

FAITH & ECONOMICS

NUMBER 46 ■ FALL 2005

SYMPOSIUM: The Economics of Religion

| | |
|--|----|
| Economics of Religion: Debating the Costs and Benefits of a New Field | 1 |
| Laurence R. Iannaccone | |
| Comments on the Economics of Religion | 10 |
| Derek Neal | |
| Religion and Economics | 14 |
| Peter Boettke | |
| Importing Religion into Economics | 19 |
| Deidre McCloskey | |

ARTICLE

| | |
|---|----|
| A Biblical and Economic Analysis of Jubilee Property Provisions | 25 |
| John E. Anderson | |

BOOK REVIEWS

| | |
|---|----|
| <i>The End of Poverty: Economic Possibilities for Our Time</i> | 43 |
| Jeffrey D. Sachs | |
| Reviewed by Christopher B. Barrett | |
| <i>Cash Values: Money and the Erosion of Meaning in Today's Society</i> | 50 |
| Craig M. Gay | |
| Reviewed by Jim Halteman | |
| <i>The Boundaries of Technique: Ordering Positive and Normative Concerns in Economic Research</i> | 54 |
| Andrew Yuengert | |
| Reviewed by Bruce Webb | |
| <i>Economy and Economic Analysis</i> | 59 |
| Robert Black | |
| Reviewed by Paul R. Koch | |

continued

*Turn Neither to the Right Nor to the Left: A Thinking Christian's
Guide to Politics and Public Policy* 62
D. Eric Schansberg
Reviewed by Hadley T. Mitchell

A Short History of Distributive Justice 67
Samuel Fleischacker
Reviewed by Jim Halteman

Cash Values: Money and the Erosion of Meaning in Today's Society

Craig M. Gay. 2004. Grand Rapids, MI: Eerdmans. ISBN 0-8028-2775-6. \$15.00.

Reviewed by Jim Halterman, Wheaton College (IL).

Cash Value is a small book (99 pages) which began as a set of lectures at The New College (University of South Wales, Australia) and then became a book with three chapters. Consistent with his earlier work, *With Liberty and Justice for Whom?* (1991), Gay, an associate professor of interdisciplinary studies at Regent College, Vancouver, seeks to provide a balanced view of how Christians might deal with an inherently secular system like market capitalism. The overarching theme is not new. Chapter one shows how the market economy, despite certain cultural, psychological, and spiritual costs, has been an engine of production that has dramatically increased the material standard of living of the masses. In chapter two, the unintended costs are elaborated showing that this drive for material goods has detracted from authentic well being and created an amoral if not immoral system. This creates a dilemma for Christians and so the last chapter attempts to create an alternative way of thinking about and operating within market capitalism. While this approach has become almost boilerplate in Christian writing on capitalism, some of the underlying arguments used by Gay are unusual and intriguing.

The title of the book gives away the primary connecting theme of the chapters. Money as an instrument of exchange in markets has become the measure of all things and, in the process, it has emptied the world of substance and meaning. This commodification of even humans has moved social consciousness from community to society. The modern worldview accepts the notion that humanity can exist as a mere factor of production measured by the money metric because the lure of increased material goods, individual freedom, autonomous choice, and less constrained opportunities for individual gain is very strong. The work of Peter Berger, Max Weber, Alexis de Tocqueville, and especially Nathan Rosenberg and L. E. Birdzell Jr. provide the main source material for this thesis.

One of the contributions of this book is the way in which Gay pulls together the literature on “capitalism’s *depletion of meaning*” (p. 49, emphasis in the original). There appears to be a slippery slope from the boredom of producing and consuming things to the loss of idealism, imagination, and self transcending aspirations. The result is a distorted understanding of the self, nihilism and despair. Gay’s thesis is that this

process is the result of the “exultation of the monetary unit” (p. 52). Money has “subtly altered our interests and the things we think about. It has also subtly altered our symbols and the things we think with. Finally, it has subtly altered our communities and the forums in which our thoughts develop” (p. 59). In the final analysis, the material cost-benefit tool of economic life reduces everything to a monetary value leaving the cultivation of virtue and spiritual contemplation out of the picture.

Gay is optimistic that something can be done to correct this dilemma and his answer moves to the theological realm. Two solutions have been advanced by many. One is the development of stronger parallel institutions in society like the family and church. The second is the infusing of alternate values into markets so that people will make market decisions from a robust value system rather than from purely monetary goals. Gay sees both of these as inadequate in themselves because the meaning of real value has been corrupted. Without a renewal of what Christian values really are there cannot be meaningful and sustainable reform. For such a renewal to take place there must be a change in how we see the world working. The Cartesian mechanistic world of social science today misses the richness of God’s gift of grace while it allows the money metric to destroy the true meaning of life. Only when we experience grace and respond with gratitude can we find the true value of things. Only when we believe that life will prevail over death can happiness be attained. In the end it is the spiritual side of life and the contemplation of what God is doing again and again in this world that can restore the meaning that the money metric has taken away. Fellowship with God and each other is the ultimate end for which everyone should seek.

Gay does not have utopian dreams for this world, but he does believe that Christians can do better at modeling what true fellowship is. He does believe that those not openly accepting of God’s grace will be happier if they adopt the values that reject the monetary metric in human relationships. In this regard he is simply adding a theological and spiritual dimension to the two common solutions discussed above. Perhaps the real contribution here is to challenge us all to follow our suggestions for social improvement through to their theological roots.

Christian economists will find much to consider in this short book and Gay’s interdisciplinary approach adds context and depth to the arguments. First, it is not easy to discern when the money metric starts to destroy meaning. As specialization and trade increase and more goods and services enter the market more things will be measured by prices and money. As labor and commodity markets expand, rates of exchange are attached to

nearly everything. Does that process inevitably destroy the quality of life or does the abundance itself make us feel self sufficient reducing the quality of fellowship and spiritual well-being? It is a bit too simple to single out one part of modernity as the cause for the loss of meaning. This is not so much to critique Gay's thesis as to suggest that his critique of the social order may have a broader more pervasive base than just the money metric alone. Indeed the critique might apply to the entire Enlightenment project which sought to emancipate humanity from the more authoritarian boundaries of medieval life. The pros and cons of modernity must always be part of the context of our social thinking.

Second, this book encourages Christian economists to do more reflecting on the nature of happiness and well-being. Recent efforts to redefine progress or create happiness indexes tend to show that the happiness level of the United States has been declining and that some far less wealthy countries rank higher on the happiness index than the United States. However, it is less clear whether pre-modern life, which relied less on the monetary metric, attained a happiness level comparable to our own or whether the level of fellowship they experienced was closer to the goal Gay proposes. Nevertheless, economics is now becoming enriched on the margins by economists who work outside of the narrow utilitarian framework where preferences are given and the formation of preferences is ignored. Gay's book should challenge us to consider the meaning of a constrained bliss point in our welfare analysis. We are physical and deeply spiritual beings and there are risks in trying to separate the two in our work.

Third, this book points toward important methodological issues that underlie our thinking about institutional development and economic progress. The discussion in chapter three about the nature of the social order is important for Christian economists. Here the Cartesian concept of a mechanistic social order is contrasted with a biblical view where God has not created a deterministic machine that we need to discover. Instead, God chooses to repeat over and over again as an act of grace many of the regularities that appear in our experience. More needs to be said about what difference this distinction makes in our work as economists.

Finally, four pages at the end of the book seem inadequate to deal with the question of how we should live in a world so distorted by the money metric. The Luke 16 parable of the shrewd steward is offered to suggest that we must live in the fallen system contributing to and taking from it wisely while modeling a responsible work ethic and living with joyful lighthearted generosity for the goal of fellowship in this world and beyond. In a curious way this does suggest that we should be in the system

but not of it. In the end, my thinking was stimulated by this book and so I recommend it to those who are willing to consider that all is not well with the system we teach.

Reference

Gay, Craig. 1991. *With Liberty and Justice for Whom? The Recent Evangelical Debate over Capitalism.* Grand Rapids, MI: Eerdmans. ■