

*Revolution, Economics and Religion:
Christian Political Economy 1798-1833*
by A.M.C. Waterman

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AM.C. Waterman's *Revolution, Economics and Religion* is one of those books which exemplifies the eye for detail and depth of inquiry to which all scholars aspire. In the process of defending 19th Centural Christian Political Economy, he weaves an intricate historical tapestry of personalities, library collections, correspondence and institutional rivalries. Most significantly, he brings to the forefront significant insights into the interaction between the development of economic theory, theology and political philosophy at the onset of the 19th century. Waterman was undoubtedly motivated to write on this area by a sense that many of the methodological issues which confronted the participants of the ideological debates of this earlier period seem to reappear in a different form or guise in the contemporary scene.

Having opened with such glowing phrases, I am somewhat disappointed by the book because I perceive it to be a work that will elicit an extremely limited readership even among those attracted by Waterman's thesis and conclusions. I attribute this both to the historical nature of the inquiry and to its intermingling of theology and political economy. For those who remain undaunted by this caveat, the book offers useful and provocative insights.

While most authors hide behind a flimsy screen of implicitly asserted disinterested objective analysis, Waterman's introductory chapter begins with a welcome admission of the polemical nature of his work. The avowed purpose of the book is to repudiate the 'popular view,' promulgated by R.H. Tawney and others, that "'Christian Social Thought'—or 'Christian Social Teaching'...was more or less moribund from the Reformation until the emergence of 'Christian Socialism.'" Several corollary arguments then evolve out of this objective. The perception that Christian scholars had lost their critical edge implies that the only truly Christian perspective is one that repudiates the essential features of the market system. To counter this, Waterman attempts to elucidate the emergence

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of a school of 'Christian Political Economy'(CPE), which he defines as the successful fusion of an 'orthodox' Anglican theological perspective with free market advocacy in normative social theory (p. 11). One of the most crucial, yet controversial, of his arguments is the criteria he uses for attributing 'polemical success' to CPE.

Success for CPE, according to Waterman, was ultimately achieved by Richard Whately's ability to establish, "...a 'defensible demarcation'...between 'scientific' and theological knowledge, thereby insulating each from illegitimate encroachment by the other" (pp. 10-11). The implied compartmentalization of knowledge is something, however, which many modern Christian scholars would find to be an anathema. The acceptance of such a demarcation is sometimes interpreted as an implicit admission of the inferior nature of theological knowledge. Others, moreover, would see this as a tacit admission that Christianity had in fact lost contact with the normative economic issues of the period. Waterman's second criterion for polemical success seems to be the acceptance of a given position by the established academic and theological authorities. In order to support his argument Waterman develops what he perceives to be a historical and logical confluence between conservative theology and conservative political economy.

Waterman identifies the opening salvo in the liberal versus conservative war with the publication of Robert Malthus's *Essay on the Principles of Population* in 1798. Malthus's paradigm, as it is commonly perceived, was originally designed as a negative polemic, i.e. an attack upon the Jacobin ideas of William Godwin. In particular, it attacked the concept of the perfectibility of mankind, and the idea that property was in some sense the source of all moral and social evil. Furthermore, it was later recognized by Thomas Chalmers to have sufficiently altered the analytical

apparatus of Adam Smith as to refute the idea of economic progress. There also exists, according to the Waterman, however, a positive polemical dimension in Malthus's work, i.e. an attempt to show that, "human institutions' especially private property in land, do indeed 'mitigate' the most distressing effects of the 'laws of nature'." The net effect of this proposition is the classical economic paradigm which conceives of human society as "a system in stable (and stationary) equilibrium" (p. 36).

While Malthus's population theory was framed in a positive, objective methodological framework which succeeded in putting the liberals on the defense, there remained a normative dimension to the problem which Malthus seemed to have handled less adequately. In Chapter 3, Waterman explores the issue of 'theodicy,' i.e. "the occurrence of 'evil' in a universe which is assumed to have meaning and/or purpose" (p. 62).

While many of his contemporaries fell back on Scripture when attempting to deal with the problem of evil, Malthus pushed forward with natural theology. Drawing upon the work of Abraham Tucker, Malthus observed that "...the world and this life are the mighty process of God...for the creation and formation of mind, a process necessary, to awaken inert, chaotic matter and spirit." From this he deduces the necessity of scarcity to arouse mankind into action and to form their minds and morals. While Malthus weaves together an internally consistent argument, he is led, according to Waterman, into a non-solution to the problem of evil. "For in his system, everything that is commonly thought of and experienced as 'evil' has to be regarded as a necessary part of the providence of God, and hence is not really an 'evil' at all, but a 'good'" (p. 109). The task of supplying an adequate 'theodicy' for Malthus's theory of political economy thus remained open.

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political conditions changed, the negative polemical aspect of Malthus's work became less relevant. The task which remained was to resist the most gloomy aspects of Malthus's theory while still asserting the 'self-correcting' function of nature. At the same time there was a sensed need to 'meliorate' "...the real imperfections of...existing institutions" (p. 114). Prompted by numerous critics as well as the work of some of his converts such as William Paley and Dugald Stewart, later editions of the *Essay* began to confront the above issues. Paley was one of Malthus's earliest converts and he took up the task of supplying an adequate 'theodicy.' Waterman conjectures that he was perhaps responsible for Malthus's later deletion from the *Essay* of some of his theological discussion.

Paley's *Natural Theology*, published in 1802, reflected, according to Waterman, some of the perspectives of the Cambridge moderates of the period. Their desire was to avoid some of the 'false biblicism' which they associated with the Calvinists and Romanists whom they accused of trying to extract more than could be justified from the scripture, while also avoiding the other extreme which ignored divine revelation and tended to produce either the skepticism of Hume or theological nonsense (p. 127). Malthus's theology seems to have fallen in the very latter category. Paley's more 'orthodox' theodicy, in contrast, viewed life "as a state of probation and trial for eternity" (p. 120).

While Paley's theology seemed to have been more acceptable than that of Malthus, his political economy appeared to have failed to relieve the gloomy prognosis for society inherent in Malthus's population theory. This is the task to which Malthus and younger emerging scholars turned their hand.

In the first edition of his *Essay*, Malthus had noted the presence of moral restraint in postponing marriage as one of the 'positive' or 'preventive' checks on popu-

lation, but one which, "almost necessarily, though not absolutely so, produces vice," e.g. prostitution. Waterman notes that in the 1803 edition of his *Essay*, Malthus modified his presentation of these checks in a manner that separated moral restraint from any necessary association with 'vice' and 'misery.' The 'prudential postponement of marriage' might be conceived as "a function of some socially-determined target of real income that might far exceed the biological minimum required for 'subsistence'" (pp. 136-7). Granting such a change in one of the parameters of the system, social progress becomes an analytical possibility.

While Godwin had earlier suggested this possibility, Malthus had rejected the likelihood in order to maintain his negative polemic. Here, however, he accepts the 'possibility' of such an improvement but turns it into a positive polemic for property. The gist of Malthus's argument is that individuals will have an incentive to postpone marriage and thus receive higher wages provided there are markets for labor and savings. While in one sense Malthus had thus lost the battle with Godwin regarding the progress of mankind, he had done so by means of the arti-fice of private property which Godwin had described as the source of evil. Moreover, he had accomplished this in a way which dealt with the theodicy issue along the more acceptable line suggested by Paley. The 'perfectibility' of mankind was dealt with in a more 'qualified sense' which nevertheless refuted the 'growth-of-mind' theory. Whatever 'incidental' evils arise in the progress unleashed by the market process, these end up pointing us toward moral restraint "as confirmed and sanctioned by revelation," so that divine revelation once again serves a useful purpose (pp. 144-5). While the argument seems settled at this point there remained the task of erecting the superstructure on Malthus's foundation:

The doctrine that inequality is both inevitable and beneficent would be

greatly amplified, the futility of legislation to achieve economic goals explained, and the validity and importance of private charity reinforced. The Smithian idea of an 'invisible hand'...would be made explicit and given theological significance (p. 150).

One of the first among many writers to attack these objectives was John Bird Sumner. Waterman notes that his *Treatise on the Records of Creation* (1816) was greeted with 'a chorus of approval' as an able exposition of the whole system. Its strength, he observes, comes not from Sumner's originality but rather in his ability to integrate all the components of the argument. The various components of the population theory are shown to lead to inequality, which in turn fosters civilization by the "Malthusian 'stick' of disincentives to idleness, and the Smith-Paley 'carrot' of incentives to industry." Civilization encourages the development of the mind and various virtues, the division of labor, and progress. All of this "exemplifies the divine wisdom" and design, while accommodating the doctrine of a probationary state (p. 165).

Following upon the heels of Sumner, Edward Copleston offered what seem to be major insights into the difference between comparative static equilibrium analysis and market dynamics. In particular, he noted that in the short run, while society was moving from one optimum position to another, there could be substantial adjustment costs, most of which would tend to be borne by the lowest classes. These disequilibria were generally perceived to be the result of external forces, and often prompted society to respond with remedial action such as the Poor Laws. In examining empirical evidence concerning the impact of the Poor Laws upon poverty levels, Copleston concludes that poverty of the type the Poor Laws were intended to remedy, i.e. life at a biological subsistence level, must be

attributed to population pressure rather than the laws themselves. Analytically, the Poor Laws only cause poverty relative to the socially-determined subsistence wage by creating friction in the market. The problem as he perceives it is not removal of the Poor Laws but rather rational reformation.

The final pieces in the puzzle are, as noted at the beginning of this review, found in the writings of Richard Whately. Beyond the major task of delineating the scientific from the theological, Whately also strengthened the theology of Paley by asserting the presence of a 'moral sense.' Waterman appropriately illustrates completion of the puzzle with the presentation on page 201 of a rather convoluted Venn diagram representing the intermingled ideological streams of the 1820's. This diagram illustrates ironically both the strengths and weaknesses of Waterman's polemical efforts.

If the particular intersecting segments Waterman has chosen as representing CPE reflect one's own theological and economic persuasions, the case appears solid. The argument is even more convincing if one perceives of science as progressing in a linear fashion, winnowing out the weak and leading to one uniquely true paradigm. Waterman has followed the threads connecting these writers in a way that leads us inexorably down the path he has chosen in order to prove the veracity of CPE. If, on the other hand, one chooses different threads to follow, or perceives other possible intersections which could conceivably reflect another uniquely Christian perspective, you will remain unconvinced in spite of all Waterman's masterful scholarly efforts. It may thus be fitting that Waterman closes his efforts with a discussion of Thomas Chalmers, whose polemical works, according to Waterman's analysis, seem to be the least convincing of all the writers who contributed to the development of early 19th century Christian Political Economy. ■

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