

## **Alternatives to Economics: Christian Socio-Economic Perspectives**

Clive Beed and Cara Beed. 2006. Lanham, MD: University Press of America. ISBN: 978-0-7618-3398-7, \$49.95.

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**A** *Alternatives to Economics* attempts to cover three major topics. The first topic presents the theological case for a biblically based economics that can be relevant to modern times. The second theme critiques current economic methodology and its dependence on scientific naturalism. The last topic builds on the first by sketching out a picture of what a Christian economic methodology might look like. These tasks are accomplished by adapting twelve of the author's previously published papers into a single volume of over 400 pages. The first and the last chapters are new.

Throughout the book the Christian position is articulated as having three major sources: biblical exegesis, Protestant evangelical theology, and Catholic Social Thought. It is clear from the start that the Protestant theology used as the guiding influence comes from the Reformed tradition, which seeks to remake the contemporary social order so that it will conform to the Judeo-Christian principles as they are understood in the three key sources. For the authors "the Christian Bible and Judeo-Christian thought embody paradigms, intentions or principles meant by the triune God to be applicable to contemporary socio-economic organization, and to all past human societies" (p. 23). Throughout the book the authors, seeking brevity, cite counter arguments to their position, usually choosing only one or two representative cases rather than relying on a more composite critique. Theologian James Barr is the most frequent critic cited because of his view that the Bible is merely to be "part of the mixture of relevant factors" in a Christian social analysis. The search for underlying principles in the Bible seems to be the key to appropriate application rather than the strict correspondence view common to the Reformed Reconstructionist approach, but exactly how the author's hermeneutical process differs from Barr's approach in practice is not clear.

The first chapter makes the case that contemporary economic theory and practice completely ignores Christian thought. All of the major themes of Christianity including creation, fall, redemption, and consummation are foreign to secular economists. The authors expect better, claiming that "God and Jesus have always been calling people to return to Them, both individuals and social groups. The task of Christians is to initiate the Kingdom of God on earth, with God's assistance, even though it will

never be complete on earth until Jesus' second coming" (p. 2). Beed and Beed reject any notion of a two-kingdom approach to God's work in the world or any claim that a theory of second best can work in a social order. In their view, ignoring the social design of the triune Christian God in economic analysis is a prescription for hardship and failure in economic life. The authors attempt to distance themselves from some common negative understandings of fundamentalism, claiming that those who label their work as such are skeptical of "religious economics," seeing it as an obstacle to interaction with the secular economics profession.

Chapters 2–4 explore employment and income distribution concerns using the biblical exegetical method. First, ten evangelical principles governing employment issues are put forward. Themes of social-spiritual harmony, stewardship, limited property rights with God as ultimate owner, the primacy of family, and equitable distribution of capital are highlighted and supported by extensive biblical references and sources from Christian economists and theologians. Various models of worker ownership and decision-making are explored with the goal being the elimination of poverty, more equality of opportunity and outcome, protection for the disadvantaged, and an increase in family responsibility in the mutual caring process. The final chapter of this section suggests that secular explanations of unemployment point to a social disorder that exists because Judeo-Christian principles have been ignored. After a brief look in chapter five at how Islamic teaching has many similarities with Christian principles, the Beeds begin the second major theme of the book: a critique of neoclassical economic methodology.

Chapters 6–12 present a methodological critique of neoclassical economics along with examples of how some Christian economists have accepted the mainstream theory as a science separated from Christian normative considerations. The first concern about modern economics is the narrow objective of prediction rather than the goal of understanding or explaining. According to the authors, a Christian economics must be more holistic, taking all the interrelationships of the spheres of life into account. Any merits of an instrumentalist-only goal are dismissed by the claim that contemporary economics has done very little to measure the accuracy of its predictions and, in fact, has advanced little more than self evident and common sense findings. The historical flavor of old institutionalism and the process-oriented hermeneutical approach of Austrian economics are seen to take economics beyond the pure rational choice methods of the mainstream. Likewise, the work of those exploring social norms, psychological predispositions, emotions, and other nonrational choice

motivations of behavior are applauded as being more amenable to an authentic Christian economics. The claim that social sciences are methodologically similar to the natural sciences is rejected. The Bible is seen as relating primarily to social-religious life and it is not intended to offer directives on the natural world.

An entire chapter is devoted to the approach of Christian economists J. David Richardson and Anthony Waterman. The issue here is whether mainstream economics and the Christian faith can have an interdependent relationship where positive analysis can inform biblically based economic positions and Christian teaching can inform positive economics. Upon examining a paper on economic methods by Richardson, the authors conclude the interdependence claim turns out in practice to be a position of autonomy where economics is an independent science free from interaction with Christian source material. The same conclusion is reached on the work of Anthony Waterman and the general conclusion is that the interdependence position inevitably gives way to an autonomous position where fact and value are separated. The authors' position is that,

In contradistinction to the separate-autonomous view of economics and social science, the alternative interpretation here is that derivative social principles, themes or paradigms can be derived from the Christian Bible intended by the triune God to be applicable to contemporary personal behavior and socio-economic organization (and to all humanity for the last three thousand years or so) (p. 176).

In short, the interdependence view turns out to be unworkable.

Five chapters are devoted to a critique of economic methods beginning with the positivism of the early nineteenth century and continuing on through the methodological history of economic thought. From Karl Popper's falsification criteria, to Thomas Kuhn's paradigms, to the research programs of Imre Lakatos, and to the anti-positivists like Paul Feyerabend, the Beeds show the process by which philosophy has moved away from the discernment of truth through science. In the end the efforts of economists to operate as scientists who hypothesize, predict, and verify is seen as misguided and ineffective. This scientific economics, sometimes called naturalism, is contrasted with a more holistic non-naturalism in a table with thirty-six contrasting points. Beed and Beed argue that the rational choice method has added little to our understanding of how the world works; moreover, it is ineffective in solving the problems faced in economic life. The claim is made that game theory as a tool of rational choice, econometric truth seeking, and the economic imperialism of recent times frequently does not generate insights beyond intuitive common sense

knowledge and therefore does not help to make economics relevant. What is needed is a Christian socio-economics.

The final two chapters sketch out what a Christian socio-economics might look like. The fifteen characteristics described focus on a methodology that is broadly interdisciplinary and concerned more with explanation than prediction. It considers context and values, and sees the social order as dynamic and ever changing, not as an escape from the realism of modernity, but rather as a more relevant way to explore life as we experience it. The book ends where it started with a challenge that a Christian economics is essential to effective economic work:

The normative requirements of the triune God for humankind's interconnected spiritual and material life are available to guide social-economic analysis, explanation and policy. Without the input of the triune God, secular approaches will continue without benefit of discovering natural socio-economic kinds, laws or successful causal explanations useful for policy making. Christian social-economic analysis, therefore has something additional, different and new to offer social science (p. 359).

This book is not an easy read for several reasons. First, it is intentionally devoted to methodological and philosophical concerns rather than policy implications. Apart from the comments on employment there is little that relates to specific policy suggestions. Second, the fact that most of the book is an adaptation of previous papers leads at times to redundancy from chapter to chapter. Some of the chapters could be read independently or in groups relating to one of the major topics. Third, the time span of the articles adapted runs from 1991 to 2005 so most of the references are from earlier years. If the authors' own works are not included in the sources nearly 90 percent of the references are from sources prior to 2000. Fourth, the constant critique of mainstream economic analysis is rather pointed at times which will make it more difficult for those economists labeled as having an autonomous view of methodology to enter into constructive conversation with those promoting this Christian socio-economic methodology.

However, for those willing to work past these concerns there is much to be gained from the effort spent working through this book. An enormous body of literature is pulled together in this project which has a bibliography of forty pages. The chapters with tables and lists help the reader to organize the ideas well. Whether one agrees with the methodological critiques or not, the topics addressed are highly relevant to all Christian economists. Does mainstream economics live up to its claims of effective prediction?

Have the tools of economic analysis become ends in themselves? How important is an understanding of economic processes relative to the goal of prediction? Does the insistence on a fact-value dichotomy help or hinder the attainment of human goals in economic life? What theological lens do we look through as we attempt to understand God's work in the world?

In conclusion, the title of the book describes its theme. *Alternatives to Economics* implies that what is proposed here is different from economics as it is presently taught. The real difference seems to be the claim that economics needs to be more sociological and biblical with understanding and moral reflection being more important than prediction. Christian economists, whether mainstream or heterodox, will benefit from dialogue on this claim, and there is much in this book to help facilitate that conversation. ■