

covers a broader set of issues in a more conceptual style, reflecting her broader understanding of the problem of poverty.

3. Mead does, however, criticize some of the empirical approaches for presupposing that exogenous variables, such as race, have direct effects on poverty-related outcomes.
4. Incidentally, another dialogue in this series that may interest Christian economists is Blank and McGurn (2004).

### Reference

**Blank, Rebecca M. and William McGurn.** 2004. *Is the Market Moral? A Dialogue on Religion, Economics, and Justice.* Washington, D.C.: The Brookings Institution. ■

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### **A New Protestant Labor Ethic at Work**

Ken Estey. 2002. Cleveland, OH: Pilgrim Press. ISBN: 0-8298-1439-6. \$14.00 (paperback).

*Reviewed by Todd Steen and Steve VanderVeen, Hope College (MI).*

As stated in the preface, the goal of this book is “to propose a labor ethic that places the accent on the ‘protest’ in Protestantism.” A major theme of the book is a critique of the idea of “covenantal ethics” that has been proposed by various scholars such as Max DePree, Alexander Hill, Laura Nash and others. As part of his assessment, the author criticizes the development of employee participation plans in the workplace. The author asserts that conflict is a more useful idea in the relation between labor and capital than that of covenant. In order to make his case, the author reviews the history of the Saturn company, the idea of covenant in the Bible, historical conflicts between labor and capital, and the development of labor unions in the United States. The author concludes by presenting strategies for labor to improve its well being and bring about structural change in the economic system.

The power of a worldview is very evident in this book. The dividing line between good and evil in Estey’s worldview runs between labor and capital, with very little positive to be said about management, corporations, and capitalism in the entire book. Taking a classical view of management exemplified by theorists such as Fredrick Taylor, and going against almost a century of management theory since Taylor, the author seems to think that the only things that labor is or should be interested in are the material gains from work. Estey states that his labor ethic of protest and conflict is “unapologetic about promoting the material interests of workers. It does not strive for ethical neutrality or moral objectivity” (p. 121). He views

the economic system as a zero-sum situation; labor needs to get more of the pie and get it from capital. "Management has the task of maximizing profits and the union must ensure a better life for its workers. The long-term interests of management and workers are in conflict, and this conflict is fundamental and primary" (p. 116). There is no discussion about increasing the size of the pie and benefiting all segments of society.

Given this worldview, the author's critique of covenantal ethics is predictable. According to the author, covenantal ethics suggest that "workplace relationships ought to take their inspiration from a theologically and biblically informed emphasis on mutuality, cooperation, common interests, and the sharing of power between labor and management" (pp. 1–2). From a Christian perspective, and from the perspective of such management theorists as Peter Drucker, the ideals of covenantal ethics seem hard to dispute. However, the author believes the balance between capital and labor is so uneven that cooperation or the idea of covenant is impossible. Estey believes that an ethic that stresses love, cooperation, and harmonious work relationships "will inevitably side with the interests and goals of capital" (p. 7). Instead, Estey asserts that a strategy of conflict will better serve the interests of workers, although there is no explanation of how conflict will actually work in practice to improve worker well-being. In fact, it seems likely that increased conflict will only increase the possibility that workers will be replaced by technology, or that companies will search out more compliant workers in other locations. More conflict can negatively impact a company's competitive position, therefore putting workers at increased risk.

The author views the Saturn experiment as a failed example of covenantal ethics put into practice. When discussing Saturn, the author suggests that the participative concept can be a negative because workers may be pitted against each other, and they are forced "to internalize problems that may not be of their own making. The result is that union members become distracted with policing each other rather than coming together and demanding solutions to systemic problems that are inherent to the corporation itself" (pp. 37–38). The fact that "grievances" are now handled on a daily basis within work teams is also seen as a negative. This takes away the ability of the labor union to use them as tools in the contract negotiation process.

For Estey, employee participation programs create additional work and stress for workers while not providing additional wages and power to offset them (p. 94). However, no statistical evidence is cited to suggest that workers do not appreciate the approach of labor-management joint decision making. A few anecdotes from workers are all that is provided to prove that this approach does not help workers. Ironically, Estey's argument is roughly the same argument both Walter Reuther, President

of the United Auto Workers, and Alfred Sloan, CEO of GM, used against Charles Wilson, President of GM, after World War II when Wilson wanted to create the “responsible worker” with a “managerial aptitude.” According to Drucker (1983, pp. 298–302), the idea of the responsible worker with managerial aptitude was developed in Japan and, because it was developed successfully in Japan and not in the United States, U.S. automakers were forced to play “catch-up.” Catching up was the genesis of the Saturn idea. One could therefore argue, from a historical perspective, that Estey’s advice is exactly the opposite advice to give because it would further erode both GM’s ability to compete and workers’ ability to retain high paying jobs.

According to Estey both union leaders and individual workers can become co-opted because of their greater involvement in the management of the company. They therefore forget “the people to whom (they are) *truly accountable*,” that is, “the people with whom they work every day” (pp. 41–42, emphasis added). In addition to bad advice from a management theory perspective, there is also no advice based on God’s sovereignty, or the idea that we are accountable to God for our work (other than to say that this strengthens the hand of capital); the only accountability that exists for workers is to fellow members of the “working class.”

The author wants stronger labor unions and suggests that unions use conflict as a strategy for obtaining greater material well-being for their workers. He also advocates a greater understanding of labor history (or the history of work from a particular pro-union point of view) as a catalyst for bringing about change. However, his mindset seems to be stuck in history from a particularly narrow point of view, a history where manufacturing, transportation and mining firms made large monopoly profits on the backs of workers. He does not discuss the impact on labor of the transition to a more service-oriented and competitive economy and the resulting difficulties for labor to raise wages in the face of elastic product demand.

The section that discusses tactics to increase the well-being of labor is disturbing. In his section “Tactics for Troublemaking,” the author states that “coercion, violence, and sabotage cannot be ruled out to achieve material parity or even ascendancy over corporate interests” (p. 135). There is also a romanticization of various violent conflicts between labor and capital. Even given his bent that capital is a major source of evil in the world, this suggestion comes somewhat as a surprise. Certainly Christians should protest injustice wherever they find it, but as imitators of Christ, thoughtful Christians should not be advocating violence.

Most books have some positive elements, and this work is no exception. The author suggests that often in discussions of business ethics the impact on labor is not brought to the forefront, and that “the voices and experiences of workers are ignored in favor of theological categories that describe idealized visions of work” (p. 4). The author also makes the point

that discussions of business ethics may need to question the system of capitalism itself, instead of just taking the system as given. Indeed, many resources in evangelicalism that do look at the workplace focus only on the individual Christian (p. 3).

Another positive aspect is that the book does bring up some interesting questions about how a covenantal ethics approach would affect workers. However, the answers that it provides are less than satisfying. As we read the sections of the book critiquing participation schemes and covenantal ethics, the ideas the author was criticizing seemed positive to us. His arguments seem actually to make a positive case for the ideas he critiques.

The approach to labor-management relations put forward in this book seems to be exactly the opposite of the approach that Christians should take. We suggest a look at the website of the Christian Labor Association of Canada ([www.clac.ca](http://www.clac.ca)) for an example of a labor organization that is successfully implementing Christian principles in labor relations. Its ethic is in complete opposition to that of Estey's conflict method. The CLAC "believes all workers in an enterprise, whether workers, managers, or owners, are deserving of respect. We strive to build a workplace where cooperation, not conflict, is the norm." At the same time it upholds the interests of workers: "the CLAC is not ...a patsy for management. CLAC goes to the wall for its members and negotiates top-notch agreements"([www.clac.ca/information/about\\_clac/index.asp](http://www.clac.ca/information/about_clac/index.asp)). The CLAC website gives ample information about how such an approach can actually work in practice, and suggests why conflict is not the preferred approach.

Although the title suggests this book will describe a new protestant labor ethic, in fact the author does not really bring a clear Christian perspective to his case. Without much elaboration, Estey states that "the priority of labor over capital echoes a cardinal doctrine of liberation theology, namely, the preferential option for the poor" (p. 129). He also attempts to connect protesting with the history of Protestantism as a jumping off point for his emphasis on protest, but this connection is not convincing. In conclusion, we cannot recommend this book as being of much value to Christian economists. Before the Lord returns, we do have to deal with injustice in the economy and the workplace. Christians do need to raise their voices to protest any type of injustice, and as a result, conflict may result. However, the strategy of Estey to drop cooperation in favor of conflict is not the way to go. The second great commandment is still to "love your neighbor as yourself." This is the ethic that Christians need to keep in mind when formulating ideas on labor-management relations.

## Reference

**Drucker, Peter F.** 1983. "Epilogue." In *Concept of a Corporation*. New Brunswick, NJ: Transactions Publications. ■

### Inhabiting the Land

Andrew M. Yuengert. 2003. Grand Rapids, MI: Acton Institute. Christian Social Thought Series. ISSN: 1531-4057. \$6.00 (paperback).

*Reviewed by Andrew Henley, European Business Management School at the University of Wales, Swansea (UK).*

This is a short volume about immigration. Specifically it is about the economic case for immigration as developed in Roman Catholic social teaching. The author specializes in the economics of immigration and is a prominent Catholic economist and for these reasons this is a book that will attract interest. It should also attract interest because the case it presents unambiguously supports the view that migration on grounds of economic initiative is a right. Whether that right should be exercised depends on an assessment of the universal common good. As a European Christian, I have to confess that I had never given very much thought to how Christian ethical teaching might offer a critique of contemporary restrictions on immigration into rich Western Europe. Indeed I was surprised to discover that Catholic social teaching, derived largely from the writings and encyclicals of the present Pope, was so unequivocal. Anyone arriving in Europe from another planet would be surprised too—Europe, including Catholic southern Europe, is currently a “fortress” stoutly and vigorously defended against economic in-migration. A similar conclusion might be reached from the purview of “fortress” North America, defending itself against the onslaught of economic migration from Central and Southern America.

And yet most prosperous Western nations have for much of their history, including recent history, sought to encourage economic migration. The prosperity of nations such as the United States and Australia is founded on waves of incoming migrant labor. Similarly during the immediately post-World War Two era immigration from the “New Commonwealth” countries of the Indian sub-continent and the Caribbean was actively encouraged in order to solve the problem of excess demand for unskilled labor. Modern multi-cultural Britain is a product of these migration flows.

So have our politicians got things badly wrong when they argue from both liberal and conservative perspectives that immigration must be subject to tight restriction and should only be allowed on grounds of asylum rather than economic initiative?

What is the case for a right to migrate in Catholic social teaching? The author argues that it follows from the right to private property and the right to seek to sustain one’s family. The family’s rights take precedence over any desire on the part of the state to restrict economic initiative. Yuengert goes on to refer to John Paul II’s *Sollicitudo Rei Socialis* which argues that