Globalization and Inequality

Funded by a grant from the Pew Charitable Trusts, for the past several summers Calvin College’s Faculty Summer Seminars have allowed participants (in the words of the program description) to “share and discuss common readings during a six-week residency, and work on individual research projects with the director and fellow participants.” This past summer, under the direction of J. David Richardson (Syracuse University), 13 Christian economists gathered to study “Globalization and Inequality.” Listen in as we discuss our experience:

Smith: “Michael, why meet as Christians to discuss “Globalization and Inequality”?

Anderson: “The conference is important for Christian economists because the topic is at the nexus between our faith and our discipline. Economists are currently struggling to understand whether trade with low-income countries imperils the wages of unskilled U.S. workers. And the church is rightly concerned that trade policy reflect the interests of the poor. Our work was hard, but we all had the idea that our labors were useful for both our colleagues and our brothers and sisters.

Smith: “Yes, and because other parts of the church are addressing these issues—not always accurately or insightfully—it’s vital that Christian economists be heard. We’re in a particularly interesting moment, too, because many of the important questions about globalization, empirical and theoretical, have yet to be settled.”

Anderson: “What paper at our conference did you find most provocative?”

Smith: “No doubt about it—hands-down the most provocative paper was written by Chuck Anderton: ‘Appropriation, Deterrence, and Trade Policy in a Simple Global Economy.’ Using a simple two-region pure-exchange model, he explores the welfare ramifications of trade and trade restrictions when one region is able to copy intellectual property (though not costlessly). While it’s highly stylized, the model has obvious application to the trade situation between the US and China, for instance. Startling results emerge—most notably that a tariff, imposed by the country whose intellectual property is at risk, can be globally welfare-improving. It’s a wonderful paper and it was stimulating for all of us, I think, to be able to interact with Chuck about it as he moved it through several drafts.”

Authors

Michael A. Anderson is associate professor of economics at Washington & Lee University; Stephen L. S. Smith is professor of economics and business at Gordon College (MA).
Christian economists are still struggling over how faith should affect research.

Anderson: “I agree. Chuck’s paper will, I believe, capture the attention of many trade economists. And it’s the kind of careful, publishable, research that the conference was designed to produce. I’m looking forward to hearing more from Chuck about the implications of his work for the broader concerns of our conference.”

Smith: “Seminar participants had lots of time to explore wide-ranging issues of interest to Christian economists. What were the sharpest disagreements about the role of Christians in economics research?”

Anderson: “An interesting question—Christian economists are still struggling over how faith should affect research. The approach and tone of the conference was set by its leader, Dave Richardson. He challenged all participants to, first of all, excel in research as the profession would define excellence. No time was spent in critiques of neoclassicism. No “Christian” alternative methodologies were featured among the papers presented. All of the papers attempted to make contributions to the literature on Globalization and Inequality that professional colleagues, of whatever religious conviction, would appreciate and value. Some may criticize this as a suggestion that Christians should forget about their faith when they set to their work. But it’s really a challenge to Christian economists, many of whom have either stepped aside from research or confined their activities to the so-far unfruitful task of identifying a Christian methodology for economics, to value high quality research. I commend Dani Rodrik’s book, Has Globalization Gone Too Far?, as an example of research that combines careful scholarship with reflective comments on what path policy should follow.”

Smith: “It’s true that the conference focused on mainstream research, and such research is not only important, I would argue, but part of our calling as scholars, provided the questions investigated are those that the mainstream neoclassical paradigm is well-suited to answer. Nevertheless, I think Christian economists have a broader brief than simply to do standard mainstream economics. It’s not really a choice between ‘mainstream’ economics and an unfruitful search for a distinct Christian methodology. There is important, specifically Christian scholarship that we need to do as economists, even though such work will not be publishable in mainstream journals. The dilemma for Christian economists is that we need progress on all fronts, not just one front.”

Anderson: “Almost all of the participants were drawn from small, liberal arts and teaching institutions as opposed to large research universities. What did we learn about doing research in that kind of environment?”

Smith: “This topic surfaced continually. We had several helpful ‘practicums’ at which issues such as this were discussed and mutual advice shared. There’s no question that at teaching-oriented institutions if one wants to be an active researcher one needs to be quite dedicated to the task—it won’t happen unless one plans for it carefully and ‘stays the course’ by working on it year round. Summers can be very strategic; time well-spent then can allow one to move a project enough towards completion for it to be finished over the course of otherwise-busy subsequent terms. The seminar allowed this past summer to be particularly helpful in this way. Some participants came with well-developed research plans while others were in very preliminary stages—but working with Dave Richardson and the other participants in such a highly focused manner allowed us to make much more progress than otherwise would have occurred.”

Anderson: “Good points. I was surprised to hear how many Christian colleges have punishingly-heavy teaching loads that almost preclude an active research agenda. While many have criticized the evangelical and reformed community as being absent from the most important debates of our time, I can see how many of our colleagues are simply too overbur-
dened by day-to-day work to engage these important discussions. Until that changes, we’ll have to rely on conferences, coauthorship, and those rare sabbaticals to make progress in our research efforts.”

Several conference papers will be presented this January at an ACE session at the ASSA, and at a conference at Calvin College, May 28-30, 1998. Participants, listed alphabetically, were Michael Anderson (Washington & Lee University), Charles Anderton (College of the Holy Cross), John Charalambakis (Asbury College), Rebecca Havens (Point Loma Nazarene College), Doug Koopman (Calvin College), Varghese Manaloor (Augustana University College), Tracy Miller (Grove City College), J. David Richardson (Syracuse University), Barry Ritchey (Anderson University), Stephen L. Smith (Gordon College), Evert Van Der Heide (Calvin College), John Wassenaar (Calumet College), and Timothy Wedding (Tulane University).