

Christian Economic Ethics: History and Implications

Daniel K. Finn. 2013. Minneapolis: Fortress Press. ISBN 978-0-8006-9961-1. \$49.00 (paper).

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Economist and theologian Daniel Finn has undertaken a daunting task: “to investigate the history of Christian views on economic life so the reader can better decide how to apply the insights of that tradition to economic life in the twenty-first century” (p. 383). By presenting a range of economic perspectives consistent with Christian moral teaching, he hopes to promote generous and informed dialogue among Christians who often talk at cross purposes.

Finn first describes how a living tradition formulates basic principles and applies them to changing circumstances. One may err either by taking tradition to be invariant with respect to social change, or by selectively exploiting tradition to defend one’s world view. Instead, continuity within a tradition requires that principles be applied in ways that could not have been foreseen in earlier times and cultures.

In Part I, Finn explains “*how* a living tradition means,” as people *inhabit* their tradition. He illustrates the point through historical changes in approaches to the Bible. For centuries, Christians took the Bible to be the source of truth about God, the faith, and even the physical universe. During the Enlightenment, science appeared to discredit the Bible and religion, leading many intellectuals toward secularism. Using simple drawings, Finn shows changing historical relationships between the Bible and people. In the pre-modern era, truth was perceived as being delivered from the Bible to us; the Enlightenment perception was that we judge the Bible. But modern understanding is of a reciprocal relationship between the Bible and us. Today, we engage in conversation between the meanings of texts in their original settings and the conditions of modern economic life, thereby allowing our moral vision to be shaped by both.

In Part II, Finn first examines Old Testament teaching about the created world, human beings, and God’s covenant, with special attention to its positive view of economic life, including obligations to the poor. He then discusses the New Testament Kingdom of God and its implications for how we live today. These entail the demands of discipleship through love and service to others. Finn presents teaching from both Testaments about slavery in both Testaments. It must and does change, along with political/economic conditions and developments in public understanding of liberty

and human rights.

In his treatment of the early church, Finn shows how Christian doctrine developed as theologians, influenced by ancient Greek philosophical reason, reflected upon biblical faith. Hebrew attitudes toward unfolding history, combined with Greek and Roman rational analysis, may well have engendered an intellectual environment in which science and technology later flourished. The early Fathers taught that earthly goods are meant to be enjoyed, but are never to displace Christians' first love and dependence on God. Indeed, the primary purpose of *goods* is that they be used to *do good*.

Biblical concern for the poor is central to patristic teaching, says Finn. As a matter of justice, wealthy Christians must share themselves and their goods to meet needs of the poor. The principle at work here is that God intends for creation to supply everyone with life's essentials. Christians who inherit substantial wealth are obligated to share with those who have inadequate means to provide for themselves. Only later does the Church combine this teaching with the emerging view that poor persons have rights and obligations, like others.

In a chapter about monastic life, Finn demonstrates that this movement did not reject the material world. Instead, the world was treated as sacramental, in the sense that natural things—even plows and tools—point “to a divine reality beyond (or beneath) themselves” (p. 114). Monastic religious practice integrated work with prayer in service to God. Rather than escaping the world, monks were bound to practice hospitality—welcoming strangers as Christ. Finn identifies Christian hospitality as one of many lessons for lay Christians of all ages.

Protestants may especially benefit from reading two chapters about Aquinas, where Finn gives a clear account of the natural law tradition. Combining Aristotle's philosophy with the Christian conviction that God created all things, Aquinas elaborates “an ethic of virtue—arguing that only virtuous behavior is ultimately fulfilling for humans, precisely because it corresponds to human nature, as God intended it to be” (p. 124). Aquinas equipped generations of Catholics for dialogue with others, by applying human reason (about natural law) to ethical issues, unaided by biblical revelation.

Finn explains how Aquinas differentiates among eternal law (the plan for the universe in God's mind), natural law (determined by reasoning about human nature), and divine law (revealed in the Scriptures). Following Aquinas, the Church teaches that while the deepest principles of moral life do not vary over time, communities must exercise prudence to apply them in particular cases and circumstances.

In a second chapter on Aquinas, Finn presents four economic issues that have concerned Jews and Christians from earliest times: private property ownership, the just price, usury, and slavery. Finn explains how Christian thinking about these issues developed—neither abandoning basic ethical principles, nor sticking to iron-clad applications from earlier times.

Regarding property, the medieval Church continued patristic teaching: God's intention in creation is that material things be made available to meet the needs of all. Aquinas, using arguments from Aristotle, added that systems of private property have certain advantages over common property, including economic efficiency and greater incentives to care for one's property. Nevertheless, private property is never free of the moral obligation to share the surplus with those whose needs are not otherwise met. Thus, stealing food from the fields of a rich neighbor to feed one's children, when there is no alternative, is not considered a sin. Later, Finn argues that individuals, social organizations, and government share obligations to the poor.

One of the hardest arguments for me to follow is Finn's treatment of the just price (and just wage). The logic of just price is understandable where market competition is insufficient to protect buyers from exploitation by sellers with a virtual monopoly on some necessity. However, given the spread of competitive markets, it is unclear to me that the just price doctrine offers a useful moral guide to sellers or policy makers. Finn presents price gouging in the aftermath of hurricanes as a modern example of unjust prices. He does not mention, however, the value to society of retailers raising prices for small generators, thereby allocating a short supply among many would-be buyers, and giving producers incentives to resupply the area with more generators. Neither does he ever explain (to non-economists) how legal price fixing for moral reasons often hurts intended beneficiaries. The application of just price doctrine to wages he takes up later.

Finn explains how slavery was understood during ancient and medieval times. Later, slavery was reconsidered in the light of greater emphasis on freedom, and the demise of false assumptions about deficiencies of enslaved peoples. With respect to usury, Finn shows how the nature of money changed over centuries. When loans were made by the rich to the poor, charging interest was understandably viewed as sinful. During Aquinas' time, money's proper use was still mostly as a medium of exchange (and store of value). Only centuries later was money used to increase production through investment. No longer inert, money lent for business warranted payments to lenders, who could otherwise leave their

money with bankers at interest.

In two chapters, Finn describes the Protestant Reformation and contemporary Protestant teaching on economic issues. The Reformers shared many teachings about ethical economic lives with those of the Catholic Church, while others were distinct in their emphasis. Thus, the dangers of wealth and obligations to the poor continued to be taught. The Protestants' elevation of ordinary work to a sacred calling was distinctive; but they shared with Catholics the conviction that work is meant by God to support families and contribute to one's community. Calvin, living in a commercial society, was the first to justify payment of interest when used for business. Luther, on the other hand, continued to support Catholic teaching that usury was theft from the poor. Finn presents contemporary Protestant thought using statements about economic justice from mainline denominations and the National Association of Evangelicals. He finds more similarities than differences among Protestants. However, denominational fragmentation and the absence of a generations-long authoritative moral tradition make it harder to capture Protestant thought than Catholic teaching.

Finn begins his discussion of contemporary economic controversies with several frameworks. Economists easily recognize the first one, namely, every society's need to solve questions about allocation, distribution, and scale. To this list he adds "the quality of human relationships," which introduces a dimension that mainstream economists feel less prepared to judge. The second framework is the "moral ecology of markets." This includes moral judgments about which economic activities should be made illegal, such as trafficking in children, or perjury. Other goods and services may be deemed essential, so that if markets do not make them widely available, societies must arrange other ways to provide them—such as policing for public safety, fundamental research, and basic goods for the poor and disabled.

The second half of Finn's book is a tour de force in which he discusses categories, like the ones just mentioned, but also introduces matters of freedom and agency, social structures that generate enablements for some groups and restrictions for others, and the character of coercion. In Chapter 13, Finn presents a view of markets that will be a useful primer for readers not familiar with such economic principles as the value in many settings of attending to self-interest, and the counter-intuitive notion that "perfection isn't optimal" (p. 220). In the same chapter, Finn argues that economists' assumptions about human nature are incomplete and distorted; focusing on efficiency and growing GDP sometimes confuses goals with

means. Key to Catholic social thought about the goals of economic life are (citing Yuengert 2010): “the virtues, personal initiative, social relations, and material goods” (p. 229).

Finn says that economists analyze exchanges of goods between persons, but do not examine relationships of reciprocity. In the latter case, nobody is under an obligation to return a favor; although parties expect considerations to follow. “Reciprocity,” Finn writes, “generates the oxygen of social trust” (p. 229). Reciprocal relationships are important because trust creates and expands social capital. I find this discussion helpful.

Finn devotes several chapters to the writings of Popes Leo XIII through Benedict XVI. This is prime reading for anyone wanting to understand Catholic teaching on economic issues and to see how carefully the Church applies moral principles to economic issues that change with social economic development, while remaining faithful to truth received through reason and revelation.

Finn concludes his book by harvesting centuries of Christian reflection on economic life for application today to personal and public lives. It would be cheating readers to present Finn’s conclusions before reading his book. They can expect to disagree with Finn on various points, but will better understand how and why Christians sometimes arrive at different conclusions. Presenting the spectrum of Christian thought and varieties of economic systems, Finn demonstrates that by learning from each other we discover how to faithfully *inhabit the* Christian tradition.

I know of no other book that: (1) so effectively incorporates full passages from original sources; (2) clearly demonstrates how Christian tradition adapts to changing economic conditions; and (3) offers Christian readers important insights into their faith as it applies to individuals, their communities, and the nation.

This book will be valuable to Christian economists, theologians, and their students, and to anyone wanting to exercise virtue in economic life. Allow me to invoke the reviewer’s privilege by observing that Finn achieves his goal for the book, with a portion of Solomon’s wisdom and the persistence of a widow who will not leave the judge until she receives justice.

Reference

Yeungert, A. M. (2010). What is sustainable prosperity for all? in D. Finn (Ed.), *The true wealth of nations* (pp. 37-62). New York: Oxford University Press. ■