undertake to argue that people deserve, as a consequence of their merit, whatever they receive in a competitive capitalist economy.

It is both interesting and of some theological significance to note the great difficulty that many of us have in accepting as ours what we aren't certain we have earned. Are we consequently tempted to fabricate merit for ourselves so that we may claim to deserve that to which we are merely entitled? It is not enough to possess; we want to possess in good conscience, which too often means that we want to deserve whatever we rightfully possess. Adam and Eve, it seems to me, did something very similar to this when the serpent raised its guileful questions.

The function of rules

The mishandling of the merit criterion, both by defenders and by religious critics of capitalism, points to what I believe is the gravest flaw in contemporary theological discussions of economic justice. That
flaw is the general failure to perceive the role and importance of *rules*.

Since the position for which I am now going to contend strikes many religious people as fundamentally immoral, let me begin indirectly, with a question based on an everyday dilemma.

After the bus has pulled away from the designated transit zone, should the driver stop the bus and open the door for someone running to catch it?

Some passengers will pull the stop signal and call out to the driver when they see a tardy passenger running to catch the bus. If the driver ignores their signals and drives on, they may comment disapprovingly: “A *mean* driver this morning.” If he does stop, open the door, and wait for the running passenger, he will, of course, earn the gratitude of the beneficiary; but he may also be the recipient of approving comments from other passengers: “Someone who likes people more than schedules.”

My purpose in recounting this familiar scene is a simple one. Here is a politically uncharged illustration of the function that rules play in a society and of the common ethical confusion that results from ignoring that function.

We begin by noticing that the driver who stops in such a situation is not necessarily helping people more than the one who does not. He certainly helps this one passenger—assuming that the driver’s action doesn’t cause an accident! But in addition to increasing the probability of an accident, the decision to stop delays all the other passengers on the bus. If the next bus will be along in 15 minutes, there are 25 other passengers, and the driver’s action delays them all by 30 seconds, some might argue that the driver’s action produces a net social benefit of $2\frac{1}{2}$ minutes.

But this is an unconvincing claim. We can’t compare different people’s minutes in this manner. The 30 second delay, multiplied by the number of times the driver acts in this way, could cause a dozen passengers to miss their transfer connections. Those dozen people might consequently be late for important meetings, so that eventually many hours of other people’s time is lost in the process of saving 30 seconds for each of a handful of late-running bus passengers.

**The rights of unknown persons**

The argument still involves illegitimate comparisons, however. A minute of one person’s time is *not* the moral equivalent of another person’s
minute. The principal reason for rejecting such an equation is not
that people in fact value time differently, although that is certainly
true, but rather that punctual people have a right not to be delayed by
tardy people, and the bus driver has an obligation to respect that right.
The man who gets up late does not have a right to delay the people
who arrived at their bus stop on time. He ought to pay the cost of his
tardiness, and it is unfair of him to avoid that cost by shifting all or a
part of it to others.

Suppose, however, that he overslept because he had been up most
of the night tending a sick child, and now must catch this bus in order
to keep a counselling appointment with a distraught alcoholic who’s
contemplating suicide. Would we want to say in such a case that he,
rather than the punctual passengers, ought to bear the cost of his over-
sleeping? Doesn’t he deserve commendation rather than blame? More-
over, it isn’t he but rather the suicidal alcoholic who will bear the cost
of his being late.

All of this is quite irrelevant, however. The bus driver has no way of
knowing why his passengers are punctual or late, whether they’re em-
barked on important errands or simply taking a trip for the fun of it.
The driver’s moral obligation is to provide safe transportation and
stay on schedule; the passengers must assess their own individual cir-
cumstances and decide whether or not to be at the bus stop by the
scheduled time. Adherence to these rules will sometimes produce re-
results inferior to what an omniscient driver could achieve; but bus
drivers are not omniscient.

Moreover, a driver who elects to disobey the rules is behaving un-
justly. He is violating the rules of the game and benefiting some at the
expense of others in an essentially capricious way. The passengers who
applaud his behavior when he stops in the middle of the street fail to
consider the harm he may be inflicting on others. They may also be
quite wrong in assuming that he was motivated by kindness; he could
well be trying to curry favor, secure praise for himself at the expense
of others.

Rule coordinated social interaction

Thinking through this trivial example helps us see why it will often be
more ethical, more socially responsible, and even more humane to “go
by the rules” than to violate the rules in order to serve the known inter-
ests of particular people. We have been conditioned to believe that it is
morally wrong to adhere to rules in circumstances where we believe our doing so will harm particular people. We are not used to thinking about the broader consequences for others, or the long-term consequences for the system in which we're participating. Not only do bus drivers make punctual passengers late when they choose to violate the rules; they also begin to change the relative costs and benefits of adhering to the rules, which means that the rules start to break down. We would probably be less sanguine about this consequence if we more fully appreciated the extent of our dependence upon rule-coordinated social cooperation.

What we loosely call "the economy" is essentially a system of social cooperation overwhelmingly dependent for its functioning upon rule-coordinated behavior. If all the farmers in the United States, for example, decided to devote their time and other resources to producing what was specifically wanted by the most needy or otherwise most worthy people they knew, millions of people who are now well fed would soon starve to death. The production decisions of American farmers are in fact made for the most part according to a simple rule: choose the available option from which you expect the largest net revenue. Those who believe that production for profit is morally inferior to production for use have apparently never thought through the consequences of what they're recommending. They are ignoring the incredible complexity of the system of social cooperation by means of which we are fed, clothed, housed, warmed, healed, transported, comforted, entertained, challenged, inspired, educated, and generally served.¹⁴

We must accept and honor rule-coordinated behavior not only in order to maintain our level of wealth. Justice also demands it. A large society cannot be a just society unless most of its duties and benefits are allocated in accordance with established and accepted rules. This truth is in no way confined to the so-called economic system. A college professor teaching a class of 500 students must, if she wants to be just, clarify the rules in advance and then apply them impartially. If a student confronts her with circumstances that the rules had not contemplated and so do not cover, she must search for a response that can be generalized. She must not allow some students to take advantage of other students by securing unique advantages. Each of the 500 students, if pressed, could probably find an explanation, unrelated to what the student actually knew, for missing one or more items on the last test. It is fundamentally unfair to give extra credit exclusively to
those students whose obsession with grades or personal belligerence prompts them to ask for it. If the same privilege is extended to every student in the class through a general announcement, it might seem at first that justice would be salvaged. But now the question arises as to whether the teacher can in fact adequately hear and evaluate the explanations of 500 students. Justice in large societies requires not only that general rules binding on all be promulgated, but also that they be applied in a non-arbitrary manner. The more likely outcomes of such an attempt to apply personal criteria in a large-society situation are capricious decisions and poorly-used time.

Knowledge and justice

What would we say about a judge who discovered that the defendant coming before him on a drunk-driving charge was his next-door neighbor and nonetheless decided to hear and dispose of the case? Justice requires that the judge disqualify himself and turn the case over to someone else. The reason is that he knows the defendant too well. The judge is consequently in a position to know far more about the special circumstances of this defendant than he can know in other cases brought before him. To know all is, in a very important sense, to forgive all. It is therefore the responsibility of a judge not to know too much about a particular defendant, so that he can save the lives of many unknown persons by applying impartially the rule against drunk driving.

A judge in a small village might be able to act simultaneously as a just judge and a just neighbor. Justice will sometimes demand that we go beyond impersonal criteria in allocating burdens and benefits. We are properly horrified by David's famous painting of Lucius Junius Brutus and his two sons whom he had ordered executed for treason; a father owes more than that to the members of his own family. And it is possible to supply something more than impersonal justice in a small society where people know one another well. The size of the society is the crucial issue, however.

It is hard to see, for example, how a law against loitering could be a just law in a city of any size. Its application would inevitably leave too much discretion to police officers who could not know enough to enforce the law fairly, and who would therefore necessarily enforce it unfairly. It is conceivable, for the same reason, that the personal discretion which has to be exercised in the enforcement of any anti-loiter-
ing ordinance could be exercised fairly in a small village. The essential point remains. Justice itself demands that we use impersonal criteria to allocate burdens and benefits in a large society, where inescapable limitations on our knowledge make it impossible to take personal considerations into account in any consistent way.

**Justice, expectations, and promises**

It seems to me that our reflections on economic justice would be far more satisfactory if we recognized the connection between justice and the keeping of promises. I have increasingly come to think of justice as basically the fulfillment of legitimate expectations. This definition is faithful to our most fundamental moral perceptions, I believe, while illuminating a wide range of issues. Injustice is done, I suggest, when someone's legitimate expectations are not fulfilled because others broke their promises.

Sometimes promises are made explicitly by one person to another. The breaking of such promises, other than for reasons beyond the control of the promisor, is an injustice whenever the promisee's well-being is thereby lessened.

More often, however, our promises are implicit, part of the unarticulated compacts that we have with our families, our neighbors, members of our church, associates at work, plus millions of people whom we will never even meet. I commit an injustice when I fail to provide family members, friends, or associates with the assistance, support, or other cooperation that my previous actions have legitimately led them to expect. We won't always agree completely on which expectations are legitimate, because we will inevitably disagree to some extent about what has been implicitly promised. But we always promise more than what we spell out formally, because explicit promises entail prior commitment or tacit assent to a vast network of "background" agreements.

In this approach to the question of justice, laws can be thought of as promises. They bind everyone within their jurisdiction to behave or refrain from behaving in specific ways, and thereby they create legitimate expectations. An unjust law would be a law that repudiated prior promises; because of the resulting inconsistency of promises, the expectations that such a law might create would be less legitimate than the expectations created by a law whose justice was undisputed.

Customs and traditions are also promises. Moreover, every society is grounded in some kind of moral consensus, and the basic principles
of that consensus are the most fundamental promises that the mem-
bers of the society make to one another. Because these principles are
not fully articulated, they can become mutually inconsistent in the
course of social evolution. This most commonly happens, I think,
when new possibilities for behavior lead to situations in which basic
principles start to yield conflicting promises. The development of such
situations threatens the stability of a society, because it removes, at
least temporarily, the common ground which must exist if disagree-
ments about justice are to be resolved. At such moments in a society's
history, it is especially difficult but also especially important for the
members of the society to refrain from caricaturing the positions they
are rejecting. The ultimate bond of any society is its members’ com-
mmitment to their common humanity; so long as that can be preserved,
we are not compelled to say “thy blood or mine” and to settle our dis-
agreements about justice by the naked criterion of force. When we im-
pute immoral motives to our opponents, we are in effect declaring war
on them by expelling them from the community of moral discourse.\textsuperscript{17}

Now it seems clear that if we make promises or otherwise create
expectations that we cannot subsequently fulfill, we inflict harm on
others. It is not true that they are neither better nor worse off as a re-
sult of our promising but not delivering; they are worse off. People
build upon their expectations, and when those expectations turn out to
be illusory, the structures erected on them collapse. This is a psycho-
logical and an economic truth. In both the realm of feeling and the
realm of action, we make investments on the basis of our expecta-
tions. And we sustain a loss when those expectations turn out to have
been overly optimistic. Not every unfulfilled expectation constitutes
an injustice, of course. Some expectations are bound to prove mis-
taken in a world characterized by uncertainty. Injustice is done only to
people whose expectations are disappointed by the failure of others to
fulfill promises they were capable of keeping.

\textbf{Promises and the size of the society}

A satisfactory theory of economic justice must recognize not only the
importance of honoring commitments, but also the crucial relation-
ship between the size of the society and the kinds of promises that can
be made and fulfilled within it. The members of a nuclear family can
conscientiously promise to assign tasks among themselves on the basis
of ability and to distribute benefits on the basis of need. In larger soci-
eties, such a promise is impossible. If it is made, it is made in igno-
rance. There is simply no way for even one-hundred people, much less 225 million, to acquire the knowledge that would be required in order to assign tasks on the basis of ability and benefits on the basis of need. We don't have to raise the question of whether people would be willing to make and keep such promises to one another. Incentive is a necessary but not a sufficient condition. Information is also necessary. This point is important because religious discussions of economic justice tend to focus on the incentive issue and to overlook the problem of information. They thereby hold out the false hope that a "change of heart" would enable us to get rid of capitalism, or at least of certain features of capitalism that they find morally objectionable.

The nature of "capitalism"

Let me say at this point what I mean by capitalism. I think of it as a social system in which individuals are free to choose what they will supply and demand, offer and bid, subject only to general rules known in advance. These rules will be both legal rules, externally enforced, and moral rules that are internally enforced. I call capitalism a social system because it is the social rules that determine whether the society will be capitalist, socialist, or something in between. Capitalism, in short, is a system of individual freedom under law, where law does not mean "legislation" but rather the whole body of established rules, agreements, and conventions by which the members of a society acknowledge themselves to be bound.18

The engine of the system is the individual's perception and pursuit of net advantage. Collective behavior is not excluded, but it must be the product of the voluntary choices of individuals. The pursuit of one's net advantage is not a synonym for greed, selfishness, or materialism. All purposeful human action is self-interested, in the crucial sense that it aims at goals accepted by the individual, using means evaluated by the individual. Greed or selfishness, by contrast, is a matter of claiming for the self more than is due. I would want to describe greed or selfishness in terms of a failure to fulfill obligations, and hence as injustice. But the point here is that greed is about as common under capitalism as it is under any other kind of political system, but no more common.

Capitalism is thus by definition an impersonal system. It is not altogether an impersonal system, because the individuals within it do participate in families and small, face-to-face associations, where they
can know other persons well enough to be concerned with and to care for their unique qualities. But the distinguishing characteristic of capitalism is the impersonal nature of the social interactions that make it up. It can be described paradoxically as a social system in which people do not care about most of those for whom they care. The farmer who feeds me does not even know I exist, and while he wishes me no ill, he does not and cannot care about me in any subjective sense. Nonetheless, he cares for me, and very effectively, in an objective sense.

We are all dependent, throughout our lives, for our actual survival as well as our many comforts, upon the assistance and cooperation of millions of people whom we will never know and who do not know us. They help us to fulfill our aims in life not because they know or care what happens to us, but because this enables them to fulfill their own aims most effectively. They are motivated by their own interests, whatever these may be. They are guided by the rules of the society and their perception of the expected net advantages from alternative decisions. These net advantages, or structures of expected costs and benefits, are created by the similarly motivated and guided efforts of everyone else in the society.

The necessity of “commodity” production

Marx was thus correct. He saw more clearly than most of his procapitalist contemporaries that capitalism was a system based on commodity production. It had replaced (by supplementing, I would argue, more than by displacing) a system based on relations of personal dependence. Thereby, as Marx and Engels observed in the first part of *The Communist Manifesto*, capitalism had achieved productive wonders. Their mistake, and the mistake of so many who followed them, was in supposing that capitalism could be replaced in turn by a system of production based on “socialist relations,” a system retaining the productive powers of capitalism while assigning tasks on the basis of ability and distributing the product according to need.

The roots of resistance

I suspect that the deepest root of this belief, a belief remarkably immune to either theory or evidence, is the conviction that an impersonal social system is morally unacceptable. I maintain that this is a tragi-
Impersonal does not mean inhumane, as we sometimes carelessly assume. Nonetheless, our model for the good society seems to be the family, where production is from each according to ability and distribution is to each according to need and merit (though we tend to underestimate the actual importance of the merit criterion in thinking about family distribution decisions).

The religious heritage of Western thought pushes in the same direction. The Old Testament's criticism of economic behavior often presupposes a society small enough and sufficiently close-knit for its members to care about as well as for one another. A more prominent feature of this literature, in my judgement, is its emphasis on impartial administration of the rules; but this feature has rarely been noticed by those who turn to the Old Testament for passages with which to support their concern for economic justice. The New Testament emphasis upon love as the fulfilment of all law has further reinforced our inclination to suppose that impersonal relations are somehow morally deficient relations.

A false option

Our basic mistake may be the belief that we must choose between personal, face-to-face societies and impersonal societies. If we accept as fully legitimate the impersonal, rule-coordinated societies in which we participate, we are not repudiating or depreciating in any way marriage, the family, intimacy, I-thou relationships, the unique value of the individual, or the power and significance of personal caring and sacrifice. If we were in fact compelled to repudiate all of this in order to enjoy the benefits that only large and hence impersonal societies can provide, we would be foolish to opt for those benefits. In the long run, that choice would deprive us of the advantages of both worlds, because the moral values essential to the successful operation of a rule-coordinated society can only be nurtured in personal societies.

But we are not forced to choose. We are tempted to choose, it is true, and from both directions. The expanding wealth of opportunities that the impersonal society lays before us makes us progressively less dependent (or so we believe) on particular other persons. As we enlarge our individual freedom and power, we simultaneously declare our continual independence. We view commitments as entanglements and we work toward fuller emancipation. That kind of freedom is really perpetual mobility, and I doubt that it is ultimately compatible with the institutions and virtues of personal community.
My primary concern in this paper, however, is the temptation coming from the other direction, a temptation whose appeal might be in large part a function of the anxiety that many of us feel about the decline of personal community in our own lives. Many of the “best people” in our society, including theologians, denominational leaders, and deeply religious people, sincerely believe that economic justice requires the destruction of rule-coordinated societies. Moreover, they are committed to the belief that they may legitimately use the coercive power of state legislation to accomplish this goal. They seem determined to do so, with little thought about what justice might actually entail and often the most superficial attention to what occurs in the democratic legislative process.

False promises and injustice

Legislation that aims at the achievement of economic justice cannot succeed in this purpose unless the promises that it offers are genuine, realistic, and not in themselves unjust. Legislators often hold out promises of benefits, for vote-gathering purposes, when they have no intention of enacting the enabling legislation which would impose the requisite costs on the public. For very similar reasons legislators will sometimes refuse to consider the consequences of what they are doing; it is not in their interest to recognize, much less to admit, that a bill which offers electoral gains to those who support it cannot in fact achieve its stated purposes. Legislation of this kind is unjust legislation because it deliberately creates expectations that will not be fulfilled.

Particularly common and troubling is the tendency of democratically-controlled legislatures to defend special-interest legislation on the grounds that it secures economic justice for its beneficiaries, while ignoring the injustices that this legislation will impose on others. The most familiar and to my mind most disturbing contemporary example is the arbitrary expropriation, through legislated rent controls, of people who have invested in residential rental property.

Those who draft the “social concern” statements of church bodies too often endorse this kind of legislated injustice, apparently because they can think of no way to measure economic justice except by looking at the pattern of outcomes. They are not deterred by their inability to provide a coherent, applicable, and defensible definition of a just pattern of outcomes. Meanwhile they ignore or repudiate in their official pronouncements some of the most basic principles of justice that
they themselves use in their everyday, "real world" activity. The fundamental dependence of justice in a large society upon adherence to general rules is almost totally overlooked.

What do religious pronouncements about economic justice really accomplish? What interests do they serve? Those are the pressing questions with which I find myself left. But they would be questions for some other study.

NOTES

1. If the Hebrew words yeshuah and tsedeq and the Greek words soteria and dikaiosune are translated as "deliverance" and "justice," the individualistic connotations of "salvation" and "righteousness" are diminished.

2. J. R. Lucas, On Justice (1980), p. 4. I am indebted to James Buchanan for urging me to read this book. The "negative" character of justice is a central point in F. A. Hayek's Law, Legislation and Liberty, where he also traces the long intellectual history of the insight that we can best approach an understanding of justice through our ability to recognize its absence. See especially op. cit., Vol. II, pp. 35-48, 162-64. My indebtedness to Hayek in this essay will be obvious to anyone familiar with his more recent work.

3. Here are the mean incomes of families in the U.S. in 1978, by age of what the Census Bureau now calls the "householder": 14-24 years, $12,570; 25-34 years, $18,205; 35-44 years, $22,575; 45-54 years, $25,363; 55-64 years, $22,408; over 65 years, $13,754. Per capita income differences will be much less because of age-related differences in family size.

4. For a recent instance of this answer and a representative example of the reasoning that accompanies it, see Robert Lekachman, "Capitalism or Democracy," in Robert A. Goldwin and William A. Schambra, eds., How Capitalistic Is the Constitution? (1982), pp. 127-47, and especially p. 146.

5. An illuminating discussion of this issue, along with a presentation of the basic data, may be found in Edgar K. Browning, "How Much More Equality Can We Afford?" The Public Interest (Spring 1976), pp. 90-110.

6. Per capita gross national product in 1978 has been estimated by the World Bank at $120 in Ethiopia, $90 in Bangladesh, and less in Kampuchea. These data must be interpreted with great caution, since a much smaller
fraction of production enters GNP calculations in poor than in wealthy countries. Data were taken from *Poverty and Human Development* (1980), p. 68.

7. The disposable personal income (roughly income after taxes) of Americans per capita in 1929, in dollars of current (1982) purchasing power, was about $3,765. That's considerably less than half of current disposable income per capita, despite the fact that far more services now than then are financed through taxation and hence no longer have to be purchased out of disposable income.


9. J. R. Lucas offers a useful overview in *op. cit.*, Chapter 8; see especially the long footnote on pp. 164–65.


12. Economists generally insist that they have no basis for making "interpersonal utility comparisons"; they rarely recognize that judgements about the relative efficiency of alternative resource allocations require either the making of such judgements or prior decisions on who possesses what property rights. What it all comes to is that judgements about efficiency in multi-person transactions presuppose judgements about the justice of people's exercising certain powers. For a concise presentation of the central issue, see John Egger, "Comment: Efficiency Is Not a Substitute for Ethics," in Mario J. Rizzo, ed., *Time, Uncertainty, and Disequilibrium* (1979), pp. 117–25.


14. The most serious single error committed by non-economists in their proposals for reform of the economic system is their neglect of *information problems*. I have often wished that I could persuade everyone interested in

15. This is the tradition first spelled out by David Hume in *A Treatise of Human Nature*, Book III, Part II, Sections I–VI. I do not think my argument here is vulnerable to the criticisms put forward by J. R. Lucas, *op. cit.*, in pp. 208–15, a chapter he entitles "Pacta Sunt Servanda."


17. The controversy over abortion laws in the United States provides the most distressing example.

18. The conception of "freedom under law" that I am assuming here was thoughtfully spelled out by Bruno Leoni in *Freedom and the Law* (1961).

19. Neither the theoretical analyses nor the abundant empirical evidence put forward by public choice theorists in recent years seems to have influenced church pronouncements on political issues.

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**Comment**

**Richard Baepler**

As I find myself basically sympathetic to the positions taken by Professor Heyne both in the realm of theology and economics, my comments will tend to be internal to the argument which he has developed rather than criticism taken from a quite different posture.

It was not Heyne's intention to develop and state a theological position in this paper. Rather he concentrates on demanding that moral
judgements made by theologians and church leaders in ecclesiastical
documents be based on sound reasoning and that they take into con-
sideration both economic and political realities. Occasional references
to theology, however, do appear and they may seem confusing to
some readers.

He begins by references to biblical language about “salvation and
righteousness” as “social and not merely individual” and then proceeds
directly to comment on problems of economic justice. There should
perhaps be more awareness of the quick leap from God’s righteous-
ness and salvation to man’s efforts to effect these within history. This
is not to forget the main point Heyne is making, that biblical language
is social as well as individual in its various references to human affairs.
Indeed, the biblical vision is broader than that: it is cosmic and his-
torical as well.

A similar difficulty appears in the discussion concerning “merit”
where the point is made that what we deserve at the hands of God is
not the same as what we deserve from each other. He is dealing with a
very basic problem, one which is beyond the purview of the paper, but
it should be recognized. The problem is the question of the relation-
ship between nature and grace.

Both in these explicit theological references and in his whole ap-
proach to the economic order, the author seems to reflect the Lu-
theran theological tradition out of which I do my own thinking and
writing. This tradition makes a clear distinction between the order of
creation (or nature) and the order of redemption (or grace).

The order of creation refers to the basic structure and processes of
historical life with its institutions and dynamics available to empirical
inspection and study. These institutions include, of course, the eco-
nomic order as well as government, education, family and so on.
Theologically viewed this order is God’s continuing creation and pres-
ervation of the basically good world He created, and these processes
are meant to convey His good gifts to people. In removing these insti-
tutions from the tutelage of the church the Lutheran reformers ac-
knowledged that there is no normative, ecclesiastically sanctioned
form of these institutions. Nor do Christians have special insight into
their best development. Better a good Turk be governor than a foolish
Christian, said Luther. For in the realm of the created order reason
and experience are the masters and proximate justice the goal. God
works in history through law and through mysterious masks, as when
the pagan Cyrus was raised up to free Israel from the Babylonian cap-
tivity.
This view gives, then, a certain integrity and autonomy to the development of the secular realm. There is in brief no proper form of "Christian" economics, or government. There are various ways of ordering the economic and political realms and our evaluation of them depends on reason and experience. Thus the Lutheran tradition would expect there to be Christian capitalists and Christian socialists. This position is not totally free from problems as the appearance of Lutheran Nazis made quite clear. On the other hand, it frees religious discussion in this tradition to explore problems such as economic injustice on the basis not of biblical or theological authority, but on the analysis of the validity of moral reasoning, and especially in relation to the actual world of social and economic decisions, to which Professor Heyne's paper appeals at crucial points.

A second theological perspective from this tradition on the order of creation is the affirmation that this order is fallen and therefore corrupt, but so are our education, our government and our marriages. This anti-utopian theme in Lutheran theology brings a hard realism to social and political discussion, and warns against invidious comparisons which may betray a lurking self-righteousness. Heyne points out that there is greed in the capitalist arrangements, but not necessarily more than in alternative systems. This can be demonstrated from experience but is also a continuing religious insight in all social discussion. Theologically it is described as part of the continuing rebellion of man against God's intention that he care for his brothers and sisters. When people rather exploit each other, God's righteousness is present in the form of law to restrain evil and require justice.

The overcoming of the corruption is not achieved through moral progress but through the introduction of the order of redemption. The forgiveness of sin offered in the Gospel is, theologically viewed, God's destruction of corruption. In place of a community of the corrupt a new community of the forgiven arises. Corruption persists even within that community and will persist through history, but the fundamental reality of the new men and women of the community is that they are saints by faith before God. Not before men as empirically measured, but before God. "Simultaneously saints and sinners" was Luther's creative phrase. This is God's grace that He views them as saints even as they continue to be sinners. The new ethos which appears in this community has two dynamics: the new dynamic of love which imaginatively orients itself to the needs of the neighbor, and the old dynamic of corruption which persists.
In the discussion of nature and grace it is important to point out that the "natural" entities and processes in their essence are not corrupted by the Fall. Although there are large biblical hints that the whole cosmos groans, awaiting redemption, classical Christian theology has never identified evil with the created reality. Biblical writers do not evaluate the economic or political structures. They assume these to exist and to be part of the necessary ordering of things. It is mankind's actions within these structures which come under judgement, a judgement which is both within and beyond history as the interaction and reciprocities of history play themselves out. Thus, within the economic process, activities very much like those we all know are assumed to be taking place. Joseph cornered the corn market during the seven good years and made a fortune for Pharaoh while benefiting the Middle East during the seven lean years. If people do not work, they should not eat. The thief in the Christian community at Ephesus is admonished to quit his thievery and go to work so he may have something to give to those in need. Metaphors from the economic realm are frequently drawn on by the biblical tradition: "Forgive us our debts." "The wages of sin is death."

In the classical Christian tradition the notion of merit is quite important as a way of assessing behavior. Thus, in the Reformation teaching of justification, sinners are justified by the merits of Christ, because before the evaluation of God they have no merit. To the discomfort of Protestants the language of the New Testament at times suggests a relationship between good deeds and rewards in heaven. The whole notion of *suum cuique* and reward for meritorious work and behavior seems to be deeply rooted in the morality of our civilization from a very early time. Indeed, in Lutheran theology this feature is viewed as so strongly embedded that grace itself is seen as offensive to natural man, immoral. To get what you do not deserve seems contrary to all moral experience; yet to live by grace becomes the definition of the Christian as he lives before God. Can he live with and before men by grace as well? Yes and no.

In the ecstasy of the first Christian Pentecostal experience the author of Acts reports that the early Christians sold their goods and had all things in common. We hear nothing about the future of that movement in the Scriptures or in church history, unless St. Paul's later massive collection for the church in Jerusalem relates to a failed economic experiment.

Nor is there anything in the history of the monastic communities or mendicant orders to suggest that they were any more successful in cre-
ating new societies patterned on the distinctively gracious Christian imperatives though this was their intention. The more durable imperatives of nature seem always to have asserted themselves, and the equally durable presence of human corruption conferred a pattern of decline as well as renewal on the history of all these communities.

H. Richard Niebuhr has correctly described the Lutheran perception of the relationship between nature and grace to be a dialectical one. The new community of Christ lives in the created order without transforming it into a new society but penetrating it with vitalities aimed at getting God's work of sustaining the race done in the most humane way manageable. The dialectic produces tension within the lives of individual Christians, illustrated by certain hard cases always present in Lutheran ethical discussion. As an example consider the case of the Christian judge who must on the one hand convey absoluition to his fellow Christian just convicted for crime, but at the same time must condemn him to the punishment set by law. Every individual must bear a similar tension as he or she lives out this dialectic.

This dialectic is not to be confused with another difficult one, that of the relationship between the personal and the impersonal. Despite the natural gravitation of the religious spirit to the realm of the personal, to the I-Thou relationship, this pair of categories does not equal that of grace and nature. The judge has a very clear I-Thou relationship with his fellow Christian criminal, though he may be acting strictly in terms of his "office" rather than of his "person." Stated from another perspective, Christian love is at work in the impersonal as well as in the personal realm. Christian pietism and similar movements have never understood that the care of institutions and the crafting of good legislation and the involvement in social struggle for justice, however this is finally discerned, is as much an activity of love as is the face to face activity of the Good Samaritan parable.

The rise of the Moral Majority to match the activities in the public realm of more liberally oriented Christian groups suggests that in the United States, where the Calvinist theocratic spirit is still strong, this insight is not totally lost. Yet Heyne's point, especially made with reference to the economic realm, is altogether valid, it seems to me. Ever since Toennies introduced the Gemeinschaft-Gesellschaft distinction into modern thought, social thinkers have tended to drive these categories apart. While the developments of modern mass society with its institutionalized impersonality may be liberation for many, they have also contributed to powerful centripetal forces producing what
critics are calling the narcissistic or privatistic society. Heyne very properly asks for a reconsideration of the way in which a large-scale society must get its common work done, and to recognize that intelligent participation in the shaping of this common life, impersonal as especially the economic process may seem, is as much a vocation for the religious spirit as are the ways associated with intimacy and face to face relationships.

As a way of inaugurating a much-needed discussion of this matter, Heyne focuses on the role of rules in social and moral life, and this is the main contribution of his paper, in my judgment. The absence of such discussion in theological writing concerning economic injustice is, for Heyne, a grave flaw.

I agree with his assessment. We cannot underestimate both the importance and the difficulty of dealing with the topic. The well-being of our society is directly related to its functioning as a rule-coordinated body. In the legal world this is abundantly clear. The adversary system, for example, requires counsel to advocate zealously, and this zeal in turn requires the advocate to engage in somewhat repugnant activity, such as impugning the character or reliability of witnesses. With two parties zealously contending for the truth under rules which permit, indeed require, activities not countenanced in other situations, the theory is that through such combat the truth will emerge in the minds of a judge or twelve ordinary citizens. Similarly there is what one writer calls an internal morality of the law, the procedural rules which must be followed — though they do not appear to be self-evident or necessary at all times — if any of the substantive rules of law are to work effectively. And I fully agree that this realm of rules pervades all our activities, organized, associational or informal.

Certain problems arise, however, in connection with Heyne's paper. I do not know to whom he refers when he writes of people who want an end to rule-coordinated societies. The heydey of situation ethics is past. The specific target eludes my notice. A more difficult problem lies in the rather general use of the term "rules." I think greater specificity is required.

To discuss this it might be helpful to differentiate three kinds of rules. I shall illustrate these distinctions with reference to the act of driving an automobile. 1) Directional rules are guidelines on how to execute a project successfully toward a defined end. These are the rules which determine skillfulness in the technical act of driving. 2) Game rules define what it means for people to carry on a common ac-
tivity. A driver drives on the right side of the road, stops for red lights, etc. 3) *Rules of natural regularities* refer to the patterns and dynamics in the natural and social world with which we must reckon in order to act effectively. A driver cannot drive at 50 mph around a curve designed for 25 mph passage. Finally, these rules become moral rules when they impinge on acting in a humane fashion or regarding others in a humane way.

Heyne speaks of the “rules of the game” when he uses the example of the bus driver to illustrate the importance of rules in society. The same concept is present when he speaks of capitalism as a political system, since it is a body of rules by which members of a society acknowledge themselves to be bound.

But the concept of game rule is not adequate to analyze the whole problem that Heyne has put before us. He speaks of American farmers following the simple rule to choose the option from which they expect the largest net revenue. But this is not simply a game rule. The example is discussed in terms of the problem of information and the argument is that this market mechanism is the best way to make decisions both with respect to the farmer’s welfare and the consumer’s. This is not simply following a game rule, it seems to me, but is better seen as acting in conformity to a natural regularity as defined by economic theorists. Respecting this rule is much the same as skillfully defining the kind of seed to plant, the amount of fertilizer to use and when to harvest.

This means that in making the decision to affirm a capitalist society, a decision is also being made about the most adequate description of economic reality as well as defining the game rules. Game rules and natural regularities are thus closely related, especially in light of the social concern that as many people as possible might have access to the game and be able to develop proficiency.

This approach to rules outlined above may make it possible to define more precisely what kinds of criticisms are being discussed when judgments are made concerning the economic system and economic injustice. Three kinds of problems seem to appear.

1. Discussion of economic justice is flawed when one attempts to define the game rules without paying adequate attention to the natural regularities. Much of Heyne’s early discussion of problems of justice seems to criticize people for making criticisms without allowing economic reality to influence the way they define the game.
This seems especially important because people can come to believe utopian notions of what might be possible in society merely by altering the game rules. "Liberal" thinkers may not adequately consider economic limits; others may overlook such constraints as energy, resource or environmental factors.

2. The rules of the game need to be defined so that as many people as possible can participate equally in the game. Heyne makes a dubious assumption that people participating in the game have had a part in defining its rules. This is quite unclear; nor is it clear that the rules are defined so that all people can play who are eligible. Had we time, it might be interesting to review the justice problems discussed in the first part of the paper from this perspective.

Moral considerations arise also with respect to those who do not or cannot play the game, people who cannot or will not work, say, and their dependants. It should be possible for society to identify this strata and provide subsistence income for them. (In smaller societies private charity might work better, especially given the more accurate and intimate knowledge and information about people's needs in such a society. In the larger, impersonal society, where information is a problem, a less personal system of statistical determination and administration is probably necessary.)

3. The moral issue may also lie at the level of directional rules. The knowledge of directional rules is necessary to developing the skills required to play effectively. This opens up questions of access to education.

One final comment is suggested by Heyne's discussion of the rules of the game and his comments on justice as promise. It may at times be a simple fact that people no longer possess an adequate image of the game to play. The image of the game by which they act might no longer be accurate, or the more accurate image may not motivate them, and may not meet their legitimate expectation. But that is another large issue, not for this paper.
Richard Baepler: Paul Heyne is one of those very rare birds who was trained as a theologian and as an economist—and that is a great advantage at a conference like this. He has not particularly developed a theological position in his paper; and so one of the first things I did was to try to draw out, in broad outline, something of what I believe to be that theological position.

It is a Lutheran theological position—the theological tradition out of which, I think, both of us do our work. Paul now worships in the Episcopal church. Back in divinity school days at the University of Chicago, where we both studied, we had Dean Weaver, who had also joined the Episcopal church, and it was said about the Dean that, “You could take Dean Weaver out of Methodism, but you couldn’t take Methodism out of the Dean.” And, the same thing with Paul, I think. The thoroughly Lutheran approach to the question at issue, broadly outlined, is known familiarly as the “doctrine of the two kingdoms,” coming from an image which Luther used, about God as king, ruling the world with two hands—the kingdom on the left (which is the world of ordinary, mundane experience). He guides that world—the world of history—with His left hand toward His own mysterious goals. Meanwhile, with His right hand, through the gospel, He renews it, and brings the future into the present.

And Christians are caught in both of these, living out of the kingdom on the right, fundamentally—getting their identity from that—but then coping and dealing, working out their vocation in terms of the kingdom on the left.

There are a lot of problems connected with this. The pathologies are probably well known: a certain quietism and passivity. It is certainly not (to use Roger Shinn’s terms this morning), either a Puritan or Pietistic approach toward the world. Lutherans aren’t so much interested in really changing the world according to any sort of model or
ideal drawn from anywhere—certainly not from the Bible. Nor are they concerned, on the other hand, as Pietists would be, with only individual regeneration and making an impact on the world through the individual.

There is a full recognition that the kingdom on the left is God's kingdom. The institutions that work there are the ways, the masks by which God carries on His work. There is no particular way in which a church can prescribe normative approaches in that kingdom on the left, but relies heavily on good lawyers, government people, and businessmen, working out their vocations—whether they are Christian or not—in a variety of ways and with a variety of interests.

And the value, I think, of this particular approach is that it recognizes the secular realm. It certainly gives full weight to the institutional realm. That is, Lutherans together with, I think, most liturgical Christians—Catholics, Episcopalians—respect institutions. Their own religious life is very much related to institutional forms, unlike perhaps Pietists, who seem to have a direct pipeline to God, and have intensive personal experiences with God.

The more liturgical churches relate to God in much more indirect, impersonal ways, through sacraments and things of this sort. And so there is a kind of predisposition among liturgical church people, such as Lutherans, to regard the realm of the impersonal as a vehicle of God's action, indeed of God's love; to participate in the realm of the impersonal with full knowledge of that; and to see how personal life can be renewed and sanctified precisely through impersonal means, including of course institutions—about which, and for whose design, there must be a great deal of care and craftsmanship.

I think this is then fairly clear in Paul Heyne's approach. He finds the test of world decisions, decisions as they take place, to be in the social and economic realm. It's a central theme, that one does not deal with the world except in terms of its own reality tests. And within this world, reason and experience are the key guides. Luther said, "Better have as a governor a good Turk, rather than a foolish Christian."

There is a very strong sense of historical development, so that Luther might well, were he living, suggest that there was a pre-capitalist period, a capitalist period, and there doubtless will be a post-capitalist period. The operative forces, as I say, are reason and experience. A notion of merit is very central to this. One gets what he deserves, and deserves what he gets, in mundane historical experience. Grace is not the operative principle in this realm. That notion of trying
to organize communities by grace has had a persistent niche in Christian history—most notably in the monastic movement.

When you take the world as we experience it seriously, and try to determine the nature of institutions and make policy recommendations on that basis, then it seems to me you must be open to inviting people of all sorts—economists, including market economists—to make policy recommendations on the basis of evidence, which they indeed can collect and have collected, and to make proposals based on that evidence. And that is where, in the Lutheran tradition, theologians concerned with this question would begin. One is aware that the world is a busy, buzzing, complex place, and that we have enormous information problems for policy recommendation.

It takes a long while for social policy to work out its many different meanings—meanings which are often, as Kenneth Boulding reminded us, best exemplified in that political irony in which you hurt the people you intend to help, and help the people you intend to hurt. I think, again, Kenneth Boulding in his paper was very right in suggesting that we always keep our eyes open for the pathologies of every system and give good attention to them.

It seemed to me that the centerpiece of Paul Heyne’s paper (which is full of all kinds of suggestive notions crying out for development) is his emphasis on the role of rules in theological writing concerning economic justice. And I agree fully with that. I do find some problems with the way in which he uses it however. For my part, I try to distinguish between directional rules, which are rules by which people simply learn how to do something, and game rules, which define what it means for people to carry on a common activity, and thirdly, rules of natural regularities which I think are very much involved in, what he calls, the “decision” to play the game according to capitalistic rules. I don’t think that this is an artificially designed system of rules.

But there is, in the capitalist decision a commitment also to the way in which things really are. That is, call it the “market mechanism”; call it whatever you like—a commitment to certain regularities which are, I think, part of that decision.

Paul Heyne: I am grateful for Dick Baepler’s explication of the theological system which I was taught, which undoubtedly “took” to some extent, and within which my argument fits rather well. I welcome it because I agree with all of it; but nothing in my argument depends upon it. I do not want to argue about Luther’s two kingdoms. I want
my claims to be evaluated without regard to whether Luther's doctrine of the two kingdoms is a cop-out, as many people have argued, or a profound insight; or whether there is a God, or not; or whether She cares about us, or not.

Now this is very important to me. It is central to my way of thinking; and again it illustrates the two kingdoms approach at work, I guess. Because, I am concerned about justice, I think that we have to pay attention to the foundations of justice. That task would be impossible in this Western world, if I had first to find a theological subfoundation. I think I can do it without theology; and I don't think I can do it with theology. So however much my theological education and religious upbringing may have shaped the development of my ideas (and I don't know how much they did—a lot, I'm sure) I don't want to talk about that.

There are two additional reasons why I don't want to talk about the theology of what I am saying here. One is that I don't want to say, or imply, or hint, "Thus saith the Lord," because I cannot do so without demeaning, or diminishing, or distorting my faith. I increasingly find that when I use my Christian faith as any kind of argument in a social analysis that I am putting forward, I feel that I need to take a shower afterwards.

The second is that I think theologically-grounded social analyses almost always deflect attention from what are, in fact, the key propositions in dispute. The function theological entry points actually serve is to divert attention from the real points at issue. They do some other bad things. They alienate those who disagree. When you say, "Thus saith the Lord," that's a pretty tough statement to deal with. They also foster an uncritical and self-righteous attitude among those who do agree.

So what I am proposing here is a way of thinking—a secular way of thinking, if you will. I am trying to coordinate the theory and practice of economics, and politics, and ethics. This paper is grounded in the conviction that agreement among the members of a society on the fundamental principles of justice is a prerequisite to the operation of Adam Smith's invisible hand. When Adam Smith says, "If everyone pursues his own interest, the public good will emerge," he means, \textit{when the laws of justice are obeyed}. He makes that explicit a couple of times in \textit{The Wealth of Nations}. I wish he had made it explicit more often. That deals with the very difficult question of why it is that, if the pursuit of self-interest in the so-called economic sphere leads to the
public good, the pursuit of self-interest in parliament doesn't. The answer is, "Because, when people go down to parliament, they start violating the laws of justice."

Now that doesn't help very much, unless you can spell out something of what the "laws of justice" are. And here I believe that the concept of "rights" is enormously helpful as a concept that can integrate our thinking about economics, politics and ethics. Economic theory is being reformulated today on the basis of the concept of "property rights." Economic theory can be talked about very successfully around the fundamental notion that "everything that happens out there is a response to the actual property rights that people have." "Actual rights" explains economic theory, or unifies it. "Legal rights" can be used, I think, to coordinate political theory. And "moral rights," by which I mean the rights people ought to have, brings in the ethical question. Ethics is basic. The moral convictions of the members of this society are finally the deep substrata out of which everything else flows.

"Rights"—as a language—provides a way of talking about justice. It's not the only way, but it is the one I have found most useful. Now, what ties all of these together in my paper is the idea of promises. I conceive of rights in the context of "promises." I see a society as individuals bound together by promises that they have made.

In approaching this whole question, to make it very clear, I am taking an approach which I think Adam Smith took—the David Hume-inspired approach to the whole question of the foundation of property rights. What are the rights that people ought to have? Hume's approach was very conservative in the sense that he begins with the "rights," the "property rights" that people do in fact have, that you observe them having—as distinct from the Lockean approach which tries to find their origins. The Humean-approach avoids many of the problems that are tied up with the Lockean justification of property rights.

Robert Nozick is, I guess, a Lockean on the subject of property rights. But he makes the most brilliant critique of it I've ever read, in his *Anarchy, State, and Utopia*. So there are some problems with this Lockean notion. When I put a fence around some land, what do I acquire? The fence? The land inside the fence? The land immediately under the fence? The holes in which the fence posts are dug? And Nozick asks this, "And when I pour my can of tomato juice into the ocean, do I acquire the ocean, or do I waste my tomato juice?" (some laughter) This notion of property rights as justified by an original mix-
ing of labour with unowned resources creates far more problems than it solves. It is not the way to go if we are interested in a historical-entitlement theory of property rights.

I do believe that every society, when the members of it are thinking clearly, will recognize that justice has to be defined in terms of history; in terms of the commitments we have made to one another and which we are now bound to keep, rather than in terms of some end state. In the first part of my paper, there is an attempt to show what I think is the essential emptiness and incoherence commonly found in discussions of justice, in terms of "end states."

The concept of social justice is very dangerous, because most of the people who use it don't know what they're talking about. They haven't thought through what they're talking about. And what they are saying implies things that they couldn't possibly want to accept.

But I think a society must be "just." And when we have specified the rules that make a society just, then we have talked about social justice. But I think we have to do it in terms of "rules." One cannot do it in terms of "final states."

Walter Block: I first want to make a remark about Paul Heyne's refusal to ground his economics in his theology. It's very reminiscent of a dear friend of mine who refused to come to this conference for reasons similar to that, Israel Kirzner. He is a man whom I admire greatly. And he, in effect, said something similar to Paul Heyne. He said, "Well here's economics; and here's theology; and never the twain shall meet."

Paul Heyne: I didn't say that.

Walter Block: Paul didn't say that, but what was said is reminiscent to me of Israel Kirzner's position. I think Paul is a moderate Kirznerian on this. Israel is the extremist on this question. I agree with Paul fully that justice is an integral part of the way society should operate. It's a crucial concept. Having said that, I have to differ sharply from his conception of justice. I agree that examining justice in terms of "end states" compared to "entitlements," to use Robert Nozick's terms, brings about great difficulties. If we have an end state view of property rights distribution, the difficulty is that it pretty much precludes any trade between consenting adults for these might result in income inequalities, or in divergences from the original distribution of income.
Discussion

So, I think we have to go with “entitlement.” However, I would ground it not on the Humean notion but on the Lockean notion, however imperfect. I think it’s much more powerful and just than any other alternative.

Last week, Gregory Baum, a Marxist theologian, was here attending a Fraser Institute conference.* And for some strange reason, he and I really saw eye to eye on certain questions. We were in very close sympathy concerning the views of “liberation theology” and land theft perpetrated by the latifundi in the Third World. I approached it from a Lockean point of view. I know not from which view he approached it. I’ll have to explore that with him one day.

But the point is that in the Lockean theory, as I understand it, the property rights are based ultimately, if you go back far enough, on mixing our labour with the land. If you try to ground it in any other criteria, property rights will be based on theft, or murder. Mixing our labour with the land is a much more just way to ground the entire system, which is based on property rights, than any other conception of property rights.

According to this theory of property rights, the peasants who tilled the soil are the rightful owners of the land. The conquistadores who conquered them stole their land. Their descendents, many of the large land owners in South and Central America, thus hold unjust title to their land, based on Lockean theory.

I do want to take issue very strongly with several conceptions of Paul Heyne’s with regard to “justice” in his paper. From his paper I read:

The employer may, if he wishes, pay the late arrivals as much as he is obligated to pay those who worked all day. (But that would be a matter of benevolence, not justice.) And it would surely be unjust for him to strike an average and pay five hours of wages to those who worked eight hours, and to those who worked but two.

Well, my immediate reaction to that is, justice consists of whatever he decides to do; and if that’s what he decides to do and he can find someone to work for him, well then “by gum and by golly” that’s just. It’s true that the people who work eight hours are likely to leave his employ, and he’s only going to keep people around who work two

*The proceedings of this conference will be published by the Fraser Institute under the title Religion, Economics and Social Thought—eds.
hours; but that's his problem. There is no violation of any kind of justice that I know of to have a voluntary contract between consenting adults on whatever exotic and eccentric kind of a basis can be imagined.

Secondly, in his discussion of the bus, I noticed three or four times in my copy of his paper, I kept saying, “Well, who owns the bus?” And my answer is whoever owns the bus, in justice, has the right to make any rule whatsoever that he wants. It's true he'll lose customers if he makes strange rules of the kinds that Paul points to, but that is the owner's right.

Roger Shinn: The paper says that critics of the market system are likely to be moved by the conviction that an impersonal social system is morally unacceptable and repeats a little later, these people believe economic justice requires the destruction of rule coordinated societies. I would have been inclined to put it exactly the other way around—that, many of the moral objections to a quite free market, in which exceptional need is taken care of by charity, are saying, “We want a more impersonal way of helping the unfortunate, the sick, and so on.”

I go back to a comment made this morning about George Washington in relation to Rhode Island and Jews. He was not being nice to them by saying, “You’ve got some rights here.” And some of us who are both appreciative and critical of the market would say, “We would like a system in which a sick person has a right—an impersonal right, to medical care—and does not depend upon charity as was the case when I was a youth, very often, of the doctor who will give some people free care, depending on personal whims.

Now I think one of the risks of this is the highly bureaucratized society that develops when you get a system of impersonal rules. And people are constantly asking for more rules to protect rights, and then complaining about bureaucracy. I think it’s a very real problem. But, as we've been saying, all systems have their pathologies. But I would have been inclined to reverse Paul Heyne’s judgement there.

Milton Friedman: I just want to bring into the discussion the comments of my old teacher to whom Paul Heyne referred this morning, Frank Knight. One of Frank Knight's favourite sayings was, “The search for justice will destroy the world.” I think that is a very profound statement that needs to be considered carefully and not dis-
missed as a joke. What he meant as I interpreted him (and that’s a very
difficult thing to do, because Frank was a very sophisticated and com-
plicated person, and nobody could profess to interpret him properly)
was that “justice is in the eye of the beholder.”

There are no really objective standards of justice. And there’s no
way other than force, ultimately, of mediating different claims of jus-
tice. It’s a search for justice that animates Khomeini’s Iran today. That
is what it’s about. That’s what they regard as a “just” solution.

So, I believe that it is very dangerous to base any judgement of so-
cial policy upon the objective of searching for justice. Now you may
say that we can get out of the problem by trying to avoid injustice, but
that doesn’t really get you out of it. It seems to me you have to substi-
tute a very different ultimate value. As is clear from my own writings,
I believe that freedom comes the closest to that kind of an ultimate
value. And that freedom is very different from justice, in the sense that
what freedom means is that each man shall seek justice, according to
his own light provided he doesn’t interfere with the ability of other
people to do the same thing. To make “justice” the ultimate goal
means that you have to use force; because, if your concept of justice
disagrees with the other man’s concept of justice, how do you mediate
that? There is no way; it’s not something you can strike a market barg-
ain about. You fight over it.

So, I believe that, while I understand and sympathize very much
with Paul’s particular use of justice, and I agree with almost every-
thing he says, Frank Knight was pointing to a pit that you ought to be
careful not to fall into.

Walter Block: I wanted to comment on both Roger Shinn and Milton
Friedman’s points. With regard to Milton’s point, take the latifundi in
the Third World where, as far as I am concerned, the historical facts
show that it was the conquistadores who, at one time, took over the
land, kicked the peasants off, or allowed the peasants to stay there,
but claimed ownership of it. And, on the other hand, you have a
bunch of peasants who had, according to the Lockean theory, been
the true owners of it. Now, if you say that there is no such thing as
justice, and we must couch everything in terms of what is, then clearly the
people who are working as peons there have no right to take over the
land which I contend really should belong to them.

Milton Friedman: I didn’t say there is no such thing as justice. I spoke
of the “search for justice.”
Walter Block: O.K. Well, if we listen to you and Knight and don't search for it, then we are left defending a system which is really based on theft. Suppose I were to go over to you, Milton, now, and grab your wallet; and then come back over here and keep it.

Milton Friedman: I wouldn't complain of that on grounds of injustice, but on the grounds that you were interfering with my freedom—which is a much more easily defined thing. And that's why I always say a free person shall be free to pursue his objectives, as long as he doesn't interfere with the freedom of others to do the same.

Philip Wogaman: I think what Paul Heyne provided for us is a definition of justice. Now, you may not want to call it that. It could have gone in the paper alongside some of the other theories of what justice is. I don't think it's an adequate explanation but at least it's a sufficient one. But I would observe Paul's statement that the search for justice means that ultimately you have to use force. Well, the search for freedom means that ultimately you have to use force. I think you're in the same boat conceptually, as what you're criticizing.

Kenneth Boulding: Fifty years ago, I was also a student of Frank Knight. I have the uneasy feeling that I stole all my best ideas from him. One possible edge towards resolution of this problem is the concept of the positive-sum game as over against the zero-or negative-sum game. That is, it's hard to come out against positive-sum games.

Economists have this very firm conviction that exchange is a positive-sum game. And I think they're 95 per cent right on this. There are problems of deception, and things of that nature. But on the whole, simply because of the veto power, there's a strong tendency for exchange to be a positive-sum game. And this is why we're fond of exchange and the free market, and all this stuff. But you cannot have exchange unless you have something to exchange which is your property. This is absolutely essential to any exchange. Yet the concept of property and the distribution of property, in a sense, is what justice is all about, isn't it?

The legitimation of this is extraordinarily tricky. I've really never felt I've ever solved this problem. I don't think the Lockean solution is adequate because there are all sorts of things you don't mix your labour with.

Now, one of my conservatisms, really, is that while exchange very frequently leads into positive-sum games, love always, or practically
always does. There are pathologies of love, as there are pathologies of everything. But on the whole, benevolence is strongly positive sum. I build you up, you build me up. The more we are together, the happier we shall be.

And malevolence is purely a negative-sum game. I beat you down. You beat me down, and then we're all worthless. It seems to me that justice is moving towards the positive-sum forms of organization and away from the negative-sum ones.

Walter Block: There is a wallet right now in Milton's pocket. There is a question as to who is the rightful owner. I claim it. It's not even in his pocket now. It's being held up there. (laughter) It happens to be my wallet, I claim. He thinks it's his.

If there is no such thing as justice, or if justice is a very difficult issue to decide, we will never know whose wallet that is. And I think, ultimately, we'll only be able to fight about it. However, I think there is a better way. And that is the Lockean theory of property, which would indicate, roughly speaking, that wallet is his, and all the contents thereof.

Walter Berns: Locke's understanding of property has been referred to many times. I merely would like to point out that Locke's understanding of property consisting of the mixing of one's labour with some thing, is confined to the state of nature only; because that thing that one mixes one's labour with is part of the common heritage of mankind. It belongs to nobody. Nobody has a property right in it because nobody has yet appropriated it. It is only when one then mixes his labour with that which belongs to nobody that he acquires property in it. But that is the definition of property that is confined to the state of nature. And a different situation entirely applies when you have a sort of society, and when everything has been appropriated.

Edmund Opitz: Walter Block said something to the effect that if something appears to be unjust at the moment, you appeal to some longer experience of the practice of justice of the people. But the people we are talking about are not the people of some mythical "Rhubarbaria," but presumably, the English people and their tradition of justice. We are talking about the tradition shaped by the influences of Israel, Greece, and Rome, further molded by the centuries of Euro-
pean experience. Not merely tradition, but a particular tradition.

Another point I'd like to make is this: it seems to me that human beings, like all living things, want to go on living. And if something deteres one from continuing his life, his freedom is impaired. It seems to follow that every person wants maximum freedom for himself to pursue his own goals. I can think of no exception. The worst dictator imaginable, whose goal in life is the extinction of the freedom of every individual on the planet, does not want anyone to interfere with his own freedom to pursue that particular goal.

What we are talking about, it seems to me, is not simply "individual freedom," but the phrase that the early Whigs, and Herbert Spencer, and others used: "equal freedom." We are talking about a "free society." A free society is one where everyone wants as much freedom for everyone else, to pursue their goals, as he demands for himself to pursue his—a society of "equal" freedom.

This, I think, is what Adam Smith had in mind with the phrase he used to distinguish his position from mercantilism. He spoke of his "liberal plan of liberty, equality, and justice," three words which I conceive to be denoting the same thing viewed from different angles—a society where every person is equal before the law. In such a society, every person has maximum liberty, but not complete liberty. He has maximum liberty to pursue his personal goals.

David Friedman: I would like to support both Walter Block against my father and my father against Walter Block, and attack Paul Heyne in the process. To begin with, I find it incomprehensible how my father can claim that there is any content in the statement, "I have a right to do what I like as long as I don't violate your rights," without some pre-existing idea of what my rights are. And the pre-existing idea of what my rights are, unless it just reads my "legal rights" (which, of course, I hope it doesn't), has to be founded on some idea of justice. So that it seems to me that he is, as far as I can tell, using meaningless expressions in order to avoid a problem merely because none of us knows how to solve it.

Now, the point where I would want to agree with my father and Frank Knight against Walter Block or at least make an argument on their side, goes back to the latifundi. It seems to me entirely possible (I don't know the actual case) that as a matter of abstract justice, if I were a judge in a court, I would agree that the peasants were in the right. But second, that it would be better for the world, including the
peasants, if they forget about the past. Fighting over their claims to justice will get people killed. There is no particular reason to think that the most just people will win the war. Fighting tends to create unjust situations. So, it seems to me quite plausible to argue both that there is an abstract principle of justice, which in principle could be applied; and that as a matter of practical, social reality we accept what is, and work from there.

And that, then, gets me to my disagreement and agreement with Paul: it seems to me that he has the same problem my father does, a little bit further away. It's essentially the argument I've had with Jim Buchanan over the years. Jim has correctly observed that the standard libertarian talk about property rights simply sweeps the issue of how you get property in the first place under the rug. But all Jim has done is found a different rug to sweep it under. In talking about contract, Jim argues that a social contract, a voluntary unanimous social contract, justifies it.

But, of course, most of you don't regard it as a voluntary contract when somebody says, "Your money or your life." And therefore, in order to decide whether the contract is voluntarily agreed to, one must first know what belongs to whom. Otherwise, if I sign the social contract for fear that you would kill me if I didn't, it wasn't really voluntary. But we have to decide whether you had a right to kill me.

So, similarly, in Paul's case, I find it difficult to understand how you can get the whole thing out of promises, without first knowing what people own, and therefore what they are entitled to promise to do things with. And it's in that sense in which it seems to me that there is a gaping hole in his line of argument, or what I understand of his description of Hume's line of argument—a hole which, it seems to me, Locke makes some attempt, however unsuccessful, to fill.

**Philip Wogaman:** I am struck in reviewing what Paul Heyne has suggested here that each of his stated, and then rejected, notions may have some truth to contribute—including even the one that he identifies as the basic one; and also including the concept of freedom that Milton Friedman has put so much emphasis upon, but not defining it as justice. We could take time to sort out your discussion of equality, and need, and merit, as well as the discussion of promises. And I think that each of those points is pertinent to an adequate theory of justice. But then, what is the overall concept that brings coherence to it?

I'd like to nominate one which I think I could use to helpfully relate
both the left and the right hands of God to each other, in one sense; but it can be stated entirely in secular terms, as well as theological. And that is to understand justice as the structure of society which assures the capacity of people to participate as recognized persons in society. Now, what that means, materially, is going to change; and people's perceptions of it will vary. I don't think one can arrive at a blueprint of justice that will fit now and forever. History changes; it moves. But that's what the public debate is all about; and therefore the quest for a kind of public philosophy really is a very important enterprise; and there should be a constant flow of argument within society over the substance of justice.

But, if one understands justice to be what I suggested, the guarantee of the "standing room" of every person within society, then that would help to illuminate why some important measure of equality should be observed, though there is no possibility of "perfect equality," even if we could define what it meant.

Need is of some great importance. And one can understand "relative need," as well as "absolute need." Merit has some role to play—certainly in criminal justice. The relationship between what one does, and what one gets as a result of doing it, is rather important and not to be washed out; and, clearly freedom is important. So it seems to me all of these values can be helpfully subsumed under that broader communitarian point of reference.

Arthur Shenfield: May I say a word about Roger Shinn's proposition, that if you generalize the duty to relieve distress by giving it to the whole of society, you then set up an impersonal rule. I think that's incorrect. In the first place, it's still "persons." It's still people who will be relieving that distress. And you can see that immediately when you say, "The trouble is that you've got to have a bureaucracy to do it."

But, the essential mistake there, in my opinion, is this: it misunderstands the nature of an impersonal rule. An impersonal rule doesn't tell anybody to do anything. An impersonal rule lays down the proposition that if you do anything, it has to be done according to certain principles. For example, the rule of law. The rule of law doesn't say that the government, or the state, must do anything whatsoever. But the rule of law says that anything the state or the government does, has to be done subject to such and such principles. So that wouldn't be an impersonal rule. It only looks, at first sight, to be impersonal because no particular single person is designated to relieve the distress.
Murdith McLean: I would like to comment on what Paul Heyne said in his paper. I find it very helpful. To some extent the procedure is understandable—that is, the procedure of starting off with candidates for a standard of justice; and finding that each one of them turns out to be inadequate and having to abandon them, saying helpful things along the way, especially about merit. But one might claim that in a way we are looking for the wrong thing. When we look for justice as a kind of rule book, that we can apply and will always tell us when we've got justice, we're likely to be... well, in fact, certain to be disappointed. We found that about every other concept. We are probably going to find it about justice, too.

The way we are going to decide what is a just situation (and also what is an unjust one) is by arguing about cases that we agree on—as to whether they are just or not. And we meet along the way, trying to use tags, like the ones that Paul Heyne has been investigating, as sort of handy, shorthand expressions to bring those cases to bear upon one another. For in the last analysis, the only way we are going to get anywhere in our discussion about justice, and injustice, is by starting off with cases that we all agree about, or don't agree about; and that's where we will find the “nitty gritty” really comes through.

Anthony Waterman: I am going to claim the chairman's right to say something at this point. It always struck me as being a very melancholy fact that in Part II of St. Thomas Aquinas's, Summa Theologiae, there are two adjacent volumes—one called “Justice,” and the other called “Injustice.” And the one called “Injustice” is more than twice as thick as the one called “Justice.” (laughter)

Roger Shinn: I must reply to Arthur Shenfield. I just don't understand the idea that an impersonal law doesn't require me to do anything. It requires me to pay taxes, jury duty—all kinds of things. Someone should write an essay entitled, “The Search for Freedom Will Destroy the World” or “A Search for Liberty Will Destroy the World.”

I am in a curious situation. I want freedom. I want justice; and I don't quite know what either of them is. But I am interested. The word “liberty” gives rise to two words, “liberationist” and “libertarian,” which are just about opposite in social philosophies. I first got acquainted with the word “liberation” as a soldier, where to “liberate” the enemies' territory meant to liberate the cognac, and anything else you could carry around, and maybe the women, and so on.
David Friedman: The reason, it seems to me, that I have more reservation about the pursuit of justice than the pursuit of liberty, has to do with what I was saying to Walter Block earlier. That if by “justice” we are concerned with initial ownership of things, I think in the long run that isn’t enormously important. In the U.S. at the moment, if you gave the country back to the Indians, in some fair way where you didn’t give them the buildings that are built on it, but just the land; and divided it fairly evenly among the Indians, it would not noticeably affect the distribution of income in the U.S. It wouldn’t much affect how well off I am, and so forth.

So it seems to me that starting with either a “just” or an “unjust” distribution of property, in a generation or two you end up in not very different circumstances, except for very extreme cases. Whereas if you have an unfree society, and accept the fact it’s unfree, I don’t see any reason to expect that the bad consequences of that will peter out over the years, in the same sense.

Walter Block: I would like to try to establish what I consider the libertarian theory of property rights. It starts with “self-ownership.” There are only really three alternatives. Either we own ourselves, or one person owns us all; the problem with that is, why is it proper for one human being to own, as slaves, all other human beings? The third possibility is that we each own one, four and a half billionth of everybody. The difficulty with that is you’d have to have committee meetings before you could scratch your nose to get permission from your other owners.

If we start with the proposition that we each own ourselves, then we each own our labour. So, Ken Boulding’s question is answered. We each start with owning our labour. If we own our labour, we can mix our labour with the land. If we mix our labour with the land, and we add capital, and we assume some sort of Nozickian entitlement theory of trade, and gifts, and luck, based on the initial property rights endowment, we answer Walter Berns’ question of, “How can we apply this to a modern society?”

I fully agree with David Friedman’s criticism of Milton, with regard to “freedom consists of people respecting other people’s rights”; and if you cannot specify the “rights,” the whole thing falls to the ground. However, when he joins Milton in attacking me, he is guilty of confusing the difference between normative and positive economics.

Milton and I were distinguishing ourselves on a “normative”
question. David replied in a "positive" vein, with which I happen to be in full agreement. That is, I agree that the Indians or the natives would probably be better off if instead of worrying about their lost endowments of property, they were just concerned with creating a libertarian society from hence forward; the property rights would wash out in probably weeks, if not years.

My point is still worth making. Those people owned that property. And now think of how we free market proponents appear to the liberation theologian, or to the people on the left. Here we are supposed to be defenders of property rights; and yet, grant me the facts of the case, massive theft has taken place; and we're giving them a positive statement with which I happen to agree: that this stolen property is economically unimportant. But I think it's very inadequate to give them that positive statement. What we have to make is the normative statement, too. Both. We have to say, "Yes, in justice, that property belongs to you." Namely, the free market advocate is not just in favour of the status quo, where blatant theft has taken place.

**Milton Friedman:** I want, first, before I get to this point, to clarify Frank Knight's view, because I think there has been a misunderstanding. Knight was not saying, and I wasn't interpreting him as saying, that there was anything wrong with people trying to establish for themselves a concept of justice. What was involved was not a search for justice in the sense of trying to reach a concept of justice, assuming that there is a concept of justice—not that at all.

What he was saying was something very different, and it really goes back to what essentially, in a way, David Friedman was saying at one point. What Knight was saying is that if you take the achievement of justice as a primary objective of social activity, if society's collective organizing principle and driving force is going to be the search for justice, that will destroy the world. That's what he was trying to say; and I think he's right for exactly the kind of reasons we were giving.

Now to turn to all of these other concepts about how it is logically inconsistent to talk about freedom, that one is really talking indirectly about justice, I happen, in the contrast that David was drawing, to side with Jim Buchanan, rather than with David. There is no way of getting to an ideal concept of a society that is going to correspond to what actually is. The tyranny of the status quo is overwhelming. It's very hard to move from there. What we are trying to do is to try to picture for ourselves the direction in which we would like to move from where we are, and what guiding conceptions should rule us in
judging that issue. There I find the most helpful conception to be that of a group of people who unanimously decide on certain rules of the game under which they are going to operate.

When Walter Block wants to have my wallet, and he claims it's his property, I say, "O.K., you and I agreed to be members of this club." We agreed that when we became members of this club that certain rules would decide what is my property, what is your property, and we agreed on a method of adjudication, a certain set of courts. We'll go to that method of adjudication and try to decide. And I am not going to introduce the word "justice." Maybe, in the course of our originally agreeing on this set of rules, what caused us to agree on one set of rules rather than another was that we had certain common concepts of what was just or unjust.

One of the things that bothers me about so much of this discussion is that it goes around in sort of an endless circle. Each concept is imperfect; so you go to the next one. That's imperfect; so you go to the next one. And you keep going around that circle, and there is no exit from it. It seems to me that you exit from it by the standard procedure of science, by saying that for certain classes of purposes, we will treat the world as if it's like this, rather than like that. And outside of that, you're just in an endless cycle of disputation.

Walter Berns: We have a situation here where Phil Wogaman, for example, wants to use the word "justice," and Milton Friedman attempts to eschew the use of the word as if it were a four-letter word.

The following anecdote will indicate, I think, the origin of this. Milton, you may recall that at the University of Chicago, Mortimer Adler had this big series of great books, and the synopticon was a big index to the thing. One of the index entries was "justice."

This enterprise was physically located on the Mid-way Plaisance. I lived right next door to it. I had a friend who was working for Mortimer Adler. His job was to fill in the index on justice for Locke. He went and read Locke. He then went to Mortimer Adler and said, "Locke doesn't talk about justice." And Adler said in effect, "You are crazy. He is a political philosopher. Every political philosopher talks about justice. Look at Kant. Look at Plato. Look at Socrates and so on. Go back." He went back; and he read, and he read, and he read. He concluded that there was no reference to justice. And Mortimer Adler fired him. (laughter) Mortimer Adler was on the brink of a great discovery, at that point, and he failed to open his eyes.
Geoffrey Brennan: It seems to me that there is a point emerging here, which is really a major theme in Paul Heyne's paper. Paul is very close to Frank Knight, it seems to me, in this respect, because the Knightian point is a conviction that it's very important to have stable rules.

Once one accepts that it's very important to have stable rules, for purely prudential reasons, it may not matter, particularly, what those rules are. This is something which in a way does distinguish economists and the way they think about the world, in a very important way from the way in which a lot of other people think about the world. And it is definitely caught up with the whole notion of “positive-sum” interactions, and the notion that once we have a set of stable rules, then we can get on with the real business, which is the business of undertaking transactions.

Walter Block: I couldn't agree more with Geoff Brennan and Milton and David Friedman in their positive statements. I emphasize that again. I couldn't agree more with them on their positive statements; however, they are failing to realize that there are other questions besides positive ones. Yes, if we have stable rules, if we have property rights' rules and they're stable, that will help maximize wealth.

But there is another question that they're ignoring—and that is, the normative question; or they're confusing the normative with the positive. This is a very different question—namely, suppose stable rules did not maximize wealth, or suppose you could be the dictator for a day, suppose you had your “druthers,” what would justice require of you to do? That's a very different question. “What is just?” is a different question from “what maximizes wealth?”

Secondly, with regard to Milton and my wallet, suppose we went to court, and they gave me the wallet on the grounds that my beard is fuller than his. Would he then be tempted to inquire about justice?

Paul Heyne: I have seven points. Number one: everything Murdith said, I agree with. (laughter) Number two... .

Murdith McLean: Very sound, Paul; very sound... (laughter)

Paul Heyne: Number two, I am asserting, as a matter of fact, that we are much more likely to establish tolerable justice by maintaining long established expectations, than by trying to correct injustices in the distant past.
Third point: "The search for justice may destroy the world." I agree, but the continuous effort to eliminate injustice will, and should, go on, through discussion, tolerant, yet committed.

Four: I used the phrase, Reinhold Niebuhr's phrase, "relative absolutism." That's how we have to go about it; as "relative absolutists." There is a standard for our claims about injustice; but none of us has it by the tail. We have got to talk to each other. Frank Knight wrote a lot about that, too—democracy is talking to one other.

Phil Wogaman suggested that justice might be a social system which assures the capacity of persons to participate. I think this is a good example of a hopelessly vague recipe—a recipe for endless strife, and continuous injustice. You have to check it out, test it out—what would it mean in practice?

Number five: Roger Shinn wanted to reverse my claim that "impersonal social coordination is seen as unjust." He claims that those suspicious of the market want an impersonal system, to make "charity" a "right," rather than a privilege. I deny that this is true; and I'd say it's an empirical question. For example, the church council in my city recently uttered a vast outcry over the new rule that people who took federal food would have to sign for it. Attempts to establish impersonal rules for the administration of aid to the poor, I find, are continually met by the "liberals" with outcries that this is "demeaning" the poor. They claim that they want impersonal rules, and that they want charity administered as a matter of right. The problem is that the statement, "Everyone has a 'right' to health care," turns out in practice to involve rules that cannot be administered both impersonally and in a way that people will accept.

Number six: Everything David Friedman said, I agree with; except that the hole in my system is gaping. The hole is not gaping; it is bottomless. (laughter) Now, that's important, because we keep going back, and back, and back, as far as we have to, in order to achieve agreement. There is no ultimate foundation.

And finally, I have here an article in yesterday's Wall Street Journal called "The Poverty Cycle." A welfare mother begets three welfare daughters, perpetuating life styles. It's a beautifully written piece but it's deeply disturbing. These are people who have gotten on the welfare system—the impersonal welfare system—and you realize that's not what they need. It's very clear, in this tragic case, that these women need a community of people who know them and would sustain them. Sustaining communities, of people who know and can really care for
one another, are vitally important. Here is one of the great tragedies that I think my approach to injustice would help to remedy. It might help us to see the limits of what governments or markets, as necessarily impersonal systems, can do, so that we could get at the vitally important task, vitally important to the most unfortunate members of our society, of nourishing and sustaining small communities.
Chapter 10

Religion, Ethics and Politics in the 1980s

Edward R. Norman

I. THE NATURE OF THE MODERN STATE

Although for Church leaders, and to some external observers, opinion seems to be most concentrated on deciding what exactly is the nature of Christian ethics and politics, there is, at this time, a more fundamental reference that has to be made. For it is to the nature of the modern state that reference is first necessary: to determine its ethical capabilities and to evaluate the extent to which it is—as it is so often described—secular. Clearly in a pure condition of things, Christians could hardly find secular government satisfactory; they are people for whom life on earth, and its structure and organization in social and administrative units, is determined by the kingship of Christ—there are known ends, which are unlikely to be compatible with the organization of life around wholly materialist presuppositions. Yet the historical separations of Church and State, in North America and Britain, during the last two centuries, were originally the work of Christians themselves. In the nineteenth century, they contended for the creation of a neutral but still Christian state—one in which the government would incorporate Christianity into the basis of law but where no Church group or denomination would have priority over any other. Their separation of Church and State was a mere device, recognizing the existence of a religious pluralism, but with no intention of
setting up what contemporaries would have called a “godless state,” one with genuinely secular moral presuppositions. In the twentieth century, with the transfer of so much moral seriousness from religious to materialist agencies, the impulsion to separate religious considerations from the ends of government has been assumed by elites of non-Christian liberal opinion. It is they who have sought to give reality to the notion of secular government, and it is they who have, in the second half of the century, received unexpected support from liberal Christian leaders, themselves anxious to associate their faith with the human goals of secular moral seriousness. Indeed, the present advocates of a distinct Christian political activism, especially in the school of “Liberation Theology,” are actually arguing for the creation of the kingdom of righteousness here and now on earth; but they are also looking for a secular scheme of government—perhaps even one conducted by philosophically committed Marxists—rather than for a Christian polity in the conventional sense of historical experience, a state run by Christian leaders and intended to lead its people into Christian ways of living. They are able to do this, of course, because they identify their understanding of Christianity with the political objectives of seeking to create conditions of social justice on earth. For them, the secular state has no problems: it is God’s providential work, securing at the same time both the material benefits which give human dignity to men and also the institutional mechanisms that in theory allow men freedom of choice between competing beliefs and ethical positions. It is this premise, about human expectations in the political order, that I believe ought to be scrutinized rather critically.

The contemporary church on the role of the state

Leading Christian opinion has in recent years said an enormous amount to suggest that present claims to improved material living standards are founded upon false moral premises. In the genre of the Brandt Report, and the preceding acceptance by the churches of the contention that the existing distribution of wealth between the world’s peoples is inherently unjust, there has been a recurrent call for Western societies to suffer a decline in their living standards. But this case was not founded upon a Christian denial of false material expectations but on secularized political concepts of social justice. It is, anyway, about the only area in which contemporary Christianity has pointed to the need for a new critical realism about the assumption that material improvement is what human life is all about. The main
volume of debate within the Churches' leadership has been preoccupied with the supposed injustices of the distribution of wealth within existing societies; it has been characterized by an obsessive concern with material rewards and by a general and pervasive assumption that Christianity is primarily addressed to human needs and not to the cultivation of spirituality or personal moral quality. It is precisely because of this insistence on material needs, as the centre of its ethical vision for humanity, that received Christian opinion adds its weight—which in the developing world can sometimes be very considerable—to the heightening, not to the diminishing, of expectations within the populations. In political terms, too, this has led many Christians to contend that the only acceptable ethical tests for a satisfactory governmental or state structure are those calculated according to the satisfaction of material needs and the fulfilment of schemes of social justice based upon them. Hence the support of Christian opinion for radical change in the developing world, and for the adoption of a generally hostile attitude to what are thought of as non-progressive political forces within the Western nations. In the current rhetoric of Christianity, religion is conceived as being concerned essentially with human “liberation,” itself seen as a political and economic condition. “Liberation” is a key word in the vocabulary of rising expectations, a word common to religious and secular idealists.

Hostility to capitalism, as the joint cause of raised material expectations and social injustice in the distribution of wealth, is generally part of this disposition. Despite the partisan judgements at play here, this part of the debate is in fact worthy of consideration. For the springs of capitalism do involve raising the expectations of the individual's material incentives. Those springs, however, are not ideological, as in contemporary political idealism, but are fixed according to market resources: they are the reward of labour and have to do with the very moral question of the obligation to work. Capitalism, that is to say, is arguably not a contributing element in the false material expectations of our Western societies; for where capitalism operates felicitously, the participants involved in the creation of wealth recognize that the expectations generated by capitalist incentive are intimately related to the resources available, and rise and decline accordingly. It is not capitalism, with its incentives dependent upon gain, that induces false expectations, but progressive ideologies, which teach men that existing social or political structures are to blame for their poverty. There is the cause of expectations that are artificially raised. Such ideologies suggest a solution that is not attained through
increased labour or the initiative of the individual, but through simple collective morality—a political change in the way society is conducted. Societies in which this type of progressive idealism appeals most strongly are often those in which capitalism has just begun to deliver the goods: there are many Latin-American countries which illustrate the way in which a progressive élite within the intelligentsia converts the genuine material incentives wrought by capitalist developments into mass false expectations raised by political radicalism. Both in their association of Christianity with human material improvement, therefore, and in their critical scrutiny of the economic system of Western societies, contemporary Church leaders have laid down some strict and moralistic requirements for the modern state.

The state in the modern world

Let me now return to the nature of the modern state. A crucial distinction exists between historical political associations of the past, with their limited capabilities, and the modern experience of collectivist governments. Both the means of educating opinion, and the expectations men have of government, have expanded enormously, in response to the industrial and technological mechanisms of modern society and to the decay of the sense of social authority that traditional societies were able to enforce. The experience has been a liberating one, but it has also brought formidable problems of human organization and social control. In some parts of the world—unhappily in a majority of countries—these problems have been overcome, at least in part, by a return to the mechanisms of control characteristic of traditional societies: the Marxist states, and in some defined by militant nationalism, ideology has been so incorporated into the experience and capabilities of collectivism, that individual liberty has been substantially diminished. From this point of view, there is little to choose between a rigorously atheist collectivism, like the Soviet Union, or the quasi-theocracies of emergent Arab nationalism. In the West, on the other hand, the price of liberty has been a good deal of incoherence about the nature of human association and the practice of ordinary and necessary social discipline. With us, the tyranny of government has been replaced by the tyranny of opinion: the Western nations are internally motivated by a disorganized accumulation of educated élites, lobbyists, pressure-groups, and media-manipulation to a degree that makes many of the ordinary functions of government very difficult. But what most characterizes the resulting mixture is moral con-
fusion—an inability to describe exactly what the ethical nature of the state is all about. During the last decade, the widespread respect paid to the notion of Human Rights has been able to perform the service of a sort of substitute moral definition of social organization. For reasons I shall suggest in due course, this has not been very satisfactory.

The plain fact about the modern state is that much of its machinery is of its nature secular. When the religious message of the New Testament is stripped down to a permanently applicable basis, it is seen to be concerned with relationships between men and God which are often rendered in terms of earthly relationships—in such things as personal honesty, sexual responsibility, respect for the spiritual value of life, and generosity with possessions. Now it is possible to translate these virtues into many forms of social organization, as the experience of the centuries has shown; but the modern collectivist state prescribes very precise and very inclusive conditions for social life. In such things as the provision of transportation infrastructures, money supply, the level of funding for scientific or technical research, and decisions about priorities in the relative expenditure of competing departments of state, for example, there can be no clear or uncontroversial translation of Christian precepts into the currency of modern government. Nothing is, in the end, value-free, however, and the collectivist state will actually behave, whatever the secularity of its machinery, only according to the values of those who move its components or who derive their own sense of social righteousness from resort to its resources. Hence the case for Christians to be involved with the modern state.

That is a different condition of things, however, from claiming the authority of Christianity for the actual operations of the state that may from time to time achieve the respectability of becoming the repository of a broadly-based moral feeling.

II. MORAL PLURALISM AS A POLITICAL VALUE

Let me now turn to the nature of modern Western states—to the existence of a moral pluralism. Many Western leaders, if asked what actually is the cardinal value they would preserve against the unfreedom of the controlled societies, would speak about the area of choice reserved to citizens as individuals in society, about the morality of choosing values. The benefit they seek to preserve is the right not to have to conform to prescribed values in certain areas of social life. Here questions have to be put about the real existence of a moral

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pluralism within Western societies; about the extent to which, beneath all the praise of diversity, there is actually a pretty tightly prescribed area of what are regarded as non-negotiable ethical requirements. If society was genuinely pluralistic, for example, the collectivism of modern government could hardly operate as it does: the essential condition for the compelled morality at the basis of the welfare state is a consensus. It is assumed that compulsory taxation for the care of the sick, or compulsory education, are benefits beyond serious question. And there are, of course, areas of public concern about which there genuinely is a consensus. That does not amount to a pluralistic-society, but to one in which there is an establishment of liberal-humanitarian morality. What is the basis of that morality? Is it secular or religious in origin and orientation? Can it be changed, or is it to be regarded as sacral? The preference of public figures not to define the basis of social values in ultimate moral language does not make their social practices any less normative. As it happens they have in hand, in our day, the convenient doctrine of Human Rights, and there is a general assumption that the contents of Human Rights ideology is self-evident. This assumption needs very careful scrutiny—if only because, as revealed by the fate of the Helsinki Accords (to give but one example) there is not even agreement about the contents between East and West, let alone within Western pluralism. And the disagreement between East and West is not because there is a known body of Human Rights which one party cynically elects not to honour, for reasons of realpolitik or internal social control; for, beneath the deceptive common rhetoric of rights there is genuine divergence between collective and individualist understandings of moral choice of society.

The Church on pluralism

To the existence of a pluralistic society, the Churches have brought a set of attitudes that are indistinguishable from educated opinion in general, and thus have nothing additional to say about the moral capacities of the political order in reference to the pluralism. Though once the natural opponents of moral diversity, because of their guardianship of Revealed truth, the churches' acceptance of it has now passed beyond mere recognition to positive endorsement. "No one group can claim monopoly of the truth," according to a 1979 Report of the Board for Mission and Unity of the General Synod of the Church of England; "it is felt that all systems of belief and canons of behaviour must be seen in relation to others, and have therefore only
relative, not absolute authority." This assessment is actually in part true—but not for the reasons assumed in the Report. In their enthusiasm to promote the ideal of a multi-racial society, especially, the Churches have abandoned the notion of racial and cultural assimilation as a social goal, and have instead become to advocate self-conscious diversity. The supposition that Christianity, or any religious system, can provide the moral and uniform basis of contemporary society has also been abandoned by them. The rôle of the Churches is now seen, by themselves, as one among many, but with a prime duty to promote the interests of minorities. It is an odd blend of libertarian thinking and prescribed social moralism. There have been some recent signs of a reaction within the Churches’ rank-and-file against the secularized attitudes of the leadership in such matters. The emergence of the so-called “moral majority” in the U.S. Presidential election of 1980 was an appeal for a Christian moral standard as the basis of law. The leaders of the major denominations were among the first to attack the “moral majority” for illiberal disregard of the other components of the moral pluralism. Their arguments were precisely those used by Victorian free-thinkers against the continuation of religious provisions in public life.

Now if this acceptance and promotion of moral pluralism in social life in fact derived from a genuine liberal pragmatism, it might have a very acceptable complexion; it might seek to support, in politics, those who did not wish to diminish the area of private choice and the area of enterprise—it might contend against those thorough collectivists who seek to impose their blue-print for secular redemption upon the general population. But the Churches’ promotion of pluralism is actually ideological. It has positive characteristics. It has to do with opposition to traditional society, and with the moral necessity of obliging people to choose progressive alternatives. The area of agreed selection from within the diverse values is really very tightly circumscribed; the components of the moral pluralism have to be acceptable according to some strict criteria. It is rather like declaring an open selection for the players in a team game, but only allowing the members of one of the sides to be freely chosen. For within the field of choice, the Churches are on record as ruling out—as unsuitable for free selection—quite a number of positions. In the end, instead of a genuine pluralism of moral values, applicable to the political sphere, they actually, and for moral reasons, allow only universal democratic equalitarianism to be exercised within a non-sexist, multi-racial collectivist state. That may be a perfectly acceptable conclusion, but it is not the endorsement of
plural values. Whatever their practice, however, Church leaders still declaim an ideal of moral pluralism for society on grounds of abstract justice.

**Natural Law foundations of the Churches' stance**

This discloses another odd feature. In their desire to promote the ideal of a multi-racial, multi-cultural society, churchmen had begun to contend that the competing values, secular and religious, are often in some way different insights into the Supreme Being. This is not a matter of Revelation but of observable moral laws, of the Divine expressed, often apparently anonymously, in a wide area of human experience, in many cultures. Contemporary churchmen, that is to say, are unconsciously promoting Natural Law as the authority for deriving some normative social truths. The Natural Law assumptions at the basis of contemporary Human Rights ideology have a comparable appeal—and are usually articulated with an equal innocence of their real pedigree in the history of political theory. Can authentic Christianity really associate itself with secular morality on a Natural Law basis with the precision that is now practiced? In reality, Christian leaders do not generally formulate the question that way, for they regard the main goals of Human Rights ideology as constituting a sort of agreed common content of the various outlooks of the pluralism of moral values in society, and, furthermore, as corresponding to the teaching of Christ. They assume, in the end, that Revealed and Natural truth are the same. Yet the contents of this vision have no particularly religious authority; it rests upon re-interpretations of the Bible according to the understanding of contemporary, secular moral seriousness. One of the most extraordinary features of the Christianity of our day is the extent to which its social and moral action, and the political forms which give them expression, in fact, rest upon secular premises. Let me give just one example. In the December, 1980, edition of the World Council of Churches' monthly journal, *One World*, there is an article denouncing the prostitution provided for businessmen visiting South East Asian cities. But the objections are not because of biblical teaching about fornication: they are because the practices at issue are what the article calls "sex imperialism"; they are the exploitation of women, a sign of what is condemned as "the subordinate role imposed on women generally." Much of the evidence comes from one Sister Mary-John Mananzan, a Catholic nun from the Philippines, who, at the Women's Conference on Human Rights, called by the World
Council of Churches in Venice, in 1979, had said: "We need a complete transformation of the economic system and of the consciousness of women in society." That may be very proper; but we are now a long way from the authority of religious tradition—and a very long way from the free choices of a genuinely pluralist society. In this third area of ethical and political questions, therefore, the Churches are offering no insights that are not to be found everywhere else.

III. THE CHRISTIAN AND THE STATE

So much for the diagnosis and for the description of existing attitudes. Christians are, however, involved in political action and have no way of not being—short of opting out of society altogether. The question now to ask, therefore, is exactly what the Christian contribution ought to be. I do not believe, and never have, that Christians should eschew political involvement. The burden of my Reith Lectures, in 1978, was to point out that Christian claims to religious authority for their political ideas are often ill-founded, and that the acceptance of secular morality as the grounds of political action has resulted in a serious secularization of Christianity itself. But Christians are concerned with politics—if for no other reason than that the enlarged area of competence of the modern collectivist state has come to incorporate aspects of personal conduct and choice which have always been the concern of religion. This is seen most clearly in education, for example, or in the care of the sick. These are matters which, from a religious point of view, have little relation to the morality of political theories but a close proximity to individual welfare. In addition, Christians can legitimately ask, as others do, what sort of society they want—in which to express or to transmit religious experience. I have, again, in the past contended along classical lines that the Churches as institutions are most appropriately restricted to the definition of general principles of human conduct, and that detailed applications in the political arena are best left to Christians as individuals. But that still, of course, means that the Christians involved in politics will need to be clear about the relationship of their religious understanding to the content of their social action.

Christian ideological agnosticism

I start, at this point, from the supposition that Christianity, as Revealed truth, and the ethics described in the New Testament, do not
provide a blue-print for political society. I also observe that, throughout the preceding centuries, Christians have endorsed diverse modes of social authority and schemes of government, and have tended to represent each one as expressing authentic religious understanding. Hence the familiarity about the present consecration, by Church leaders, of Western bourgeois liberalism, or of collectivist socialism, as Christian politics. Now I also suppose that the pluralism of moral and political values in contemporary society is a real phenomenon and has qualities that should be recognized as beneficial. I do not mean by this—as Church leaders and liberal sages appear to mean—that pluralism is in itself virtuous because no one can claim genuine authority for his knowledge of truth, but that diversity and relative choice protect the individual (who if he is wise will be sceptical about absolute claims made on behalf of political values) from having blueprints for society enforced for ultimate moral reasons. Into the confusion of alternatives comes the Christian with his ordinary duty as a citizen to participate in the political order: the existing pluralism contains elements once derived from the long Christian inheritance, mixed up with, and usually now confused with, secular humanism, utilitarian values, and whatever else attracts the moral sense of the formulatores of opinion. It is a grey area, where definitions are hazardous. Few, indeed, attempt to describe with any precision the exact morality that lies at the basis of contemporary political association. But the Christian enters the pluralism with insights which are precise—which do have a dogmatic basis in Revealed truth. His God is Incarnational: he entered human life in Christ not in order to declare that knowledge was an open question, but to claim allegiance. Like the Marxist activist in a Western democracy, the Christian is called to participate within the context of the moral pluralism. For the Marxist, truth is political truth: his ultimate purpose is the destruction of the pluralism itself as a political order and its replacement by the total ethical state, ordered according to an exclusive ideology. For the Christian, lacking a political scheme in his source of authority, the pluralism becomes a valid but secondary area of activity: his contribution is also precise, however—for him it is a doctrine of man and man's moral limitations that is exclusive, and with which he seeks to relativize the political context and to give it a rather diminished moral authority as the arbiter of man's destiny. The Christian points to the fallibility of men in political, as in all other, action; to the priority of emotional over reasoned impulsions in so many social calculations, and to the inability of political ideology to alter or to satisfy large areas of human ex-
perience. For the Christian in politics, therefore, the existence of the pluralism of values is to be regarded as a useful if historically fortuitous occasion to place men's political expectations within the austere confines of human spiritual capabilities. The pluralism is to be regarded as a device that protects individuals from the imperialism of ideas—from ideology. It is this concept which is unhappily denied in contemporary Christianity, with its apparently increasing preparedness to identify the essence of Revealed truth with human idealism, and to associate religious faith with merely political objectives. Alas, the present pluralism of Western moral values is almost certainly not stable. It represents an unusual interlude—in the widest perspective of human development—between monolithic social orthodoxies; a hiccup in the graph, from the breakdown of the unitary societies of the old world, before the Enlightenment of the eighteenth century and the liberalism of the nineteenth, until the new totalitarianisms of the future—already anticipated among a large section of the earth's peoples. The present time offers religion and politics a highly untypical and probably ephemeral opportunity to explore their relationships in a context of comparative moral freedom. Unhappily the religious leaders are already willing to represent their contribution in terms of political values. They are already preparing the ground for the political totalities that are to come.

Within the pluralism of values, of course, those who really believe in their own (as the Christians should) will seek the conversion of others to their own exclusivity. I have already suggested that a lot of the rhetoric of pluralism in contemporary discourse is actually bogus because beneath all the talk of diversity some values are regarded as normative in every situation. Provided the opportunity exists to change the ordering of values, however, through the manipulation of opinion within society (or through liberal education and the "media," to put it in less frank language), there is no great harm in that. In both England and America government is influenced in this way: ours are societies in which the pluralism works reasonably felicitously at present. The "false consciousness" of the people is formed by a sufficiently diverse body of opinion that a choice of values greater than is usual among mankind gets through.

**Human moral ambiguity and Christian anti-Utopianism**

Christians, being concerned with men's natures, with the emotional springs of action, will apply tests to political behaviour which derive
from a knowledge of moral ambiguity. They know that, as in classical political theory—in Augustine, for example—government itself is provided by God in order to curb men’s evil. Christians, therefore, will begin by asking about the moral characteristics of the individuals who are influential in political society as the way of determining the real essence of their contribution. They will do this not in order to exclude—for all men are corrupt in their inner beings, Jew and Greek alike, as St. Paul said—but in order to advertise the fact of human moral frailty as a preliminary to deflating the absolute claims of political virtue. They will not be impressed by a man’s idealism, as contemporary society is, but by what he is like; they will, of course, be concerned about the contents of political programmes, but that concern will itself derive from their action as citizens within the pluralism, rather than as their peculiarly Christian contribution to civil society. How far we are from this sort of model is seen at the present time, when it is regarded as outrageously illiberal to discriminate in political or public life on grounds of what are thought of as a person’s “private” beliefs. When Mr. Foot became Leader of the British Labour Party, for example, in 1980, I scanned the papers in vain to find any reference to his religious attitudes or opinions. It is an indication of the present terms of reference in English public life that it did not occur either to those who elected him, or to those who commented in the public prints upon the choice, to regard this as an important or proper area of inquiry. In the United States, at least, there is still a surviving tradition of Christians in public life scrutinizing the religious values of those to whom the welfare of society is entrusted.

IV. CONCLUSION

I am suggesting, therefore, that political ideas will be derived by both Christians and non-Christians from a shared area of pluralism of values, but that Christians have their own, unique contribution to make, in the shaping of political society, which is derived from religious tradition and authority. It informs them about human nature and is emphatically not to be regarded as an open matter within the pluralism. One of the consequences, at least in the circumstances of present society, is that Christianity ought to operate against the enlargement of state action in response to ideology, regarding that as a threat to the survival of un-politicized, non-secular values. I think, also, that Christianity should operate primarily through other units
than the state—through family life and the inter-personal relationships that are the staple matter of the morality depicted in the Gospels, the face-to-face world of the parables. Christian action there, where it is expert, will then penetrate the political and wider social realms, where it has no directive programme but from whence the threat of secular moral exclusivity is most to be apprehended. Christianity influences the world indirectly, through the loyalty it claims in the witness to higher authority in the lives of those who comprise the flawed societies of men. To the grey world of the pluralism, the Christian brings a spiritual dimension from which to regard the same body of social knowledge available to everybody else. It is, again, one of the great failings of the contemporary Church, in my judgement, that it has for years now adopted its view of man from secular morality—only to find that, having surrendered its unique spiritual authority, no one bothers to take much notice of its declamation of the humanism it has substituted.

To the confused area of competing and diverse alternatives, Christians should bring a prior knowledge, exclusively maintained, not of the arrangement of society but of men and their natures. Within the pluralism, Christians cannot claim religious authority for the programmes and ideas which the relative values of their place and generation find most compelling. But they can argue for limitations in the moral competence of political ideology, as the most authentic contribution of those who are impressed with a sense that men's more fundamental and immutable instincts will express themselves in a wide variety of political schemes. In short: the Christian activist will confront the vaunted political moralizing of contemporary society with more durable criteria for being concerned with men and their social fate. He recognizes a context for human activity which diminishes men's sense of their own competence.

NOTE

I. THE CHRISTIAN IN POLITICS

In his paper Dr. Norman addresses the question of the proper role or place of the Christian in the politics of the contemporary Western and pluralist (or, as I should prefer to say, liberal) state. Quite properly, in my opinion, he begins by analyzing the character of this state, for the role of the actor, so to speak, will be affected by the character of the setting in which he is to act. The essential characteristic of this setting, the modern liberal state, is, he says, and I agree, its secularism; that secularism will, in large part, determine what the Christian may do politically. What a Christian should do is also determined by his essential characteristic, which is his Christian faith.

This seems self-evident, but it is not, and is not so regarded by Dr. Norman. He recognizes that there are now powerful forces in the Christian churches who are engaged in what he regards, correctly I think, as improper political activity, and that that impropriety derives from a misguided understanding of what it means to be a Christian. He devotes a section of his paper to this subject, and his discussion of it is characterized by Christian forebearance and charity, or by generosity that I can admire but not imitate.

He, for example, points to an article criticizing the practice in Southeast Asia of providing businessmen with prostitutes; the basis of the criticism is not the biblical teaching against fornication but the radical feminist teaching against "sexual imperialism." Since the article appeared in a putative religious journal, One World, published by the World Council of Churches, he uses it to illustrate his point that the churches, in the process of accommodating themselves to the secular world, have themselves been secularized. That, I think, is true; but, to quote Winston Churchill, it is not exhaustive. If we judge the World
Council of Churches by its activities—and Dr. Norman himself points out that we should judge a man not by what he professes to be but, rather, "by what he is like"—it bears a remarkable resemblance to a political organization, and—judging it by the company it keeps—a left-wing revolutionary political organization. Much the same thing can be said of the National Council of Churches which gives financial support to various Marxist terrorist groups.

Is "secularization" an adequate term?

To say these organizations have been secularized conceals more than it reveals. The National Council of Churches, in its official teachings, says that the people of Tanzania, Cuba, and China are all privileged to live in societies spiritually, morally, and politically superior to that of the United States. So far as I know—and I looked and waited—it uttered not one word of official protest when martial law was imposed on Poland, yet it has been voluble on the subject of Chile. Dan Berrigan, nominally a Jesuit priest, returns from Hanoi uttering praises of the "many faces of Buddha," and couples this with ridicule of his own country for taking an "infant Jesus to its religious heart, changing His underpants on major feast days," and concludes by expressing his contempt for this "religion of infants." That New England and now New York divine, the Reverend William Sloane Coffin, heir to the furniture-store fortune, says he experienced "a very special feeling for the North Vietnamese," even as they were killing his fellow citizens.¹

These church organizations and clergy have undoubtedly been secularized, but they have also been politicized. What is more, they have a pronounced propensity for communism and communist tyrants, and one should wonder why this is so. In the space available to me, I can offer only a provisional explanation: like alienated intellectuals generally—Norman Mailer, Susan Sontag, Mary McCarthy, and so many others—they have not been so much attracted to Marxism as repelled by the bourgeois character of the liberal democracies in which they live (and to which they all return). That bourgeois or prosaic character is an outgrowth of the secularization of the West which began in the 18th century.

This secularization of the West has deeper roots than Dr. Norman recognizes, or, at least, acknowledges in his paper. He says that the separation of church and state was "originally the work of Christians
themselves,” a “mere device” adopted as a way of “recognizing the existence of a religious pluralism.” As a description of action on the political level, that is, I concede, accurate enough, although I would point out that the champions of separation in the United States—Madison, Washington, Jefferson, for example—were not Christians, except perhaps in the most nominal of senses. Madison was a Christian in the same way that the typical Englishman today is a Christian; I mean, the person who, when applying for school admission, jots down “C of E.” Washington was a Mason. Moreover, he surely did not think the American government he helped to found would “incorporate Christianity into the basis of [its] law.” In his famous answer to an Address from the Hebrew Congregation of Newport, Rhode Island, he wrote as follows:

It is now no more that tolerance is spoken of, as if it was by the indulgence of one class of people, that another enjoyed the exercise of their inherent natural rights. For happily the government of the United States, which gives to bigotry no sanction, to persecution no assistance, requires only that they who live under its protection should demean themselves as good citizens, in giving it on all occasions their effectual support.... May the children of the Stock of Abraham, who dwell in this land, continue to merit and enjoy the good will of the other inhabitants, while everyone shall sit in safety under his own vine and fig-tree, and there shall be none to make him afraid.

And Jefferson, while calling himself a Christian, denied the divinity of Jesus Christ. He was, he said, perfectly willing to attribute to Jesus “every human excellence,” and insisted that this was all Jesus ever claimed for himself. The so-called Christians thought otherwise, he said, because they had been corrupted by the Bible.

The secular foundations of the modern state

The American Founders insisted on a separation of church and state not primarily because they wanted to accommodate the varieties of religious beliefs, but because they held it to be a self-evident truth that all men were endowed with the natural rights of life, liberty, and the idiosyncratic pursuit of happiness. In the words of the Declaration of Independence, government is instituted by men (not God) in order “to
secure these rights,” and a government so instituted is indeed one founded on “genuinely secular moral presuppositions.” I would go further, the very idea of natural rights is incompatible with Christian doctrine and, by its formulators, was understood to be incompatible. In fact, Thomas Hobbes and John Locke were enemies of all revealed religions. It is important to recognize this fact when we attempt to delineate the proper role of Christians in the secular state.

Hobbes, the first natural rights philosopher, set out to find a way of excluding intellectuals and priests from politics, or more precisely, a way of depriving them of their political influence. Citing the authority of the books they have read or the word of God which they claim to understand better than others, these men exercise what Hobbes called “private judgment” respecting the justness of the laws. And “how many rebellions hath this opinion been the cause of, which teacheth that the knowledge whether the commands of kings be just or unjust, belongs to private men, and that before they yield obedience, they not only may, but ought to dispute them?”

Hobbes' solution to this problem took the form of an attempt to put, for the first time, moral and political philosophy on a scientific basis, so that the political conclusions drawn from them would be indisputable. Political science would have the degree of authority attributed by all thinking men to Euclidean geometry.

Now, according to Hobbes, we can have scientific knowledge only of those subjects “of which we are the causes,” or, we can understand only what we make. But we do not make the natural beings, and, among them, man himself; which, for Hobbes, had the consequence that we cannot understand men's aspirations. Thus, if there was to be a political science, it would have to be non-teleological. It would have to take its bearings from men's beginnings, not their ends, because of their ends we can know nothing. (Which is why there is such disagreement concerning ends.) But observation allows us to know that men are governed by a passionate fear of violent death and the desire to preserve themselves. Being naturally subject to no law, men have a natural right to preserve themselves and to do whatever their preservation requires. This leads to a “war of every one against every one,” and the life of man is “solitary, poor, nasty, brutish, and short.” The solution to this is peace, and Hobbes's first and fundamental law of nature, a law discovered by men reasoning on their natural condition, is “to seek peace, and follow it.”
The state as against the church

The second law of nature is that men lay down their right "to all things" in favour of the sovereign they create. His job is to preserve peace and thereby better secure men's rights, but otherwise to leave men alone to pursue those individual ends that are not incompatible with the general peace. This was formulated in our Declaration of Independence as follows: to secure the rights of life, liberty, and the pursuit of happiness (idiosyncratically defined), governments are instituted among men deriving their just powers from the consent of the governed.

The trouble with the intellectuals and priests—for Hobbes, those pests—is that they claim to know what happiness is and seek to have government recognize it. The priests—or perhaps I should make it clear that I am referring to all religious denominations by using the word clergy—are especially inclined to do this. Their ability to defeat Hobbes's scheme depended on their ability to persuade the people to fear what Hobbes called "the power of spirits invisible"—that is, God—more than they feared violent death. Hobbes had to declare war on the clergy, for, as I once wrote, "so long as the power of the clergy remained intact, men would continue to offer the sovereign only a conditional obedience because they would fear eternal damnation more than the sovereign's laws." To destroy the clergy's political power, Hobbes set out to undermine the authority of Scripture and especially of the New Testament, wherein the proof of Jesus' authority is supplied by "the multitude of miracles he did before all sorts of people." This was necessary, he said, because "where the miracle is admitted, the doctrine cannot be rejected." Thus, Hobbes wrote a critique of "miracles, and their use," and so did those other founders of liberal democracy, Locke and Spinoza. Their efforts culminated in the constitutional principle we call the separation of church and state, which, as I have written, amounts to a "subordination" of religion. The clergy could be tolerated, but only if they were kept in their subordinate place. In that place they would be entitled, along with everyone else, to one vote each; in that place, they would be required, along with everyone else, to obey all the laws, even if the laws were incompatible with their religious tenets.

To repeat: The foundation of this new politics, which we know as liberal democracy, was wholly secular. To what extent its philosophical and political founders (Hobbes, Locke, Spinoza, Montesquieu, et
alia, and Jefferson, Madison, and Washington, et alia) expected this new order to have to depend on organized religion to perform a civilizing role in it (to teach morality to its citizens) is a complicated subject I cannot explore here. I must say, however, without any supporting argument, that to a great extent it was expected that the commercial society, built on Lockean principles by way of Adam Smith, was intended to be a substitute for morality. (Thus, I take issue with Dr. Norman where he says that capitalism is “arguably not a contributing element in the false material expectations of our Western societies.” Those expectations were not false—capitalism is the greatest producer of wealth ever invented—and it was not “progressive ideologies” that gave rise to them.)

The political role of the Christian

I turn now to Dr. Norman’s specific suggestions concerning the political role of Christians in our secular Western societies. That as voters Christians should weigh the moral qualifications of candidates for public office, I find unobjectionable. His other prescriptions I find not objectionable but more difficult than he indicates. Like him, apparently, I am convinced there is a connection between stable families and a decent civil society, as well as between stable families and a religious orientation; I therefore think Christians, as well as Jews, for example, should oppose political action calculated to be detrimental to or destructive of the family; such action would include, but not be limited to, laws permitting abortion on demand and laws permitting the public display and distribution of pornography. Unfortunately, Christian action in opposition to such laws would come into conflict with principles of the secular state as these principles are now understood.

The Christian will be told that his efforts to forbid ready abortion constitute a violation of the separation of church and state insofar as he would impose on others his Christian beliefs respecting human life. He will meet similar arguments when he advocates school prayer and when he opposes homosexual “marriage,” or, for one more example, when he challenges the right of parents, with the cooperation of hospital officials, to refuse medical treatment in order to save the life of a child born with Downs syndrome.

The fact is, Western societies are honeycombed with laws and practices (Sunday closing laws, for example) that are vestiges of a presecu-
lar age. As time passes and secularism gains more supporters, these laws and practices come under increasing attack, and the attacks frequently succeed because these vestigial laws and practices do violate the principle of separation of church and state, when that principle is strictly understood. Assuming that Christians will not be able to convert the heathen, thereby reducing the number of zealous secularists who file suits in the courts and lobby the legislatures, they should attempt to persuade jurists and legislators that the perpetuation of our free societies depends on the perpetuation of these vestigial laws and practices; that these laws and practices have a civilizing influence; that, in fact, a free but wholly secular society is impossible. Such instruction might begin by pointing to the growing crime rate and continue by offering the testimony of a few thinkers who, at the beginning of the secularizing movement, warned of its consequences.

Beyond that, I issue a warning of my own: the public sphere may, as George Grant has suggested, be beyond repair, and, therefore, activity devoted exclusively to repairing it would be unavailing. Besides, there is still a private realm in the Western liberal democracies, a realm in which we can tend to the salvation of our own souls. As a friend of mine has written, the existence of this private realm “makes corruption voluntary to an appreciable degree.” It is a realm where the Christian churches can do good work.

NOTES


Discussion


8. See *Federalist* 10 (“the first object of government [is] the protection of different and unequal faculties of acquiring property”); Locke, *Treatises*, II ch. 5, where Locke argues that in a properly governed state (in effect, a state that promotes unlimited acquisition) the increase of wealth over what God gives men in common will be tenfold, hundredfold, thousandfold, and, he finally ends up by suggesting, that what men can produce makes God’s original bounty “almost worthless” in comparison (sec. 43); and Macaulay’s essay on Bacon: The aim of the ancient philosophy, he wrote, as to raise us far above vulgar wants, whereas the aim of the modern—i.e., the seventeenth century—philosophy was to satisfy our vulgar wants. “The former was noble, but the latter was attainable.”

Discussion

Edited by: Kenneth G. Elzinga

Walter Berns: Dr. Norman’s paper is concerned with the “proper political role of the Christian in the secular state.” He then proceeds to utter some criticisms of some political activity that is now engaged in by Christian theologians; and he attributes this improper activity to the secularization of some religious organizations. As he puts it, “In the process of accommodating themselves to the secular state, these organizations, themselves, have become secularized.” I think that is
certainly true with respect to some of these organizations. I would then go further to say that they have become secularized in a particular manner, or in a particular direction. They have become, in some cases, practically indistinguishable, in my view, from certain left-wing political organizations.

In my paper I point out the tendency on the part of some of these groups to criticize events in Chile, but, so far as I know (and I made a point of looking for this; and I have looked through the New York Times index), they say nothing about the events in Poland. That raises a question, which I treat very briefly in my paper, but in fact have written on elsewhere. I mention it here only because Dr. Norman has raised the question. "Why is this so?" Why should religious groups have a kind of propensity to exonerate communism and communist tyrants.

My opinion of that is (and this, I presume, would fall into the category of a sociological explanation), that they are not so much attracted to communism, or communist tyrants, as they are repelled by the bourgeois character of the world in which they live—the world of liberal democracies. And, in this respect, they share an attitude that is widespread among intellectuals generally. One of the things revealed by the poll conducted by the Roper organization is that the professors of theology in the seminaries have political views that are practically indistinguishable from the various humanists in the university faculties with which they are associated.

Now, this has an interesting cause, I think; because the life of liberal democracies, the "bourgeois life," is a prosaic life. By that, I mean precisely prosaic; it is not poetic. And it was intended to be that way. There is something unattractive to certain persons about that kind of life. This propensity expresses itself as a contempt for businessmen in their vulgarity, and for the kinds of things they do; and I can sympathize with that contempt. These people then tend to seek out the romance or the poetic character that is missing in the liberal democracies in which they live. They attribute it to the societies with which they are not associated, and about which they know very little. Out of this, comes this tendency to idolize Castro, Che Guevara, and Ho Chi Minh. Why is it that a Roman Catholic priest should come back extolling the virtues of Ho Chi Minh, at a time when Ho Chi Minh was killing his own fellow citizens, the Catholic priest's fellow citizens?

Now, that's an interesting subject. We can perhaps talk about it. I would encapsulate what I have to say on this by saying, as I have said
in print, “One can not sing about business. One can sing and write poetry about God,” which, of course, is one reason why almost all the choral music is liturgical music.

I learned about this in the days when I used to sing in the Cornell chorus, which was the Cornell Glee Club, and Cornell Choir, plus odds and ends from the faculty. At the time of the Cornell centennial, the president of the university, who was a vulgar man, called the director of choral music of Cornell and said, “Now, I presume that the chorus is going to participate in the activities of the centennial next year.” And that was true. “Well, I hope that you will not sing some of that church music, but that you will sing Cornell music.” (laughter)

Well, the prospect of two hundred voices, up on the stage with a large orchestra, singing “Far Above Cayuga’s Waters” is an absurdity. We ended up singing, of course, Beethoven’s “Missa Solemnis” on this occasion; because, if you have an assembly of this size, what can you sing about, except God?

Well, that is one subject. But, in my opinion, this secularization of liberal democracy has deeper roots than Dr. Norman, in his paper at least, acknowledges. It derives from the thought of political philosophers who were enemies—and I would stress that—they were enemies of Revealed religion.

Now I won’t repeat here what I have said in my paper about Hobbes, and Locke, and the American Founding Fathers, who founded the first liberal democracy. But I would direct your attention to my discussion of the Declaration of Independence, which encapsulates, in a way, much of this.

The Declaration, after referring to the various rights that men have by nature, says, “To secure these rights, governments are instituted among men, deriving their just powers from the consent of the government.” And these rights are the rights of “life, liberty, and the pursuit of happiness”; and it’s a happiness that is idiosyncratically defined. That is to say, “privately defined.” The government has no right, no right to define the happiness that will be pursued by the individuals within that society.

Now, the trouble with intellectuals and priests, according to the Founders, (or, for Hobbes, who referred to them as “pests”), is that they claim to know what happiness is. And they seek to have the government recognize it, and somehow pursue it in this public sense. And that causes the animosity between Hobbes’ priests and lawyers, on the one hand, and civil society. So he sought an arrangement that would
minimize their influence within civil society. And I discussed in my paper that the three principal political philosophers of liberal democracy who set down the foundation, the principles of it—Hobbes, Locke and Spinoza, each of them wrote a critique of miracles. Each of them wrote that critique for the purpose of undermining the authority of the clergy; and I indicate why they thought they could do that.

The consequence of this was that the clergy could be tolerated, in the civil society. But they would have only one vote each, and no other authority. And from there, we get into the problem of Archbishop Hunthausen.

One final statement here: The point I would stress is that the foundation of this new politics is more secular than Dr. Norman recognizes, it seems to me. The next question is whether a society built on such principles can sustain itself. Or to put this in terms of Locke, whether a Lockean society can be sustained, if it consists solely of Lockean men. And people like Rousseau, among others, said that is not going to be possible. That raises, then, the question as to whether the clergy do not have some role to play—a civilizing role to play—to make even a Lockean society possible.*

**Geoffrey Brennan:** As I understand it, and I might be misreading Walter Berns here, for somebody who feels himself to have strong libertarian tendencies, and to be a self-styled Christian, the sort of position that Walter is putting forth here is profoundly disturbing, to say the least. Because he seems to be arguing that Christianity and libertarianism are really incompatible, in some sort of fundamental, subliminal sense. Or that libertarianism logically requires a moral relativism, at least over an enormous range of issues—perhaps all those excluding the virtues of freedom.

I am reminded of an article in *Daedelus* by a colleague of Edward Norman’s, Shirley Letwin, in which she attempts to argue a very strong connection between a certain strand of theological understanding, starting before Augustine and through to Hobbes, which is entirely faithful to liberal ideals. I cannot spell out the details of that line of argument, but I think it’s important to acknowledge that, although Hobbes was anti-clerical, so were many Christians in important respects. Hobbes was in some ways anti-Aristotelian and anti-scholastic;

*Dr. Norman contributed a paper to the conference, but was unable to attend and therefore could not participate in the ensuing discussion—eds.*
but I don’t think that makes him anti-Christian. And I think one would have to be very careful of using Hobbes as evidence for the incompatibility of a libertarian position and a Christian position.

**Ronald Preston:** On this present matter, two things. One is, I’m not so worried when somebody sees a type of Christian attitude, or body, or institution, as indistinguishable from some secular one. I say to Christians, it’s foolish to try to say something distinctive that nobody else could possibly have said—particularly in a plural society. It becomes extremely important that Christians should, as a contribution to helping societies work, find ways of saying things which are consistent with our own integrity, but also relate to positions held by others.

Many humanists in Western society are really Christian humanists. I am not trying to put a label on them that they wouldn’t wish. They have come out of a Judeo-Christian-Greek civilization, where these things have been held together for centuries, and have taken over a common understanding of what it is appropriate to think about human beings, or how human beings ought to be treated, or how they ought to behave, which is consistent with the Christian view. So Christians and humanists often find themselves overlapping. And, personally, if I can find allies in some cause that I think important at the moment, then I am very happy to have allies wherever they may be.

The second related point is one that is being raised acutely by someone like Fred Hirsch in his book, *The Social Limits to Growth*, which I think is a very important book in its own way, and that is: where is the source of disinterested goodwill in advanced industrial societies? He asks this on the presumption that if there is not some source of this disinterested goodwill, in the end you cannot maintain the social fabric. Also, this argument is saying that traditional religion is disintegrated so that it is no longer a convincing source, that there is not enough left in religion—even in sectarian religion—to provide a sufficient supply of disinterested goodwill; that the kind of people who talk about economic philosophy, and so on, pay no attention to this, and do nothing to cultivate it, and even possibly undermine it. So we are left with something rather vague to fall back on, like a sense of “civic virtue,” or something like that, as the only possible source we can see. The question is whether this is likely to be sufficient or not. This is a very important and serious question which anybody concerned with the stability and maintenance of the economic, social, and political institutions of an advanced industrial society must take seriously.
Paul Heyne: I have a point that bears on Walter Berns' speculation about why churchmen prefer politics of the left. I recount my own experience. I used to have strong leftist sympathies.

One of the reasons that I believed I had an obligation to be more sympathetic to the left than to the right was the principle that a Christian confesses his own sins; he doesn't call attention to the sins of others. I discovered, eventually, that I was fooling myself. Whether this autobiographical account applies to anyone else, I don't know; but I suspect it does. "I have sinned," is confession, and that's good because it leads to forgiveness. It opens the possibility for forgiveness. To say, "You have sinned," can also be good, provided you are willing to stay and follow that up. But to say, "You have sinned," and then to run away, is wrong. To say, "They have sinned," seems to me always to be inappropriate.

Now, here's the catch. What church groups like to do is say, "We have sinned." And what that actually means is that all those have sinned who don't agree that we have sinned. It sounds like we have sinned. It's actually they have sinned. I cannot read anybody else's motives. But I know I used to do this. I used to go to meetings where we would pass resolutions, "We deplore the racism of our society. We..."

President Kennedy's death had a traumatic effect on me; right after it I led a religious service in which "we" confessed our guilt. I later realized what I was doing there. I was really passing a strange sort of judgement on all kinds of groups in society of which I did not approve. I think there is something to that explanation of the "friendliness toward our enemies."

Walter Block: While we are reminiscing about why we used to be open to views on the left, I'd like to give my views on that. And I'd say in one sense, I have changed my mind. In another sense, I have not. Before I took up the study of economics, I used to be very leftish, very socialist oriented, because I believed that if the free market operated, the poor would get poorer, the rich would get richer; eventually the poor would all die; and the specter of poor, little, skinny children screaming with hunger just bothered me; and I figured it was time to be a socialist. Amazingly enough, I have learned. My experience was not President Kennedy's death, but was rather meeting Ayn Rand, and reading her books, which disabused me of that, and I started reading Hazlitt and Mises and Friedman, and, it was a downward path from then on.
There's another sense, though, in which I was and am still very sympathetic to the views of the left, and that is their passion for justice—not social justice, not "positive rights," or "rights to food, clothing, and shelter"; but rather the thing that we were talking about in the last session. They are taking up the cause of the native peoples in Canada and the United States who had their land stolen from them. The case of the peons who are forced to work on the latifundi in South America. Some leftists even support Malcolm X's Republic of New Africa. This is the idea that when the blacks were set free, they should have been given the land on which they were forced to work. Instead, their rightful property was never returned to them, in any way, manner, shape or form. With the end of slavery, all they were given was a cessation of injustice. But, justice for many people on the left requires much more than that—namely a return of stolen property.

Many people on the left are not at all sympathetic to the marketplace, because they see it as a champion of the status quo; and they see the status quo, in many ways, as unjust. And that is why I think that many of them are sympathetic to Marxism; I think, tragically so. We have to really come to grips with and face this fact: that part of the reason our views on the free market are not seen as acceptable is because people interpret capitalism, or the free market, as businessmen grabbing property illegitimately. Advocates of free enterprise must make it clear that they favour the return of stolen property—even when such transfers would be at the expense of people calling themselves businessmen.

**Arthur Shenfield:** I think that Walter Berns' account of the reasons for the views of the churches, and clerics, is probably correct—perhaps more than that. One might put it higher. But it may possibly be wrong. Are we to assume, without considering it further, that these views and attitudes will never pass, that they are inherent in the character of churches and clerics, and therefore will go on and on without changing?

After all, as Paul Heyne has shown, in a previous paper,* that in the first half of the nineteenth century there were Christian economists and clerics who sang the praises of the free market economy. They didn't last, of course. It was a very brief phase in the views of the

*"Clerical Laissez-Faire: A Study in Theological Economics" in Religion, Economics and Social Thought, edited by Walter Block and Irving Hexham forthcoming from The Fraser Institute—eds.
churches and clerics. But if you talk to free market economists now, they will probably say to you that, though of course the ideas of the free market can hardly be found among politicians, journalists, and television pundits, at the deeper levels of opinion formation, these ideas are in the ascendant. For example, it is hard to find any economist of quality, of any standing, under the age of forty, who now believes in economic planning, or in Keynesianism for that manner. In short, the free market economists are winning. If they are winning, then we are really postulating that in perhaps another twenty-five years' time, the politicians, the television pundits, and journalists, will all have picked up their ideas; and once again, they will be truly in the ascendant. In that case, won't the clerics also, perhaps, follow? Aren't they also second hand retailers of ideas? Is it not possible that the pendulum will swing again? I am not forecasting this, but is it impossible?

James Wall: I particularly appreciate Walter Block's comment on compassion, because I recognize the church more there than I do in Walter Berns' view. I just don't recognize the church I know in his disquisitions about the National Council of Churches, and the various denominations being so pro-communist. I find that to be so extravagantly incorrect, as to not even be able to deal with it.

So, I think I ought to echo what Walter Block has said: yes, there may be a misunderstanding of the free market in that the churches feel the free market does not permit those who are in poverty to emerge from it. That may be the fault of the interpreters of the free market. It is certainly not a pronounced propensity for communism that makes the liberal churches concerned for the welfare of the poor.

I recognize what Walter Berns is citing here. I know that's a rather prevailing view that there's all kind of communist orientation in the various mainline churches. As indicated in my paper, the Reader's Digest has produced a hatchet job which they call, "Karl Marx or Jesus Christ?" which is incredibly inaccurate, incredibly Joe McCarthyist in its approach to the subject. It just isn't accurate.

Edmund Opitz: Businessmen tend to be a rather prosaic crowd compared to people in other occupations. In response to that, it's possible that we, who like to make free market affirmations, tend to overstate the case for the market. But the market's role is comparatively narrow. It is certainly not the arbiter of truth, beauty and goodness.

Consider the most popular play on Broadway—a box office suc-
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cess. The fact that the play makes money tells us nothing about its literary or dramatic merit. The fact that a book makes the best seller list week after week may have nothing to do with its literary merit—maybe quite the reverse. There are other canons of judgement that we have to employ to determine the literary merit of a novel, or poem, or drama, or whatever.

I believe in a free market for books; but I realize that if I were to judge the validity of economic ideas by the marketplace, the books of Galbraith and Samuelson sell in astronomical figures compared to the books of, say, Mises and Hayek. Nevertheless, I will maintain under oath that Hayek and Mises as economists are a million light years ahead of Galbraith and Samuelson.

So the market has the very narrow function to provide for our creaturely needs. It's something like (as I have said earlier) our digestive processes—very important in their own capacity, but I never was completely sold on the idea of D. H. Lawrence that the seat of our thought is the solar plexis, or anything of that sort. All I am saying is that the market we talk about as an important and essential element of a free society has a limited but nevertheless very vital role to play; and that there is room for other standards. It implies the necessity of other standards to test the truth, the goodness, the beauty of the things outside the realm of economic computation.

Geoffrey Brennan: Just a very small semantic point, but I think most often when people talk about totalitarianism, we keep slipping in the words (and I have heard Paul Heyne do it, I think, and Walter Block as well), “the left.” Libertarians need to remind ourselves, the left and the right can be equal enemies. You know, there's a strong tradition of totalitarianism from the right, which I think is susceptible to the anxieties that Walter Berns is alluding to, and I think that we give a strange sort of bias to the remarks we make if we pretend that the only danger is from the World Council of Churches. To say that Poland or Russia is bad is not to justify South Africa at all. I think we have to be very even handed on this.

Walter Berns: I would like to reply to Jim Wall's point, because it challenges me. But it seems to me he attributes to me statements that I didn't make. I was rather specific, I thought, as to my accusations. I was referring, of course, precisely to Dan Berrigan; and I could have gone on then to raise the question as to why his Provincial didn't read
him out of the order, or why they greeted him with open arms. I made a specific reference to the National Council of Churches because they did indeed say what I attribute to them, that the people of Tanzania, Cuba, and China are all privileged to live in societies spiritually, morally, and politically superior to that of the United States. I didn't make any charges about the mainline churches, or of clergy in general. I made some specific charges here, and I will stand by them.

James Wall: Maybe we don't need to take a lot of time to keep saying this, but you cited one document that was published in 1975 that does not represent the official position of the National Council of Churches, as far as I know. Then you did say, this indicates a "pronounced propensity to communism." It just seems to me that sort of linkage is a bit of a strain. That was the only reason I was lifting that up.

Philip Wogaman: My desire initially was to speak essentially to that same point, and to say two things. First, that over a period of some twenty years, I have had a lot of contact with the National Council of Churches, serving on three of its substantial committees, and studying its work, making some use of its work, and, somewhat more removed, studying the work of the World Council of Churches. I find myself, sometimes, in a "lover's quarrel" with these organizations. I am sometimes in sharp disagreement with positions taken. Currently, I am involved in a little bit of back and forth with some people in the National Council of Churches over the infant formula issue, just as one example. But, I think were his paper to be printed in its present form, with these rather flat-footed statements, the impression is given that Walter Berns shares the view that these organizations, as a whole, really are defined by a strong propensity to support communism and communist tyrants. And I think that view is wrong.

It helps to understand the character of both the National Council of Churches and World Council of Churches. These are the responsible bodies of large numbers of substantial denominations. They are a creature of the mainline churches for the United States, in the case of the NCC; and the World Council of Churches, of course, involves churches everywhere. They bring into their life the tensions and the problems of a whole troubled world; and rarely does this come out very neatly. Sometimes it comes out rather conservatively. But I hope, before standing behind a statement like this, you will make sure that your database is a little broader than I think it is here.
The other point I wanted to raise, is on an entirely different front: on the role of the clergy and the secular state. I think I am in wholehearted agreement that a secular state such as ours does not formally accord special status to clergy. It is “one person, one vote.” But, of course, everybody is in a position to influence as many other votes as possible. Now, the archbishop of Seattle is not suddenly acquiring the opportunity to cast more than one vote against a nuclear submarine. No doubt his influence will be greatly magnified by the number of people who wish to give special weight to his views. But isn’t that true of a lot of other people? That was true of John Wayne; that’s true of Jane Fonda—to cite persons at opposite ends of the spectrum. Why on earth anybody would consider a movie star of right, or left, or centre, a fit guide in political matters is utterly beyond me. But large numbers of people do take them seriously; and I guess Machiavelli makes the point in a little different language, that anything really that can influence the “will” of people is potentially political.

A secular state is one that insists that a priori nobody’s voice be weighted. And that probably is what you’re saying. I just want to add that further expansive footnote on it.

David Friedman: I am not personally involved in any of these disputes about whether the National Council of Churches is or is not a minion of the devil. So I am curious about the facts; and I’d like at some point a response on the facts from the people on the, loosely speaking, pro-National Council of Churches side.

And the question is: Is it in fact true that the National Council of Churches has, in some sense, publicly and several times condemned the coup against Allende and that it has not publicly condemned the imposition of martial law in Poland? Is it in fact true that its public documents speak as though Cuba and China were reasonably civilized free countries—certainly not substantially worse than America—whereas South Africa is a terrible country?

If those statements are correct, then I would say that the description of it as “left leaning,” or as “turning a blind eye to the evils of communism,” or something like that, would be accurate. If not, it is not. It’s a question of fact; and maybe someone can just answer with one word. Aside from all the interpretations, are these particular factual allegations correct?

James Wall: Not quite. First of all, as Phil Wogaman has already pointed out, the National Council is a small United Nations in the
U.S. with enormous and complicated representation. They have a very set rule that they will pass resolutions only under laborious procedures; and only resolutions that are officially adopted are considered official statements of the National Council. I cannot lift out documents. I do not think that the statements you've asked about are found in official NCC documents. The reference that is cited about Tanzania, Cuba and China, with which I suspect very few participants in the NCC would be sympathetic, apparently was in a study book of some sort. I'm not even sure where it was. It really cannot even be considered official. So, the answer to your question is, it's such an elaborate system in choosing resolutions, and approving resolutions, that I doubt that you would find one that would deal with any of those accusations you've just made.

Walter Berns: The statement with respect to the spiritual, moral, and political superiority of Tanzania, Cuba and China comes from the book cited—that was, an official book that was distributed under the aegis of the National Council of Churches, carrying the imprimatur of that organization; and I conclude that that is a position with which the Council has somehow associated itself.

With respect to the solidarity business, I did indeed look, as I indicated, through the New York Times index to see whether I had missed something; and I did not find any statement of the National Council of Churches condemning the events in Poland. Whereas I went back and found a whole series of official statements with respect to the Allende coup; and I draw conclusions from that fact.

What has the National Council of Churches, or the World Council of Churches, had to say about the plight of the various Christians in Lebanon? There has been support after support for PLO terrorism in one form or another. Now, I draw conclusions from that as well. And then I could also discuss El Salvador and the activities of the Maryknoll priests and nuns, and so forth and so on. And I come to a certain conclusion that, to put it this way, I sometimes wonder whether the mainline churches that collect our widows' mites are aware of what is being done with those widows' mites when a certain portion of them are handed over to the National Council.

Philip Wogaman: Well, to answer the Polish question: the president of the National Council of Churches, Bishop James Armstrong, has explicitly, publicly, and vigorously, condemned the invasion of Poland — that is, not the invasion, but the events in Poland. I don't
know what the character of statements may be on that. That would be an interesting study.

Now two other quick points. One of them is I think I see a moral distinction between commenting as a National Council of Churches, on those areas of foreign policy where decisions taken by the United States are pertinent, and those areas where they may not be. Some kinds of things affecting, say, Czechoslovakia, or Poland, or the Soviet Union may not be terribly pertinent to U.S. policy. They may be, but I think that distinction needs to be borne partly in mind.

On the other point, I sit on the Committee of Religious Liberty of the National Council of Churches. It is concerned with civil libertarian questions—the protection of democracy in its various forms in the United States. I can testify that in that committee, over a period of years, there has been, what I take to be, a very even-handed support of the right of people in our society—regardless of their point of view: left, right, centre. Most of them are groups with which members of the National Council of Churches wouldn't be terribly in sympathy, like the Unification Church, for example. But where it is a matter of protecting their civil rights, it is felt by the National Council of Churches that it has a responsibility to be protector.

Now, I guess my plea is: see the vastness in the diversity of this organization. Don't let a study book, or even one single range of questions, determine your attitude toward this large organization.

David Friedman: One thing I wanted to say goes back to the question which Arthur Shenfield raised. To what degree is the hypothetical left-wing bias of the church inevitable and natural? And there are two things that I have wanted to say and haven't had a chance to raise. They involve two writers I am very fond of—G. K. Chesterton and C. S. Lewis.

Chesterton was, I would suppose, the most influential Catholic apologist for a period of twenty years or so in England. He was also a libertarian—a libertarian of a very peculiar sort. I would say a libertarian heretic. But, nonetheless, he was one of our heretics, not one of somebody else's heretics. He clearly regarded his views as closely integrated, and he attempted, unsuccessfully, to found a political movement which was in some sense a rather odd, and heretical, but nonetheless libertarian movement. So that suggests that there are potentials, at least, for Christianity and libertarian views to go hand in hand.

The other thing has to do with C. S. Lewis. It is my impression that
he wasn’t enormously interested in politics. What struck me about him was that his theology was, in a certain sense, profoundly libertarian. One of the most serious problems for a Christian apologist is to explain how it can be that the world is run by a benevolent and omnipotent God, and nonetheless it is full of pain, unhappiness, starvation, and so forth. And on that, Lewis’s answer, as I interpret it, was that God is a libertarian. He could have made us all do virtuous things and be happy; however, he deemed that virtuous robots are inferior to imperfect free men; and he therefore chose to create, in some fundamental sense, a free society.

It would seem to me, from that viewpoint, one ought to be very sympathetic with the idea that we should imitate God’s restraint, that we should try to persuade people to be virtuous, and be virtuous ourselves, but not go around saying to people, “You should be generous and I’ll put you in jail if you’re not.” And in that sense, it seems to me, there are several pieces of evidence suggesting that Christianity, or at least some varieties of Christianity, could be very congruent with a libertarian approach.

**Roger Shinn:** As an abstract ethical principle, I think the church should not employ a double standard. If it is going to criticize violations of human rights, it should do it across the board, and not have any favourites.

I’d make two observations of a concrete form. First, in looking at the publications of church agencies, there should be a very scrupulous distinction between official teachings and documents circulated. Some church agencies circulate a variety of documents for educational purposes. Like the op-ed page of a newspaper, they are not official policy. Now, if the documents circulated are all on one side, that shows something too. But any selection better be a careful one, unless they are official pronouncements, of which there are rather few.

The other comment I’d make is that in practice, when my children were young and at home, I was much more critical of their misbehaviour than of a lot of kids around the neighbourhood who were misbehaving more than they. I expect my wife both to support me and criticize me more cogently than all the males around the neighbourhood. And at a certain point, the church feels a responsibility to criticize its own.

My own opinion is that the tyranny of North Korea is worse than that of South Korea; but it’s my friends who are in jail in South Korea.
It's the American army that is visible in South Korea. I move around South Korea and see an image of my country and my church and so I talk more about violations of human rights in South Korea than in North Korea.

I think, concretely, there are reasons for this. In the case of North Korea, I just think I have no influence at all there. Again, consider the case of South Africa, where crimes are being perpetrated by a country that purports to be almost a theocracy, endorsed (well, less and less, I am glad to say) by clergy and by officials of the church. I think the church should pay more attention there than to the Soviet Union, where the leaders are declared atheists, and our opinion doesn't have any particular relevance. So, concretely, I think there is room for a certain occasionalism; though I believe we ought to check ourselves again and again against the universal principle.

Kenneth Boulding: Just one final word on this. Remember the wonderful remark of Pogo, the comic strip character, "We have met the enemy and he is us." This has struck me here. As you know, I have been a little uncomfortable here, really. This isn't the kind of group I am usually in; but I have had a good time, and it worries me, though I am no friend of socialist societies, and I am certainly no Marxist. I was a socialist until I read Marx at age 20, incidentally, and that cleared that up. (laughter)

And so I have a great deal of sympathy with the general position of this group; but I feel uneasy that we may be our own worst enemy. I think of contrasting the old National Association of Manufacturers and the National Industrial Conference Board, which commanded no respect among the economics profession, with the Committee for Economic Development. The CED has had a very remarkable impact on this country because, I think, it has standards of integrity, you see, which the NAM really didn't. And that's why the NAM was one of its own worst enemies, in that regard.

Now we have the same problem in my own Society of Friends. We don't have any clergy, in the type I belong to. But we do have the American Friends Service Committee, with which I have been having quite a row. I feel it has been captured by a rather alien ideology and it hasn't really worked out the real implications of its own faith. Part of the reason for this is what I call the Band-Aid complex. We are terribly afraid of being a Band-Aid. We want to solve all these problems, and really, really solve them once and for all. This is maybe a little
spiritual pride. I think this is where some of the leftishness comes from, that is, from the feeling that you shouldn't just palliate. You should solve all these problems. When one feels that way, very often, well almost universally, one seems to me to do more harm than good. You get trapped in the inadequate use of the words, and inadequate ideologies or even inadequate theologies.

I think the question Walter Berns raised is very important. Another of my old teachers was Joseph Schumpeter. I still think his book *Capitalism, Socialism, and Democracy* is about the best book of the century on these things. Schumpeter was a great admirer of capitalism, but he thought it wouldn't last, because it couldn't really develop the legitimacies which would sustain it; these were derived from an earlier period.

I am not at all sure he was right about that. But on the other hand, the way you develop legitimacies is a very tricky question. Here again, as I was saying earlier, we have to be sensitive to the pathologies. We mustn't assume that anything is black and white here. Everything will have its problems; and we have to be very honest about this.

**Ronald Preston:** To return to Edward Norman's paper, he does, in the end, say that there is a political responsibility for Christians; but finally, towards the very end, he also says that the main thing that the Christian should do is to test the moral characteristic of individuals, to determine the essence of their contribution.

This seems to me to be the old, evangelical, simplification because we all know that Christians of impeccable moral integrity can be very blind to things that are under their nose. They can be very unjust and they can pursue mistaken policies. And often people whose moral character one has suspicions about, come up with policies which, in the situation under discussion, seem to be more adequate. So, I think it is very revealing that such an inadequate conclusion should come from this paper.

**Walter Berns:** I think there is a basic tension between Christianity and the libertarian society. I think, for example (in fact, I would assert), that the basis of this libertarian society we have is to be found in Hobbes; and that it is to be found in the notion of a state of nature; and a state of nature is simply incompatible with Christian doctrine—and from that, various things do flow.

But evidence, with respect to this tension, if not incompatibility (in-
compatibility, I think, is too strong a word, but the tension is there), is to be found in the behaviour of Christian churches. When liberal democracies came into the world, the Christian churches of Europe opposed them.

Ron Preston talked about the sources of goodwill; and that, I think, was in response to my point that the churches have to provide a civilizing function for these Lockean men—otherwise the Lockean society itself cannot exist. That is certainly something that I agree with altogether. Jefferson, towards the end of his life, said he hoped that every young man now alive would die a Unitarian. And I think what he had in mind was that very point.
Personal predispositions

I think that I should explain the place where I stand as I read these chapters. There is no uncertainty as to where Michael Novak stands as the author of *The Spirit of Democratic Capitalism* and of many articles on the subject in a great variety of journals. I was asked to write this overview because for more than forty years I have participated in the formulation of much of the thinking in Protestant ecumenical circles which is now in dispute. My presuppositions and the direction of my own thinking are in line with the moderate interpretations of the criticisms of capitalism which most of these writers regard as a threat to their own positions. I have taught Christian theology and ethics for many years and I have been influenced by both the American Protestant Social Gospel and by the Christian realism of Reinhold Niebuhr. I was in an earlier period a Christian socialist, preferring the label socialist Christian, but since about 1950 I have ceased to be a dogmatic socialist and am among those who, while agreeing with some of the socialist criticisms of capitalism, give weight to the pluralism and the incentives for efficiency and productivity which are characteristic of it, and also to the market as the best method of discovering what the desires of consumers are.¹

Wogaman and the response

The only full length presentation of the position, which is the object of criticism in this book, is the paper by Philip Wogaman though its presuppositions are supported by Roger Shinn's interpretation of biblical ethics. I find Wogaman's paper to be an excellent statement of the criticisms of capitalism that are widespread among theologians and in corporate statements of churches, but I think Wogaman's critics exaggerate the extent to which he is committed to socialism as a total system. I shall say more about that later. I think that the paper that represents the best mediating position is the one by Kenneth Boulding. He has worked with the groups in the churches that have produced the criticisms of capitalism but he obviously has a firm commitment to the market system though, unlike most other writers in this book, he emphasizes the pathology in that system. There are raw materials for criticisms of the consumerism of capitalism and its effect on the quality of life in Mishan's chapter but he traces the sources of the evil that he recognizes to technology, rather than to capitalism and he is right in seeing the same tendencies in socialistic societies.
My comments on the tendency of critics to drive Wogaman more fully into the socialist camp than seems to me to be accurate lead me to call attention to some overlapping between the two sides which are in conflict in this book. Many of those who are the strongest defenders of capitalism accept elements of the welfare state even though they may do so more grudgingly than I would do. This is especially true of Novak's *The Spirit of Democratic Capitalism* which was written to achieve the same result as was the intention of the initiators of this project. Walter Block in his very polemical comments on Wogaman's views does make some concessions in supporting services by government which society needs but which the market cannot effectively provide. He greatly stresses the limited role of government but opposes what he calls "free market anarchism." I find no place in what he writes for what in the United States is called by conservatives "the safety net" which provides maintenance and medical care and other life-supporting services to the "truly needy." Perhaps in Canada this is so taken for granted that it does not need to be stated. In the United States the safety net admitted in principle has so many holes in practice that emphasis on a more adequate safety net is central in the political debate. Dr. Block is so afraid of any governmental encouraging of equality that he backs off from any redistribution of wealth that is not voluntary. The other critic of Wogaman, Professor Cooper, is another mediator and he says that democratic capitalists claim the New Deal. He goes so far as to say that "If Wogaman means by 'democratic socialism' the mixed economies of Western Europe and Israel, for example, then we could all be democratic socialists." That goes beyond the views held by many other writers but this is in line with much that Novak says in his book: i.e., that it is difficult to distinguish modern democratic socialism from democratic capitalism.  

**Some theological motifs — the relevance of sin**

There is throughout this book an interesting mixture of religious or theological motifs and economic-political motifs. Most of the writers who are critical of the teachings in mainline churches are themselves committed Christians and in various ways their theological views influence their economic-political judgements. I detect a strain in several of the papers of a rather conservative Lutheranism that reflects the "two realms" doctrine interpreted in a dualistic fashion in contrast to the view of many contemporary Lutherans who stress the interaction, even inter-penetration of the two realms.  

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tendency to emphasize action by individual Christian citizens and to play down action by churches, in the tendency to accuse those who stress Christian social action of Utopianism involving failure to recognize the limits of human action because of the depth and universality of sin, and to criticize especially Christian commitment to secular goals. What is most emphasized in some cases is criticism of what are believed to be distortions of Christian faith itself. Those who have this as their main interest are not necessarily Lutherans in denominational connection. Probably Edward R. Norman more than any other writer focuses on what he regards as false understandings of Christian faith itself.

Christian teaching about human finiteness and the depth and pervasiveness of sin can be used to support both opposing tendencies in this book. One of the chief sources of differences of view is the perception that one has of the relative importance of the diverse uses of this aspect of Christian teaching. It can be used to defend the view that the creativity and the dynamism of capitalism depend on the motive of seeking one's own advantage on many levels including the search for profit in the technical sense. Socialists may have been too confident that less self-centred motives such as the desire to serve and the creative urge itself would be sufficient to make the economy dynamic and innovative. There are other selfish motives such as seeking for social approval or prestige or power and the question would be raised by critics of the emphasis on profit without limit that there may be diminishing returns from this motive after a person has achieved considerable financial success. On the other hand, Christian teaching about sin warns against the concentrations of private power that are not accountable to the public. Yet that same warning can be used against centralization of power in the state.

Reinhold Niebuhr always used the Christian teaching about human nature against the Utopian tendency in Marxism but, while he abandoned his earlier belief in a socialist system he was always left of centre in his criticisms of the practices of capitalism, and he gave support to the general tendencies in the churches which are opposed in this book. I think that he never abandoned the belief that systems of justice should stand under the criticism of the idea of equality, that while there should be no attempt to develop complete equality by regimentation, the burden of proof was on inequalities.

I think that one general conclusion that can be drawn is that Christian teaching about finiteness and sin provides warnings against both a
consistent socialism and a consistent faith in the market economy. Roger Shinn quotes Archbishop Temple's statement that "the art of government in fact is the art of so ordering life that self-interest prompts what justice demands." That is a good application of Christian realism but Temple was himself a moderate socialist and one of the inspirers of the teaching in the churches critical of capitalism. Reinhold Niebuhr often spoke in these terms using the idea that self-interest needed to be "beguiled" into serving the common good. Yet those who speak about sin warn about the tendency of capitalism to intensify self-interest and to tempt those who hold private economic power to abuse their power.

II. SOURCES OF THE CRITICISMS OF CAPITALISM IN THE CHURCHES

I am puzzled that some of these writers feel that they have to go out of their way to explain the trend in the teaching in the churches which troubles them. As an extreme example I refer to Professor Brennan who thinks that the "church will direct its preaching to players in politics rather than the economic game" because according to his ingenious argument the political game is cheaper than the economic game. I think that both Wogaman and Shinn point to the ultimate sources of the theological criticism of capitalism in biblical teaching about justice and in the emphasis of Jesus upon the victims of society. Believers in the near moral self-sufficiency of capitalism contend that these sources do not give support to the criticism of capitalism if its capacity for productivity for the benefit of the whole society is adequately appreciated. However, as many Christian thinkers have considered the actual human results of the industrial revolution under capitalist auspices they came to the conclusion that the human cost had in reality been far too great and that either there must be drastic reforms of capitalism or movement toward some form of socialism.

The Catholic tradition on capitalism

Roman Catholic thought, while it rejected Socialism because of its Marxist connections, because of fear of over-emphasis on central control by the state, never fully accepted the presuppositions and structures of capitalism. From the encyclicals of Leo XIII in the last decades of the nineteenth century to the encyclicals of John XXIII, Paul
VI and John Paul II there was a development of thought that became more and more deeply critical of capitalism. I think that the encyclical of Paul VI, *Populorum Progressio*, is probably the most radical in its implications. In his Letter celebrating the 80th anniversary of the chief social encyclical of Leo XIII, entitled *Octogesima Adveniens* Pope Paul went so far as to maintain neutrality as between a reformed capitalism and socialism. Previously the Catholic rejection of socialism had often meant political opposition to moderate socialist parties in Europe. Catholic response to the oppressive effects of a combination of feudal and capitalistic institutions in Latin America gave rise to Liberation Theology which has great strength in many Latin American countries and has been an inspiration to Christian thinkers both Catholic and Protestant on other continents.4

**The Protestant position**

Protestantism in contrast to Catholicism is often believed to have given religious and moral support to capitalism but late in the nineteenth century much Protestant thinking moved away from this. Most of the best known Protestant theologians in the first half of this century were Christian socialists. That was true of Karl Barth, Paul Tillich, Reinhold Niebuhr for several decades, Walter Rauschenbusch, the chief theologian of the American Social Gospel, and Archbishop William Temple. I do not know that Emil Brunner, who had more influence on this continent than Karl Barth, ever considered himself a socialist but he was a very strong anti-capitalist, saying of capitalism that it was “irresponsibility developed into a system.”

In one of the most important volumes on Christian social ethics in the first half of this century, *The Divine Imperative*, Brunner said the following about capitalism:

> Capitalism is such a perversion of the divine order of creation, that we would feel obliged to assert its economically ruinous character even if—certainly the contrary is the case—all the experts were to say the opposite. An economic system which contradicts the divine order to such an extent must prove the ruin of the people; this is a fact which none can gainsay. Here we are dealing not with technical questions but with the fundamental ethical question: can we as Christians affirm a system which, as such, in its very foundations, is opposed to morality?5
I quote Brunner, a Swiss Protestant, because for several decades he was one of the most influential Protestant theologians in this country, and socially more conservative than the others whom I have named. Any Protestant who was studying theology in Western Europe or North America a generation ago, unless he was in a very conservative theological school, would have studied one or more of these thinkers.

The conference that met in Oxford on “Church Community and State” in 1937 summarized very widely held ecumenical positions and it prepared the way in its thinking on economic ethics for the first Assembly of the World Council of Churches that met in Amsterdam in 1948. The Oxford Conference refused to identify the Christian faith with either capitalism or socialism but it offered four criticisms of what it called “the economic order of the industrialized world” which in effect meant capitalism. These four criticisms are all expressed by Wogaman in his own way. I mention them to indicate how pervasive this kind of thinking was as early as 1937 and hence its presence today calls for no ingenious explanations. They are as follows: the tendency of this economy to enhance acquisitiveness; its tendency to create what are called “shocking inequalities”; its tendency to develop what is called the “irresponsible possession of economic power”; its tendency to frustrate the sense of Christian vocation both because participants in the economy realize that they are working for someone’s profit and not directly for the public good and because too often they are unemployed. The Amsterdam Assembly substantially repeated these four criticisms of capitalism, using that label as Oxford did not do, and added to them the statement that “It has also kept the people of capitalist countries subject to a kind of fate which has taken the form of mass unemployment.”

The Assembly also criticized communism more fundamentally than it criticized capitalism but it also said that “Christians who are beneficiaries of capitalism should try to see the world as it appears to many who know themselves excluded from its privileges and who see in communism a means of deliverance from poverty and insecurity.” The Assembly faced both directions in its criticisms. On the one hand it criticized the “new forms of injustice and oppression” in communist nations. On the other hand it said that some of the false teaching of communism, especially its atheism, are in part a reaction to the chequered record of a professedly Christian society.” No representative Christian teaching has given religious support to communism. The Liberation Theologians now, and Reinhold Niebuhr and many others
in the 1930s, have appropriated in a selective way some aspects of the Marxist analysis of society but they have not given positive religious support to communism as a political system. They have in some situations tolerated it under necessity.

I have gone into all of this, which is supported by much of the historical material in the companion volume, to show two things. First, that those who are committed to the claims for the market economy are correct in realizing that very pervasive teaching in the churches is critical of any views of the system which tend to regard that system as morally self-sufficient. Second, to show that, when those who support the market economy attempt to account for this teaching, their explanations do not take account of the depth of its sources.

III. ONE AGREEMENT IN PRINCIPLE: ECONOMICS AND ETHICS

There is one agreement in principle among all these writers: economics and ethics should not be separated. Most agree that religion is important as inspiration and support for the moral life including some moral disciplines in economic life. Differences appear in various aspects of the argument—in ethical priorities; in particular prudential judgements concerning the social effects of economic institutions and policies; in ethical judgements concerning such matters as the relation between merit and income; in perceptions that result from one's location in society. One characteristic difference of perception and of judgement is between those who stress the support for freedom in capitalism and those who stress more the victims of the way in which economic agents use their freedom. In both cases the judgements are ethical judgements.

Roger Shinn introduces this subject in his discussion of the relation between theology and social decisions, theology with its ethical implications. He calls attention to the two sides of Adam Smith and says that he sees continuity between A Theory of Moral Sentiments and The Wealth of Nations. He also quotes a strong passage from Keynes in a letter to William Temple: "There are practically no issues of policy as distinct from technique which do not involve ethical considerations." Shinn adds that "ethical language is conspicuous in the regular columns in Newsweek of Milton Friedman and Lester Thurow." The socialist economists with which any of us have dealings in the West make strong appeals to ethics. The Marxist pretense to represent pure
science is disproved by Marx's own furious moral denunciations of the human effects of capitalism.

The paper by Mishan defends capitalism as the protection of freedom and he provides the raw material for one of the most popular criticisms of capitalism: the effects of its exaggerated stimulus of ever more lavish consumption on the quality of life. He traces this to technology rather than to capitalism as such and he indicates that socialist economies have a similar tendency. But what he sees causes others to raise moral questions concerning what seems to be a predicament of capitalism—namely, that without continuous economic growth which stimulates ever-increasing consumption there is no chance to have what anyone regards as "full employment." There is the related moral question of the use in developed countries of resources that are needed for life itself in other parts of the world.

IV. JUSTICE AND EQUALITY

The centre of the debate that pervades these papers can best be explored under the general heading of "justice and equality." All of the writers believe in justice as a criterion for economic life but I doubt if I ever realized how diverse interpretations of the meaning of justice can be until I read these chapters! The defenders of capitalist assumptions shy away from ideas of economic equality as a distortion of the idea of justice and of economic health in society. When we try to get a viable conception of how justice is related to grace, merit, need, impersonal rules, incentives, fellowship between groups and much else we seem to end up in a quagmire. I think that anyone who addresses these issues can learn from Professor Heyne's paper as a check list of questions to be considered as we try to think clearly. There is a danger from my point of view that it may lead us to fail to see the forest for the trees, that it may cause us to miss the main issues while discussing interesting debating points.

Professor Heyne does well in indicating that we do have clearer ideas of injustice than of justice. We may be led to talk about justice because actual human conditions are so clearly wrong that the very stones cry out. This wrongness in terms of what happens to people becomes identified with injustice. In the background there are positive but vaguer ideas of what justice means and these receive surer content as we try to overcome what some of us at least designate as examples of injustice. In the United States at the present time it is not difficult
to find examples of this wrongness that I regard as unjust. For example we learn that about a fifth of American children are living under conditions which are officially regarded as conditions of poverty. I realize that poverty is a relative matter but this idea can be exaggerated when we estimate what housing and food and medical care cost poor people in the United States as compared with what they may cost in monetary terms in some other countries. Another example: the families of several million unemployed workers in the United States have no medical insurance since that had been related to their jobs. It is true that some social provisions for medical care are present but often these people do not find them available. Literally millions of people (I am thinking of families of the unemployed) who formerly had not been poor probably avoid going to a doctor early enough to prevent their health from needlessly deteriorating. One may debate statistics about the number of people involved but there is no doubt that the number is shocking and is a sign of the pathology, to use Boulding's term, of the market system when it is too much trusted to supply medical care. The United States is the only industrialized democracy in which such a situation exists and in part this is because of the market ideology of the medical profession itself.

Several times in these papers the argument is made that what some of us are seeking as a matter of justice in Western countries does not help people who are worse off in the Third World. There are great dilemmas in that context. I seek better conditions for those who are suffering from what I regard as injustice in my own country; but this does not help those who are greater sufferers in Bangladesh. And this fact should arouse my ethical and very human concern. If citizens of a Western country could do as much by their influence on public opinion and by their votes for people in other countries as they can for people in their own country the immediate moral dilemma would be in practice greater. I haven't seen in the chapters in defense of the market very much interest in taking steps that would lead to greater intercontinental economic justice.

Thinking about justice

I think that we can begin our thinking about justice with the traditional conception of giving all persons and groups their due. Yet that provides no content because it does not tell what anyone's due is. Justice should be seen not as the application of existing rules or the ad-
justing of existing structures to a static conception of what is anyone's
due but as a dynamic process which takes account of new perceptions
of what the due of any person or group of persons is. We have seen a
series of revolutions in this matter. For Aristotle the due of some per-
sons was slavery. That was recognized by law in the United States,
amazingly as it seems now, until about 125 years ago. There have been
revolutions in what was believed to be the due of industrial workers in
the West, of non-white people, of the people who were subjects of
Western empires, and today we see the early stages of such a revolution
in regard to what is the due of women. The exact measurement of
what is just in particular situations may be difficult to determine pre-
cisely but those who believe in the democratic side of democratic
capitalism can hardly say that these revolutionary changes were in the
wrong direction. The fact that most of humanity has been in a posi-
tion to make few claims until recent generations is the great reality.
The dynamism of justice has been the overcoming of what was wrong
or unjust in that reality. In each country people are at different stages
in this process and it is always possible to raise precise questions about
merit and about new injustices. One significant passage in these
chapters by defenders of the market system is the statement of Pro-
fessor Heyne that "defenders of capitalism do their cause a disservice,
I believe, when in their eagerness to establish the moral legitimacy of
capitalism they undertake to argue that people deserve, as a conse-
quence of their merit, whatever they receive in a competitive capitalist
economy." We may reflect in that context on the fact that while a fifth
of American children are in poverty, hundreds of thousands of people
were reaping great profits as the stock market advanced four hundred
points. Think of the contrast between those two worlds and the lack of
communication between them!

**The burden of proof**

Underlying all of these revolutionary changes in regard to the due of
various segments of humanity there is the rightful claim, to many
theoretically disturbing though seldom denied in principle, the claim
of all human beings because they are human to the opportunity to
develop their capacities, and to possess the political rights of all other
human beings in their society. To accept this claim in principle is to go
far in the recognition of the need for systems of justice to be under the
pressure of the ideal of equality. I am not speaking of complete co-
erced equality. Such a way of thinking of equality would involve an enormous amount of regimentation and a major preoccupation of most people would be to find ways of beating the system. Such a system of equality would smother many forms of freedom and there would be little space for creative diversity. Also, the defenders of the market economy are right in thinking that it would undermine needed incentives for innovation, productivity, efficiency and risk. The possibility of improving the economic situation of oneself and one's family is a good, but the fact that it is a good does not mean that without limit the more of it there is the better. There are other more creative motives but I think that the critics of the market system should not deny that the advantage motive has an essential place. There are limits to the degree of inequality that it justifies but when we perceive some of the human effects of particular inequalities it is essential to take action to redistribute wealth to counteract these undesirable human effects. It is in this sense that systems of justice should be under the pressure of the ideal of equality. Put more strongly: there should be a burden of proof on inequalities.

**Equality as the pinnacle of justice**

Reinhold Niebuhr is sometimes wrongly claimed as a “neo-conservative” who would be happy with all that is being said in defence of democratic capitalism by many papers in this book. One point of difference between him and those chapters can be seen in the fact that he never abandoned this position about equality expressed in his major work: *The Nature and Destiny of Man*. The following passage summarizes his views:

Equality as a pinnacle of the ideal of justice implicitly points toward love as the final norm of justice; for equal justice is the approximation of brotherhood under the conditions of sin. A higher justice always means a more equal justice. Special privilege may be frowned upon more severely by those who want it than by those who have it; but those who have it are uneasy in their conscience about it.  

I do not know how many contemporary North Americans of great wealth have an uneasy conscience about it but certainly there is evidence that both religious motives and motives influenced by democratic experience have caused many such people to divest themselves
of large parts of their wealth philanthropically, often through foundations over which they have at least shared control with others. One can criticize this way of redistributing wealth as involving too much arbitrary power but it reveals that there is a widespread conscientious awareness that ownership of such wealth has dubious moral justification.

John Rawls in his very influential philosophical volume, *The Theory of Justice*, by an intellectual route quite different from that taken by the theologians and churches comes out at a similar position. He too believes that there should be a burden of proof on social and economic inequalities. He says that these “are just only if they result in compensating benefits for everyone, and particularly for the least advantaged members of society.” This is not very different from “the preferential option for the poor.”

**Equality of opportunity**

Believers in democratic capitalism usually believe in equality of opportunity for all persons in the society. I doubt if any of these authors would deny that in principle. They usually say: “equality of opportunity and not equality of results.” What is seldom said or even perceived is that equality of opportunity does not exist if the conditions under which children live are beyond a certain point unequal. Probably there is an advantage in not being too rich! But in the earliest years malnutrition permanently injures the mental capacity of children. There are many inequalities which neither economic nor political institutions can overcome such as having or not having parental love. I am fascinated by a development in the thought of George Will whose conservatism has been expressed in innumerable journals for many years. In an article in *The New Republic* he says the following: “Conservatives rightly stress equality of opportunity rather than equality of outcomes. Conservatives are, therefore, fond of the metaphor of a footrace: all citizens should be equal at the starting line of the race of life. But much that we have learned about early-childhood development suggests that 'equality of opportunity' is a much more complicated matter than most conservatives can comfortably acknowledge. Prenatal care (which the ‘right to life’ movement should regard as something of a ‘right’), infant stimulation, childhood nutrition, and especially home environment—all these and other influences affect the competence of a young ‘runner’ as he or she approaches the
academic hurdles that so heavily influence social outcomes in America.” He concludes by saying that “equality of opportunity can be enhanced by various forms of state action.” Such considerations require redistribution of wealth to an extent that family maintenance on which children depend (often the maintenance of a single parent family) is essential if there is to be equal opportunity. The deserving children of people who are regarded as “undeserving poor” should have as much consideration by society as the children of those of us who have written in this volume and of our readers. Children should not be sacrificed because of the weaknesses, moral or otherwise, of their parents. This happens on a large scale in the United States. Remedies here are examples of dynamic justice that raises up neglected or exploited people who lack economic “merit” to a new and higher external level of life. This may not easily fit the ethics of the market but it does fit the democratic side of democratic capitalism.

The preferential option for the poor

The religious imperative that we see the world first of all as it is experienced by the disadvantaged support this concept. As Roger Shinn says in his chapter: “Churches in our own society characteristically represent the more stable and at least the moderately privileged social groups; but when they remember their historic faith, they feel responsibility to represent the less privileged.” This is expressed in the Roman Catholic watchword that is heard around the world: “preferential option for the poor.” There will always be tension between this view of the world and that which is often regarded as the right rule for successful capitalism: make sure that well-to-do investors have more wealth to invest because in time everyone will benefit. In a democratic society there will always be an uneasy relationship between these two perspectives. Religious and democratic imperatives should prevent the second perspective from blacking out the first. This conflict will continually give rise to important political debates. At present these are a considerable part of the substance of domestic politics in the United States. Reinhold Niebuhr has repudiated some elements of his Moral Man and Immoral Society, but there is one passage that is true for us which I am sure that he never repudiated: “Who is better able to understand the true character of a civilization than those who suffer most from its limitations?” One phrase that recurs in this book, “the politics of envy,” is most inappropriate when those who have already
“made it” criticize morally those who struggle politically for minimal justice, not only for themselves but also for a community of neighbours whose plight is similar.

V. CHRISTIANS AND POLITICS

There is no more polemical rejection of the positions often held in the churches which trouble the defenders of the market economy than the chapter by Edward Norman. His attack is directed chiefly against Christian involvement in secular politics. He admits that Christian citizens should assume political responsibilities and this is especially true on matters that affect individual welfare including education and the care for the sick. Dr. Norman has much to say about a fundamental theological contribution to politics with which I agree. He emphasizes tests of political behaviour which are derived from a knowledge of moral ambiguity. No one has stressed this more than Reinhold Niebuhr who has been the inspirer of many of us who come to opposite conclusions from Dr. Norman on many contemporary issues. Dr. Norman seeks to move from revealed truth to political action directly and to bypass political decisions which are shared with secular movements in a pluralistic society. He sees in the tendency to identify with secular movements for particular objectives the secularizing of the church and of one's views of Christianity itself. He wants to emphasize chiefly politics as a means of curbing “men's evil” and I believe that this is where we should very often see Christian political responsibility.

While one can agree with many of Dr. Norman’s views about the Christian contribution to politics and the nature of the political process, Dr. Norman’s quarrel with the positions in the churches against which he is arguing has to do with judgements concerning what the evil is that needs most to be curbed and concerning the direction in which Christian political action often moves. It is true that Christians often lose their sense of ambiguity when they are involved in movements on the left but when Christians either by advocacy or by political neutralism or passivity support the dominant powers in society they are not even regarded as political. Their unawareness of ambiguities is not even noticed.
Is there a Christian politics?

In a pluralistic society there cannot be “Christian politics” except in the form of exclusive sectarian politics that seek to preserve purity in separation from all secular alternatives. The “Christian politics” of any state that claimed to be a “Christian state” would today be a great distortion whatever we may think of “Christian civilizations” at their best before the rise of modern pluralism. Even under Roman Catholic auspices the “Christian state” has lost its claims with the Catholic affirmation of religious liberty for all and with Catholic commitment to a transforming social justice guided in immediate political decisions by broadly based natural law shared, often under another name, with non-Christians. Yet the ultimate source of the commitment in the case of Catholics and other Christians is the Gospel itself. In this context the movement from revealed truth to political action is indirect. It depends on technical and practical judgements concerning the actual social situation and concerning what the available political alternatives are and which of them has the greatest promise. There is a difference between people who recognize the ambiguity in this process and those who psychologically, if not theoretically, tend to make absolute claims for the positions to which they come, absolute claims with a full Christian sanction. But the fact that many Christians move in this uncritical way because of the pressures of their situation and the emotional needs generated by political struggle in which they are engaged should not prevent the Church from preferring one political direction rather than another. The Church should keep reminding its members of the ambiguity of human choices. To remain on the sidelines because of the temptations that accompany involvement is to give actual support to those now in power.

The leftist orientation

Dr. Norman brings out what is often regarded as the most severe criticisms of tendencies in churches. It is that both the Roman Catholic church and mainline Protestant churches that belong to the World Council of Churches give moral support to leftist movements in the Third World. It is true that they are responsive to movements which are often branded as leftist. These churches regard themselves as part of a world-wide ecumenical community and they are very much aware that in many countries more radical transformations involving the
changing of the centres of power are desirable than are approved by
defenders of the market economy in North America. They do not
write off all revolutionary movements because they are influenced by
a selective use of Marxism. Marxism has become in many places the
language and the agent of needed revolutions. Within churches there
is no support for Marxism as a hardline absolutistic system and ob-
viously there is no support for the traditional Marxist view of religion
often not shared by secular Marxists. But the fact that some revolu-
tionaries, both Christian and secular, have used Marxism as a tool for
the analysis of their societies and have been guided by Marxist criti-
cism of capitalism is not a reason for rejecting them. Democratic cap-
talists have little to offer people who need to displace those who now
have power over them by revolutionary means. If capitalists begin by
admitting the need of such radical change they may later help in the re-
construction of those societies. As a start the mild reformism of demo-
cratic capitalism is not likely to be enough. I know that there will be a
strong disagreement with these sentences by many writers in this vol-
ume but I think that they fairly represent what many people in the ecu-
menical community think about some situations. In many other situ-
ations they have no relevance at all.

Christianity and revolution

Even where they have relevance Christian thinking keeps a sense of
transcendence, of divine judgement on all human striving and all hu-
man achievements. A very representative series of statements about
revolution came out of a conference held in Zagorost, near Moscow, in
1968. This conference was not influenced by its Russian environ-
ment! It consisted of thinkers from all continents, both Catholic and
Protestant, and was held under the auspices of the World Council of
Churches. A section of its report was a theological interpretation of
revolution. It began by emphasizing the conviction that we should see
in some revolutions the emerging of “a new sense of human dignity” in
which the Christian Gospel has played no small part. It warns against
“sacralizing either the status quo or the revolution.” It warns against
the “fury of self-righteousness” generated by the “self-justification”
produced by revolutions. It says about violence “that Christians
should do all in their power to exercise the ministry of reconciliation
to enable the revolutionary change to take place non-violently or if
this is not possible, with a minimum of violence.” But it also says that
we must recognize that “some Christians find themselves in situations where they must, in all responsibility, participate fully in the revolution with all its inevitable violence.” In such situations “they will need the understanding, sympathy, and prayer of their Christian brethren.”

There is a considerable group of Christians who are absolute pacifists and who could not agree with that report. They are today more than ever influential in the churches and more than ever they cause people to put the burden of proof on all claims that violence can be justified. It is difficult to see how other people can in principle oppose the possibility of revolutionary violence when they support an immense build-up of armaments and allow their government to support counter-revolutionary violence in Central America. Certainly we need to apply Dr. Norman’s dictum about moral ambiguity to all activities of Christians in situations that call for revolution.

The world-wide ecumenical community includes many people who are so satisfied with the main lines of the economic situation that they are tempted to think that any change would be for the worse. It also includes many people, a much larger number of people, who suffer as victims of the dominant institutions and powers and who are tempted to believe that any change would be for the better. The churches should identify themselves especially with the needs and aspirations of the latter group but they should help them to be critical of all ideologies and to find ways to change the conditions of their lives that turn the struggle for justice into channels that will be free from new oppressions.

**Economics and the Jewish tradition**

A most interesting series of chapters deal with the attitude of Jews toward economic systems. Milton Friedman presents perhaps the most powerful defense of capitalism in this book in the course of his examination of the tendency of Jews to be anti-capitalist in spite of his view that this position is against their interests. Two other chapters by Jewish writers also defend capitalism but provide more room for modifications of the action of the market for social purposes.

Readers who are affronted by the anti-capitalistic teaching of theologians and of religious institutions because they regard this teaching as bad economics, socially destructive, and as misrepresenting their own religion will find most of this book reassuring and heart-warming.
NOTES

1. In 1948 I published a book entitled *Christianity and Communism* in which I said that there were the following three elements in capitalism that should have a place in any adequate alternative to communism: recognition of the importance of incentive; many independent centres of economic initiative; and having segments of the economy left to impersonal and automatic forms of regulation instead of their being planned from a centre with great concentration of power. I mention this to indicate that as long ago as 1948 I had some things in common with democratic capitalism! (Chapter on "Christianity and the Major Alternatives to Communism"—*Christianity and Communism*—Associate Press, 1948) A later edition in 1970 was entitled *Christianity and Communism Today*.


3. See Karl H. Hertz, editor: *Two Kingdoms and One World*, Minneapolis: Augsburg, 1976, for an account of developments in the Lutheran thinking about the "two realms."


7. Mrs. Alice Rivlin, Director of the Congressional Budget Office reported the proportion of children who are poor is now almost 20 per cent (*New York Times*, April 29, 1983). The Census Bureau of the Labor Department reported that 22 per cent of children under six live in poverty. (*Los Angeles Times*, Dec. 13, 1982).


12. It may not be widely known but Castro is the only communist head of...
state who has renounced the official Marxist teaching about religion. He made this very clear in a speech to the Jamaican Council of Churches on October 20, 1977 saying that there is no essential conflict between Christianity and the revolution. The Italian Communist Party officially takes this position. A European witness to this who is especially interesting in this respect is Milan Machover, author of *A Marxist Look at Jesus* (Fortress Press, 1976). *Christians and Marxists* (Eerdmans, 1976) by Jose Miguéz Bonino, the leading Protestant theologian in Latin America in its discriminating treatment of Marxism would counteract the simplistic ideas about Marxism that dominate public life in the United States.

13. About forty theologians from seventeen countries were present. As a participant it interested me that the draft of this section of the report primarily was the work of two persons: Andre Dumas, a French theologian who had in his background memories of the French Revolution and M. M. Thomas, the most influential Christian interpreter of Christian social ethics in India, author of *The Christian Response to the Asian Revolution* (S.C.M. Press, London 1968). What they produced was strongly approved by the group as a whole. One of the most careful studies of the ethics of revolutionary violence was the work of a commission, appointed by the World Council of Churches, which carried on a two-year study of the subject. It concluded with a difference of opinion because of the presence of absolute pacifists on the commission but it states well the views of those who have seen in their own experience no alternative to revolutionary violence. The report is published in *The Ecumenical Review* (October 1973). After many years of the discussion of this subject I come to three conclusions: (1) Only those who are pacifists in relation to international war can rightly be absolutists in rejecting revolutionary violence in all possible situations; (2) revolutionary violence in most situations is likely to be counterproductive and the burden of proof on its advisability should be heavy; (3) a major responsibility of the churches is to counteract the temptations after the revolution to self-righteous vindictiveness, to create new forms of oppression.
Introduction

Whereas in the companion volume* in this series the major essays emphasize the teachings on economics of four major religious traditions (Catholic, Protestant, Jewish and Islamic), the present volume moves closer toward political and economic specifics. Once again, so many good points have been raised that a commentator feels hopelessly inadequate. It seems sensible, therefore, to follow the outline of the current volume, dealing first with some matters of general theological background, and then with the thisworldly specifics. Near the end, I comment briefly on the individual papers. I have tried to make the current overview continuous with the one presented in the companion volume, in such a way that the reader who chances solely on this one will find it standing on its own two feet, while readers of the companion will grasp its continuity without undue repetition.

I. THEOLOGICAL ISSUES

Two words which cause theologians particular trouble in discussing the liberal tradition in economics are “self-interest” and “acquisitiveness.” Let us begin with these, then mention several others.

Self-interest

When an economist uses these words, he means “autonomous choice.”

*This refers to Religion, Economics and Social Thought, edited by Walter Block and Irving Hexham forthcoming from The Fraser Institute—eds.
He says nothing at all about the moral content of that choice; in the eyes of the economist, that frame is deliberately kept empty. Self-interest means *whatever* a person has chosen, whether it is sanctity or truth, pleasure or material benefit. The concept is as general and empty as possible, in order to be universalizable.

The very same word, however, has quite different meanings in theology. In Islamic and Jewish traditions, for example, "self-interest" does not typically have negative connotations. It is understood as an elemental commonsense duty to oneself, quite reasonable and basic. In this context, the commandment "Love thy neighbor as thyself" has a sound basis. A fundamental and proper love of self (including love for one's family and community, one's duties and one's vocation) is no cause for moral uneasiness. In the Christian tradition, however, "self-interest" has acquired a pejorative connotation. There are two reasons why this is so. First, Christianity strives to go "beyond the law." The impulse to go beyond the counsels of common sense (easily misunderstood as "the counsels of the flesh" or "the counsels of this world") introduces a potentially heretical ambiguity into Christian judgement that may, perhaps, best be expressed as Christian perfectionism. Under this impulse, which is not necessarily orthodox, Christians often feel obliged to reject (or to disguise) self-interest as too imperfect, too flawed, too self-enclosed. Secondly, the Christian understanding of love, especially as *agape* (self-sacrificial love), seems to some Christians to be *opposed* to self-interest or self-love. A Christian should be like Christ, who was "a man for others." An appeal to self-interest seems, in this symbolic network, directly contrary to the Christian appeal to the denial of self-interest in order to love God and neighbour. A full discussion of these complex ideas would require too much space. But, clearly, "self-interest" is an expression which, in the tradition of Christian symbolic language, has reverberations which are lacking in the context of economics and in many non-Christian theological traditions.

When Adam Smith speaks of the "self-interest" of the butcher and the baker, for example, it should be noted that this "self-interest" is not likely to be individualistic merely. The butcher tolerates the blood and the baker bears the heat, typically, not for themselves alone but for their families and their dependants, and in the light of a future which only their children may enjoy. Many are the parents who have sacrificed themselves to gain advantages for their children and for others.
Care must be taken in the theology of economics to unpack the misleadingly simple concept of self-interest, so as to specify its exact moral meaning in each and every context. Without such care, quite conflicting meanings may frustrate understanding. Thus, Dean Wogaman, in his essay, questions whether businessmen work for charity, as George Gilder says (using a special meaning for the word) or for personal advantage. Erik Erikson has developed the concept of "basic trust" (which he does not scruple to relate to biblical love) to mean a psychological attitude toward reality which permits the self to reach out, to act, to take risks, to create new events—as opposed to psychological withdrawal, mistrust, inability to affirm, and self-enclosure.1 “Basic trust,” Erikson believes, is the root impulse of creativity, love, faith, and affirmation. This, I think, is what Gilder is getting at. The opposite to the creator of new wealth is the miser, the hoarder, the frightened and isolated Scrooge. The Belgian sociologist of economics, Leo Moulin2 holds that one reason why Judaism and Christianity were indispensable conditions for the discovery of capitalism is that they taught human beings that creation is good, that God is good, that humans are made in the image of the Creator—and, therefore, that they should be bold, free, inventive, exploratory, and creative. When Dante wrote of “the love that moves the sun and all the stars,” he similarly used “love” in this general meaning of affirmation, movement, act.

Thus, theologians and economists would do well to study the depths hidden behind that word “self-interest.” It is a word of many meanings and profound associations. Unexamined, it causes unnecessary mischief.

Acquisitiveness

R. H. Tawney, the socialist historian, was the decisive force in naming the fundamental motive of capitalist economic activity acquisitiveness; he did not do so for friendly reasons.3 But this word confuses two quite different motivations. Truly, the miser is acquisitive, hoards, holds, wants to possess. This is quite opposite to the motive of the investor, the entrepreneur, and the inventor. Two key words in a capitalist civilization are “new” and “improved.” Business reaches out to create new things and often fails. Technological obsolescence is characteristic of dynamic capitalist advances. It is not having that characterizes the capitalist spirit, but venturing and creating. Putting money in the bank, or burying it in the ground, are not distinctively
capitalist acts; nor is the grasping acquisition of money. Quite the opposite. The capitalist ideal is to invent, to invest and to produce new wealth. It is true that there are—there always have been—speculators who do not create. That is neither specific to a capitalist order nor its defining characteristic. What does define a capitalist order is, rather, the habit of abstaining from consumption and from miserly hoarding, in order to invest in creative ventures which produce new wealth in a sustained way—which new wealth is then again similarly invested. As Max Weber saw, the goal of the capitalist spirit is not to live sumptuously or even comfortably, as pre-capitalist persons of commerce did, but to create ever new wealth in a systematic way. The capitalist spirit appeared to Weber distinctively new because of its emphasis upon the future rather than the past, because of its corresponding “thisworldly asceticism,” because of its spiritual rather than materialistic focus. Acquisitiveness names this spirit very badly, indeed.

**Profit**

The semantic confusion is just as great with “profit.” Most persons intuitively confuse profit with mark-up. They further intuitively confuse profit with cash taken out of the business by owners or managers. They think that the capitalist spirit is “Buy cheap, sell dear,” and that profits “go into the pocket” of those who make them. In actual fact, profit is another word for development. Not to earn profit is to be economically stagnant or going backwards—spending more for an economic activity than its return. In our day, perhaps as many as half of all persons paid more than $30,000 a year are engaged in activities of government, teaching, research, and other not-for-profit activities which earn no profit. No wonder many have an inadequate conception of profit; they have no experience in earning it in a sustained, creative, venturesome way. If they did, they would see that most profit is a cost of doing creative, productive work. Some of it goes to retire the loans used to start up a business (a magazine, for example). Some of it is invested in improving the product or in finding new markets for it (as in direct mail to find new subscribers). By far, the largest proportion of profit is reinvested. Typically, only a small proportion of it is used in paying dividends to the original investors (to whom the business is in debt) and in raising salaries. One may say that dividends and salaries go “into someone’s pocket,” but often that money, too, is reinvested.
One may say, of course, in retort, that this is how “the rich grow richer.” (It does not seem to be true in any democratic capitalist society over time that “the poor get poorer.”) Yet as John Stuart Mill pointed out in *The Principles of Political Economy*, there is a keen difference between wealth and capital. Wealth alone is unproductive, either hoarded or used for consumption. Capital is that portion of wealth which is reinvested in productive activities, which creates not only new employment, new goods and new services, but further new wealth as well. Wealth may or may not be socially useful. But capital provides many social benefits in the form of new employment, new goods, new services, invention, and new wealth. It also provides the funds which are paid into non-profit activities and taxes. As we have seen, it is also the source of funds for the research and development on which future prosperity depends.

Those who are in favour of doing away with, or confiscating, profits are necessarily in favour of halting development and the production of new wealth. If they retort that their wish is rather to “socialize” profit, by sharing it with all citizens directly or by yielding all profit to the state, they subordinate the economic system to the political system. Their view seems to be that this subordination serves the common good. Such experiments have been widely tried. The fundamental idea is Marxist. Even if adapted to democratic socialist purposes, its actual consequences for the common good need to be assessed. I myself discern no evidence that such a conception actually does serve the common good. It seems to lead to the daily impasses of politics and the economic unproductivity of political processes. Since profit is another way of saying economic growth, those democratic socialists who favour economic growth have withdrawn their objections to profit in principle, and argue only about the most creative way to maintain and to assign it. About this, 160 nations of the world have been engaged in national experiments. Empirical surveys are in order. Profit, in any case, is best understood as the margin of new wealth created by the efficient investment of old.

*The market*

In theological circles, the word market has been surrounded by many symbolic overtones. It is treated as a question of faith or ideology, as if some trust “the magic of the marketplace” and some do not, as if to support the use of markets in economic activities were a matter of “ideological bias” which one either shares or resists. In addition, some
seem to harbour fears about the market, as if through it, if it is left free and untrammelled, things will be out of control, no one will be in charge, irrationality and abuse will spread, anarchy will ensue, the strong will take advantage of the weak, etc.

Of course, there is no single "the market." There are only many particular markets. A market is often imagined as a place, like the "marketplace" of a medieval town. In practice, a market—for home computers, say—is an aggregation of those who want to purchase home computers now and those who manufacture and distribute them for sale. A short while ago, no such market existed. Markets come and disappear (although antiquarians sometimes keep some markets going long after fashion passes by). Some are large, especially those designed for potentially every family and person, and some are small, especially those for very expensive or highly specialized goods or services. Some markets are easy, some quite difficult, to find or to establish. Some goods and services are not marketed. Air, though indispensably good, did not have a market in John Stuart Mill's time, although he foresaw its potential marketability in activities in places where air was absent. Sometimes the word market is used metaphorically, as in "the free market of ideas" or even "the market for religious belonging in a pluralistic society." In such cases, one does not mean literally that persons "purchase" ideas or religious belonging. Yet even such items of the spirit must be "exchanged" from person to person and are subject to autonomous choice; hence the metaphor.

**Non-market forms of allocation**

There are ways to distribute goods and services other than through free exchange and autonomous choice. Goods and services can be commanded, assigned, distributed through political dictate. Whether political distribution is achieved by totalitarian power or by democratic majorities, however, it must also be conducted bureaucratically if the number of recipients is large. Such distribution will also always have two other features. It will never be subject to the autonomous choice of the supplier or the recipient, but to political command. And it will never be the result of a voluntary exchange.

Most democratic socialists have come to see the merit of markets as technical devices which have two advantages. Free exchange in markets yields instantly available information about supply and demand that no set of planners can arrive at on their own. Secondly, markets
act quickly and efficiently to match those who desire with those who supply, with as few obstacles in the way as possible. These arguments are pragmatic. Typically, democratic capitalists have a further reason for preferring, wherever possible and, if in doubt, by giving the benefit of the doubt to market mechanisms. The reason is that markets respect the political nature of human beings—their autonomous choosing and their capacities for voluntary action—better than politicized command mechanisms, even if democratic, do.

Finally, it is difficult to see what “political liberty” and even “political dissent” can mean in practice in a command economy, whether totalitarian or democratic. When every aspect of economic life is governed by political command, even if democratically arrived at, in what space in the real world of human activities can dissenters function? Economic activists, both those with genius in economic activities and those with simply ordinary economic capacities, must necessarily be frustrated when their activities are subject to command by others. Majorities can be as tyrannical as individual tyrants. Decisions reached by committee are not always as penetrating, original, or wise as those reached by the individual.

**Markets and democracy**

For this reason, it seems “not to be an accident” (to use the Marxist phrase) that, after 150 years of vast and international experimentation, there are still no examples of thoroughly socialist societies which are also democratic. Perhaps it can be done. I remain skeptical, since I cannot imagine any concrete institutions through which democracy can be truly socialist. A margin of autonomous choice and voluntary exchange—a market—seems indispensable. Democratic socialism means rule by majorities, not simply in large issues of state but in every significant detail of economic life. How can the tyranny of majorities be prevented? By which institutional mechanisms? How can dissent be practiced by dissenters, or tolerated by majorities? Will dissenters really be free to act contrary to political command?6 Once the principle of political command is extended over economic activities, such activities are no longer subject to autonomous choice, personal originality, or personal achievement. The inevitable result must be psychological apathy.

For this reason, I believe Dr. Wogaman was wrong not to have argued against the alumnus of his college mentioned in his essay, now
Michael Novak

the leader of an African state, who asserts that he desires to build a democratic polity together with a socialist economy. Of course, such a leader is free to try; presumably, he was elected to try. Not only is his project bound to lead to economic stagnation and deprivation, however; it is bound as well to make political democracy empty of all active economic content. People may vote, but they will have little or no economic autonomy. What sort of liberty is that? What creativity, invention, or personal exertion may be expected from that? Such an ideologue will do what he will do; all the evidence of recent history is against him. I wish Dr. Wogaman had saved him grief.

Markets and the Christian vision

Theologically, which device for distributing goods and services—the market or political command—is most concordant with the Christian vision of the human being? I have no hesitation in saying that it is the market. Voluntary exchange and autonomous choice are critical both for religious liberty and for freedom to preach the Word. One can imagine a democratic socialist state maintaining the “bourgeois” institutions of human rights, including religious liberty. (Will political command limit the newsprint available to the religious press?) But I cannot imagine political command over economic activities being in harmony with Christian views of autonomous choice and individual liberty. That would be too like the ancien regime in which, often enough, prince-bishops gave economic commands.

Nonetheless, command economies do offer religious leaders the prospect, lost in bourgeois democratic capitalist societies, of suffusing every aspect of economic life with Christian values, through control over the processes of political command. A Christian democratic socialist state does seem to some attractive. If Christian leaders could exert moral authority over democratic socialist leaders (or entire peoples), they would have it within their power to create Christian commonwealths by command. Even absent such direct ecclesiastical control over Castro and the Sandinista junta, some religious leaders, as Walter Berns points out, hold that the command economies of Cuba and Nicaragua are morally superior to the market economies of the United States, Canada, Japan, and Western Europe. The authoritarian impulse seems strong, perhaps because it is disguised by the word “democratic.”
II. ECONOMIC ISSUES

In summary, there is need for theological sophistication about concepts like self-interest, acquisitiveness and basic trust, profit, and markets. But several specific economic issues are frequently brought up by religious leaders, as if there was general agreement about them — pollution, the use of scarce resources, unemployment, and poverty.

On such issues, persons in religion often merely repeat the conventional wisdom of the moment, even though that conventional wisdom is, typically, wrong. The notes that follow have the modest purpose of showing that the issues are, at the very least, more complicated than is commonly supposed, and that persons of sound judgement must give a hearing both to the prosecution and to the defense.

Speaking as prosecutors, some religious leaders make several arguments against contemporary capitalist societies: that the environment is being destroyed; that basic resources are being squandered; that unemployment is structural; and that the poor, especially children, are not receiving compassionate support. There are, of course, other charges. These are the ones most often alluded to in these two volumes.

Ecology

Are modern capitalist societies more polluted than traditional societies? Smokestacks and auto exhausts suggest yes; so do beer cans in national parks. But consider the cheap supply of drinking water, the hygiene of modern plumbing, the operating rooms of modern hospitals, the irrigation of farmlands and the scientific control of erosion, the virtual elimination of disease-bearing parasites and insects, the diminishment of scores of diseases and epidemic dangers, and many other advances in human compatibility with nature. On these measures, contrast capitalist with traditional (or socialist) societies. As the river Thames is today cleaner than at any time since before Shakespeare's day, so recent environmental science has made great strides in improving the quality of air and water. The disappearance of the horse and wagon has done wonders for the hygiene of city streets, as have indoor plumbing and systematic garbage disposal. Perhaps the best measures of the compatibility of democratic capitalist societies with their environment are increased longevity, decreased infant mor-
tality, and other such standards. Every advance, of course, brings new problems; every problem, a new advance. In putting down modern societies, prosecutors ought to recall quite vividly the ecological hazards of a hundred years ago.

Resources

The prosecution alleges that irreplaceable resources are being expended wantonly. What the prosecution fails to specify is what “irreplaceable” resources have been used by humans since the beginning. Nearly all the things which we today call resources were not known to be resources fifty, one hundred or two hundred years ago, oil, for example. The first oil well was drilled in Titusville, Pennsylvania in 1859; the first in the Middle East in 1909. Oil was useless stuff until human mind invented a use for it. So with all the modern forms of energy: the ignition mechanism for anthracite coal; natural gas; electricity; electrical batteries; nuclear energy. In Julian Simon’s trenchant phrase,7 the ultimate resource is the human mind, which finds in humble and long-neglected materials unprecedented utilities.

For centuries, the human race ignored oil. The most dramatic metaphor for poverty was “poor as a Bedouin.” Only relatively recently was “the oil age” conjured forth by human invention. And after oil? One thing we know is that the earth (from its inner centre) is alive with energy. Nature moves; it changes. (Cf. Aristotle’s Physics.) To imagine resources running out is to imagine the human mind standing still. It is typical, moreover, to forget to calculate relative costs. As a much-used resource becomes more scarce, it tends to become more costly (like oil). This makes substitutes more attractive and forces all users to alter their priorities. It also makes harder-to-obtain sources of supply economical, thus adding to available reserves. In a word, whoever uses the word “natural resource” should always add to it three qualifying characteristics: recognized as a resource at time $T$; rendered a resource by human invention; and commonly available at price $P$. These qualifications cut through many mystifications.

Unemployment

Under conditions of familial subsistence living, parents typically welcome many offspring and (often) unattached relatives as “extra hands” and “familial security.” Under conditions of a free market in labour
services, workers (and the vast majority of all citizens in modern societies are employees, not proprietors of their own employment) seek free contractual arrangements to exchange their time and effort for recompense. In the former case, unemployment (through flood, drought or other catastrophe) may mean starvation. In the latter case, a mismatch between available jobs and the supply of workers may create "structural unemployment." The cure for this cannot be to lop off the unemployed; the obvious remedy is to create more jobs. Thus, widespread unemployment suggests to democratic capitalists an examination of business conditions; why is the economy not creating sufficient jobs? Democratic socialists, by contrast, look to the state, at least as "the employer of last resort." In either case, while labour is prior to capital as a final cause—the economy is for human persons, not human persons for the economy—capital is prior to labour in job formation: First, somebody must put up the money, even before labour produces values sufficient to repay labour costs. One may compute the amount of capital which must be invested to supply one job; it typically far exceeds the costs only of labour since it includes many other costs as well (materials, plant, equipment, taxes, transport, insurance, and the like). In this sense, at least, the problem of unemployment points to the deeper problems of productive investment, capital formation, savings, invention, and the entrepreneurial spirit. This is true whether the state or a non-statist economic system supplies the capital. A stagnant economy produces few new jobs. Jobs which do not produce at least as much of their costs pull any single firm (and the economy as a whole) toward stagnation.

**Employment trends in the U.S.**

But the actual picture in the United States, for example, does not match the conventional wisdom. The conventional wisdom holds that the U.S. is "losing" jobs. On the contrary, the number of persons actually employed in the United States has been increasing even though population growth has been slowing. Consider the following table (numbers in millions):
At present, a higher percentage (65 per cent) of Americans ages 18-65 are employed in the labour market than ever before in U.S. history. This is largely, of course, due to the proportion of adult women entering the work force. In addition, immigration into the U.S. during the 1970s reached figures comparable to the greatest migrations of past decades. The work ethic—at least in the sense of the desire for gainful employment—is not only alive and well in the United States but at an all-time high.

From 1970 to 1983, despite recessions and "stagflation," the U.S. economy generated 25 million new jobs. As of September, 1983, there were 103 million Americans in full-time employment and 10 million unemployed. Demographers estimate that by the end of the 1980s, the U.S. will have to create more than 21 million new jobs." This task will be difficult, but not beyond that of the 1970s. From then on, the sequel to the "baby boom" suggests a labour shortage.

The state's role

A good society values full employment as the best sort of self-reliance, family stability, and general well-being. Reliance on the state to attain this high goal has consequences. Among these consequences are: inflation; diminished private-sector investment; a drop in productivity; slackness in invention; dependency; and a downward cycle of national decay.

Furthermore, the developed nations would seem to have some obligation to allow the simpler economies of the developing world to absorb some growing portion of the world's industrial production. For the developing nations need to be able to rely upon their own industrial systems rather than upon subsistence agriculture, if they are ever to reach adequate employment. This means that the economies of the
developed world must shift their own priorities to new invention and new areas of employment. In practice, of course, world markets are moving roughly and slowly in this direction. "Comparative advantage" adds persuasive arguments that this will remain the case.

Thus, some critics of capitalist economies move in self-contradictory directions. First, they urge the developed nations to do more for the less-developed nations. But then, they say, do not "export jobs." This is like offering band-aids but no real project for industrial development. In actual fact, manufacturing jobs in the United States now count for a mere 23 per cent of all jobs.\textsuperscript{12} This proportion is likely to fall further, not without benefit to other nations. In 1945, the U.S. produced 53 per cent of the gross world product. With the resurgence of Western Europe, Japan, and other nations, this total has fallen to 22 per cent—not because the U.S. is producing less, but because others are producing so much more. This shift will certainly continue, to the benefit of the entire world.

\textbf{Poverty and welfare}

In 1982, the U.S. Census Bureau reported that 34.4 million persons (of 234 million) had cash incomes below $9,862 for a non-farm family of four.\textsuperscript{13} Such poor persons in aggregate, however, fell only $45 billion short of sufficient cash income to have raised all of them above this official poverty line.\textsuperscript{14} In addition, non-cash benefits like food stamps ($22 billion in 1982), housing subsidies and other allotments were supplied to overcome the "poverty shortfall" (the amount necessary to raise all above the official poverty line). The composition of the U.S. poor also deserves treatment.

\begin{center}
\begin{tabular}{l|c}
\hline
Composite Portrait Poor in the U.S. (in thousands) \textsuperscript{15} & \\
\hline
White & 23,517 \\
Black & 9,697 \\
Hispanic & 4,301 \\
Under 15 years & 11,587 \\
Over 65 years & 3,751 \\
Single female heads of households & 3,434 \\
Persons living alone & 6,458 \\
Urban & 21,247 \\
Rural & 13,152 \\
\hline
\end{tabular}
\end{center}
Among the white poor in particular, a significant proportion lives in relatively non-cash economies, in areas (Maine, Montana, Iowa, etc.) in which a low cash income does not necessarily signify dire need. Moreover, as the table above shows, 15.3 million of the poor were too young or too old to be in the market economy themselves. Even of those between the ages of 15-65, about 19 million, nearly 3 million were ill or disabled; almost 3.4 million were mothers with young children; 9 million worked for pay during at least part of 1982; another 1.3 million were looking for work. The vast majority of the poor are, therefore, truly dependent and in need of assistance. As we have seen, the “poverty shortfall”—$45 billion—is not an insuperable sum. Indeed, far more than that is currently being expended to eliminate poverty. What, then, is wrong with the design of social expenditures, that they prevent this relatively simple task (in monetary terms) from having been long since accomplished?

Welfare and families

There is a more painful question. The number of single-parent (almost always female) households is growing in direct correlation with welfare expenditures intended to strengthen families. Among whites, a full 12 per cent of households is now headed by a single female (up from 9 per cent in 1965). Among blacks, the number is 42 per cent (up from 24 per cent in 1965). Almost half of all black youngsters now grow up in female-headed households. If one assumes that the father is the normal teacher of economic disciplines and skills, and the normal source from whom the young gain introduction to employment, the future looks even more bleak, since one can see ahead still further dramatic increases in the number of the poor. It is wrong to “blame the victim.” But it is not wrong to question a so-called welfare system which seems to be generating a pattern of family break-up unprecedented in history.

On this point, one would expect religious leaders to shed some light for social policy analysts. Instead, most seem to ignore the facts and to abdicate responsibility.

By contrast, intact black couples have reached income levels at 80 per cent of those of comparable white couples. The correlation of poverty with family break-up—the so-called “feminization of poverty”—is extreme, especially among blacks and Hispanics. (Many female-headed white households are middle-class or above). Those who
care about poverty and welfare are led inexorably then to concern for the strength of families. On this intimate matter, the state may be more than usually incompetent. At the very least, though, the state can cease doing those things which seem to give incentives to family break-up. Why should teenagers be systematically offered an incentive for becoming pregnant and independent, in the form of welfare cheques, housing assistance, food stamps, and other benefits in their own name? No doubt, such young persons, after the fact, need assistance. But it ought not to come in the form of a systematic incentive. As matters stand, if their behaviour is beyond reproach, they receive no assistance; if they create a dependent family, they are given assistance. Assistance given through neighbourhood centres able to offer instruction, child care, meals, and companionship might better meet both criteria: of compassion and wisdom.

A good society must help those in need. But it ought to do so with moral and politically wise criteria, offering incentives for socially creative behaviour, discouraging dependency. Religious thinkers, in particular, have an obligation to defend the integrity of the families of the poor. Nearly all intact families escape poverty, and few that fall into poverty remain in it long. Female-headed families now constitute the single largest—and newest—category of the poor. It is a tragedy, caused not by an act of God but by acts of state. It must soon be addressed.

III. PARTICULAR COMMENTS

I would like to enter into many of the fascinating individual debates between the major authors and their respondents. But to do so intelligently would require many pages. Regrettably, a few observations must suffice. Neither religion nor economics is a sphere for simple, self-evident propositions on which unanimous agreement is to be expected. Moreover, the illation from religious belief to economic practice is not clear and deductive, straight and easy. Even supposing that two devout and learned Christian scholars have similar theological principles for social ethics and even a reasonably similar vision of the good society, it does not follow that they will both perceive the present economic situation, or make probable judgements about future consequences of economic policies, in the same way. It may even happen that two such persons may share the same theological vision and the same economic leanings and still disagree strenuously about a
particular economic policy; this happens frequently enough in cabinet meetings and at faculty seminars. Sharp disagreement in prudential judgements, not only about particular matters of fact but about large-scale policy decisions, often enough strains the relations between even the wisest and best of colleagues.

In the four sets of essays (and comments) in this volume, I kept wanting to say "good point," "not at all," "not quite right." Each of us has a favourite vocabulary for discussing these matters and sees error lurking in alternative formulations. The distance between some essayists and some commentators is often so vast that it is hard to focus on the several salient differences between them. Instead, often enough, the ground keeps shifting from point to point. Patience is required to stick to one issue at a time. Little by little, year by year, the arguments may be drawn more tightly, as one issue after another is settled.

Thus, virtually all the contributors to this volume do favour some of the elements of democratic capitalism (the device of markets, some forms of private property; differential incentives; a democratic polity; a limited government, concerned in key respects for the general welfare; and pluralism in moral-cultural life). Virtually all also concede the legitimacy of certain of the reforms at times introduced into history in the name of democratic socialism (some forms of regulation of markets and property; some concern for equality not only before the law but also in opportunity, education, and the like; some forms of assistance to the poor and the dependent needy; and resistance to totalitarian forms of socialism, whether of the Nazi or the Soviet type). When it comes to defining democratic capitalism and democratic socialism, differences remain (although patience and generosity of mind can usually dispel definitional wrangles). And, of course, when it is time to judge the present situation or to offer projects of reform, differences become more acute—but properly so, and sometimes surprisingly so.

The Wogaman and Opitz papers

The discussions between Wogaman, Cooper and Block, for example, and between Opitz and Wall, will make the next discussions in this area easier. Wogaman is a gentle democratic socialist, as it were a democratic capitalist with a democratic socialist vision. Opitz tends toward the libertarian side of democratic capitalism, but intelligently so and with a mind open to facts and argument. The two essayists
stand at opposite poles, but of the same bi-polar reality: the political system has its proper rights and duties, as does the economic system. Wogaman favours the political, Opitz the economic. In this dialectic, the comments by Cooper, Block and Wall set some limits to the questions raised by Wogaman and Opitz. The way is now open, not so much for mediators, as for a more precise statement of one or more disputed points.

I would press Wogaman, for example, to face some of the objections to current welfare and poverty programs which have led other democratic socialists to become (as they are called) “neo-conservatives.” That would illuminate what he means by democratic socialism in the U.S. context. I would press Opitz to define his own proposals for U.S. welfare and poverty programs, to the same purpose. One might then take a Third World experiment in “socialism” and try to define the issues in that context.

**The Shinn paper**

The paper by Roger Shinn, with the comments of Shenfield and McLean, helps to prepare us for the “slippage” and ambiguities typically encountered when one begins with theological principles and passes by way of “middle axioms” toward quite complex concrete judgements. One problem not sufficiently addressed is that the current of public ideas has a special power at any given time. The active “political culture” of the U.S., for example, is very much smaller than that of the voters as a whole. The power to define the issues is more than half the game, and this power today inheres in the political reporters (as David Halberstam shows in *The Powers That Be*), who can give governments fits. Moral discernment sometimes requires one to fight against the conventional wisdom of the political culture, even more sharply than to address one particular issue. For the political culture may embrace a *systematic* illusion, whose cumulative impact exceeds that of any one particular issue.

The “neo-conservatives,” for example, especially editors like Norman Podhoretz and Irving Kristol, have come to prominence precisely for “breaking ranks” with the dominant political culture, which first nourished them. This challenge at the root of political perception may be more significant, in the end, than any particular tactical victory. That was also the broad effect of Reinhold Niebuhr’s “biblical realism” during the 1940s. Thus, religious thinkers have an obligation
to challenge the prevailing systems of perception; they need to reflect on which establishment they are challenging, which supporting. For the conventional wisdom of the political culture no longer is controlled by political leaders; to some large degree, it is controlled by leading figures in the media and the universities. When Lyndon Johnson saw Walter Cronkite take an adversarial position on the Vietnam war, it is said, he clicked off the set and realized he would have to resign, it was over.20

**Brennan, Mishan, and Martin**

The essays by Brennan and Mishan, with comments by Meiselman, Boulding, David Friedman, and Elzinga range even more broadly than the others. I think they make too little of a central point. Without a certain kind of ethos, and a certain set of institutions in the political economy (protection of patents as private property, e.g.), both "institutional choice" and the invention and creativity symbolized in the word "technology" still slumber in the bosom of underdevelopment. One can talk about the problems of free, inventive societies—their morals and their madness. One cannot forget how recently the world was slumbering, as a great vast portion of it still is.

David Martin's essay is brilliant, as we have come to expect, and the energetic comments by Roberts and Preston help him even to sharpen it. I wonder, though, about the religious passions that today stir even those who think themselves the most secular. For there are today many highly politicized religious passions, which Michael Harrington celebrates in *The Politics at God's Funeral*, in which he as it were substitutes "socialism" (as he defines it) for "God." The world seems full of religious passion in this supposedly secular age. Much of it takes the vision of the political city in this world as its heaven. One hears nuns speak of a "conversion to peace," as if the politics of peace were not politics but religion. More impressively, "secular" professors now talk the same way. Nuclear blast has merely replaced hellfire and brimstone; the sermon is the same: Repent, and give what you have to the poor.

**Friedman vs. Levine**

The argument among Jews seems not quite so perfectionist as that among Christians. Milton Friedman, Herbert Frankel and Aaron Le-
vine, although disagreeing, do so in a tone of voice quite different from that of a parallel Christian dispute. We speak too glibly of "Ju-
daeo-Christian" and "Jewish Christian," and Christians too glibly ig-nore Torah and Talmud, isolating "the Jewish prophets" in false light and for non-Jewish uses. More attention must be paid to the prag-
matic, thisworldly, clear-eyed sense of reality a Christian often finds —to his relief—among Jews. The Jewish side of "Judaeo-Christian" needs far closer attention, not least in matters of political economy. Irving Kristol says some arresting things on this point in the conclud-
ing essays of Reflections of a Neo-Conservative.22

**Heyne and Norman**

Finally, Heyne and Norman, and the comments by Baepler and Berns, drive the complexities of using religious ideals in discussions of polit-
cical economy to helpful depths. Much more is at stake, we finally see, than we first thought. It is easy enough to be in favour of a "pluralist" society. But do Christians really mean pluralist, or do they mean a Christian society with certain escape hatches for marginal dissenters? If it is necessary to fashion political economies by Christian principles, what happens to genuine pluralism—to non-Christian principles? And, as Dr. Norman asks, what is left of Christianity if that is how we interpret its mission? These last essays are, properly, very disturbing.

Taken together, these two volumes establish an enormous agenda of work yet to be done.

**NOTES**


6. While the socialist Robert Heilbroner does not wish to jeopardize such liberties and rights, he is candid about the prospect of diminished liberties under democratic socialism: "... under socialism, every dissenting voice raises a threat similar to that raised under a democracy by those who preach antidemocracy. Because socialist society aspires to be a good society, all its decisions and opinions are inescapably invested with moral import. Every disagreement with them, every argument for alternative policies, every nay-saying voice therefore raises into question the moral validity of the existing government, not merely its competence in directing activities that have no particular moral significance. Dissents and disagreements thereby smack of heresy in a manner lacking from societies in which expediency and not morality rules the roost." Robert L. Heilbroner, "What is Socialism?" *Dissent* (Summer 1978): 347.


9. According to the director of Demographic Research and Policy Analysis at the Population Reference Bureau, "the number of immigrants to the United States rose dramatically during the 1970s and may once again be as high as the first decade of this century, when about 9 million people entered the country." Leon F. Bouvier, "Immigration at the Crossroads," *American Demographics* 3 (October 1981): 17.


16. Ibid., Tables 14, 17, 18.


19. A decade-long study of the poverty population conducted at the University of Michigan found that from 1969 to 1978 only about 3 per cent of individuals were poor during all ten years, while about 17 per cent were in poverty for two years and 39 per cent were in poverty for one year. See Martha S. Hill, "Some Dynamic Aspects of Poverty," in M. S. Hill and J. N. Morgan, ed., *Five Thousand American Families—Patterns of Economic Progress* Vol. 9 (Ann Arbor, Michigan: Institute for Social Research, University of Michigan, 1981), pp. 116-120.


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