most scientific, the most combative, and the most mathematical. The analytical rigor of the mainstream tradition was defended as relevant for discerning reality—including the standard of perfect competition (and Pareto optimality).

Granting the usefulness of mainstream analysis a number of the recognized limitations to market resolutions are telling: the need to expand the traditional notions of property rights; the potential for abuse to consumers and others due to inadequate information; the importance of understanding better the ethical, legal and institutional foundations of markets. Much work remains in the discipline and often in areas where Christians might have unusual insight (e.g., exchange within institutions—families, firms, communities—rather than markets). Dave summarized quickly and well most of these areas. To plow these fields, however, will require mastering ever more intimidating quantitative techniques.

Turning to Christian reflection within economics, Dave noted the rather substantial amount of current (and some historical) work; his paper offers the most complete, contemporary bibliography of such work with which I am familiar. He fears that Christian economists may have spent too much time seeking to specify normative structures, rather than seeking to understand the [positive] realities that surround us. The first priority for Christian economists is “to do the very best economics they can, serving the profession wholeheartedly, as if they were serving the Lord, not men.” He wants some Christian economists to become “apostles of modern economics.” In this regard, he longs as well for the best of Christian character in the doing of economics, and not the secrecy, jealousy and pride that too often accompanies work in the discipline.

Richardson commends the newer areas of research as especially ripe for the insights of Christian economists. “Christians above all other economists should recognize incentives for sin—and incentives for redemption, too!” Christians may have keen insight on the implications of losing in various economic settings. The study of “spillovers that are not priced and that do not pass through markets” may be promising areas of work for Christians, due to the strong ethical under-currents and social relations involved. A Christian’s heightened awareness of communal goals may well dispose him or her to investigate barriers to market forces that otherwise would limit attaining such goals.

Too much Christian scholarship and commentary in economics is “long on ideology and short on integrity, full of unsupported assertion, unsubstantiated allegation, and unrepresentative anecdote.” Economists must become very sound in their empirical and theoretical work to allay such dangers. Indeed, he suggests a two-year sabbatical for economists at Christian colleges to study at leading graduate schools to this end.

In his response, Kenneth Ezinga suggested that economics more likely was born at Creation—though the demand for the services of economists obviously increased considerably as a result of the Fall. He wonders about Richardson’s call for ever more specialization and attention to the narrow problems on the growing edge of the discipline, at the cost of less time spent on the larger, less defined themes (perhaps, for example, justice). “Is that all there is?” Might it not be useful for some to spend more time in the disciplines of biblical studies, theology, and ethics, so as better to inform the Church? Too many of the voices speaking to the broader (less-defined) issues lack economic insight and are harmful; the Church would be served better by more economists offering their reasoned insights—a task that may not be done at all or as well if we follow Dave’s advice.

Robert Hamrin argued that we need to talk less to one another as evangelicals and get out into the larger world—testifying before Congressional committees, for example. Citing numerous problem areas in the domestic and world economies he suggested that something is basically wrong with the working conventions of mainstream economics. Economists must be at work seeking to address these problems, which will require a changed paradigm within the discipline, calling for greater compassion on the part of individual members of society.

**CONFERENCE OF ANGLICAN ECONOMISTS**

“Anglicanism, Economics, & Christian Social Ethics: Reflections of a Non-Anglican”

Report by John D. Mason (Gordon College)

What does one make of a “Conference of Anglican Economists,” drawn from three continents—though heavily concentrated from North America and especially Canada, to consider the relationship between Christianity and economics? This is the question I faced as the non-Anglican observer of the two-day gathering in Winnipeg in May of 1986. The conference was dedicated to the late Oxford economist Denis Musyn, who was active in the mid-decades of this century in World Conference of Churches activities related to church and society.

The Anglican participants, fourteen economists and three theologians/ethicists, ranged from life-long Anglicans to very recent recruits (from Roman Catholicism, the United Church of Canada, and American Pietism), from those long involved in joining Christianity and social science (one thinks particularly of Ronald Preston’s long and distin-
guished career) to a few who were just beginning the process, and from theologically liberal to conservative and evangelical. The four formal sessions were marked by respectful though intense dialogue, and both days were broken by noon-time worship. If there was an uncomfort-
able element to the undertaking it was the very unreason-
ably warm weather in what is one of the coldest major cities in the world.

My official commission in attending was to "keep them honest" and to "tell them what they sound like." I fear my actual role at the conference was far more one of trying to discern what, if anything, it meant to be an Anglican—and not just a Christian—economist, than of actively seeking to "keep honest" such a wide-ranging set of voices. To this end I scoured the prepared papers and listened intently at the sessions for distinguishing attributes. This brief set of reflections records what I feel they sounded like.

Had the conference been a gathering of Roman Catholic economists one could have expected considerable reference to the rather substantial body of social teaching that has grown-up over the last century.1 But Anglicanism alone does not have anything approaching a comparable body of official teaching.2 Perhaps a major reason for dedicating the reference to Munby was the extent of his professional involvement with these issues—as one of the few Anglican economists to do so.3 Were the gathering comprised of conservative Protestants or evangelical economists one might have expected a careful and comprehensive searching of Scripture for insight.4 But this gathering was more diverse than that, and several prominent voices were quick to caution against easy (if not any) reliance upon Scripture, and especially so the Old Testament.

What then was distinctive about a gathering of Anglican economists? In those prepared papers that addressed this at all (three did not) the reference generally was brief and casual: for example, followers of the Via Media and a desire for respectability in all things. One paper noted the "essence" of Anglicanism to lie in the sanctity of the individual, and the belief that it is impossible for someone to know another individual completely. The general thrust of the more casual observations is reflected best in the presumption that Anglicans know a greater openness to varying viewpoints, with an attendant non-judgmentalism.

Anthony Waterman's paper was unique in speaking at length to a "usual Anglican position" (clearly associated with the style of Denys Munby and the World Council of Churches):

it is possible to "see the social system as a whole" by the light of a theoretically autonomous social science, publicly accessible to all who will accept its disciplines: and also that the practitioners of this science are at the service of those who wield power in society; that there is nothing immoral or improper or unChristian about wielding power (for indeed "the powers that be are ordained of God"); that those who exercise power ought to do so for the common good; and that the Church, by sanctifying political power in the quasi-sacramental Coronation Service, assumes a unique responsibility for seeing that power is rightly used.

This view, he goes on to note, now presents for him grave intellectual difficulties as a normative account of Christian social thought. He notes near the end of his paper "the unique vocation of Anglicanism to choose the muddle- headed way of affirmation," as well as an "epistemological pluralism".

The conference discussion added little to what the prepared papers developed. The distinctive openness of mindness was reiterated, to which Ronald Preston responded that the Anglican tradition is more than that, involving an appeal to Scripture, tradition, and human reason—citing Hooker. A final quip: the Anglican economist hopefully will have a warm heart and a cool mind.

One of the two convening participants offered the explanation that by restricting the field to Anglican economists a more commonly accepted Christian view—or less diversity—would emerge. Surely he could not have referred to a lack of diversity in methodological or policy orientations. The differences here were considerable: stretching from a rather tight adherence to the practical usefulness of the standard positive/normative (fact/value) distinction in the work of the economist, to a much more institutional orientation denying the possibility of allegedly value-free

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1 The centerpiece of this teaching comes from the papal encyclicals speaking to socio-economic issues. Within recent years both the Canadian and U.S. bishops have issued pastoral letters on economic matters. For a critical review by a concerned Roman Catholic, see M. Novak, Freedom with Justice: Catholic Social Thought & Liberal Institutions (San Francisco: Harper & Row, 1984).


4 Anglican economist Brian Griffiths The Creation of Wealth (Downers Grove, IL:InterVarsity Press, 1984) is a good example of this.

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5 These quotes are from pp. 19, 20 and 31 of the paper presented to the conference: A. Waterman "On the Contributions of Economics to Christian Social Thought" (a paper presented to the Conference of Anglican Economists, Winnipeg, May 27-28, 1986).
positive propositions—in terms of the methodological spectrum; and running from a mild Austrian position of limited state involvement in the economy, to a heavy dose of post-Keynesian interventionism—in terms of the policy continuum.

Such a range of differences surely was known to the convenors before the conference. What I believe was meant by the hoped-for lack of diversity then was the already noted openness to accepting different theological persuasions, rather than any lack of diversity in methodological or policy orientation. I must note a mild paradox here: the hoped-for uniformity was a uniform acceptance of great diversity.

A strange twist in all this is that if one accepts Waterman’s conception of what an Anglican approach has been—as reflected in the approach of Denys Munby—then this non-Anglican observer is much more in the Anglican mold than Waterman (and Heyne and Emmett). My sense is that the majority of those present would join me in accepting the more traditional relationship between Christianity and economics (that Waterman now finds unacceptable). I would describe this as follows: a) the analytical propositions of economists can be accepted as workably objective pictures of the nature of reality—certainly the best pictures we have; b) as theologians and ethicists work from Scripture and tradition to formulate norms for guiding the economy, they require the insights of economists (and other scientists) to make sure these norms are realistic; c) the norms that are propounded should be general and not too detailed (regarding both assessments of reality and the policy agenda to affect it), in recognition of the complexity of social phenomena.

As the papers by Emmett and Heyne reminded the conveners, the philosophers of science have been arguing that the fact/value distinction is problematic in any pure or precise sense—and Emmett at least counseled giving up any pretense of a common search for truth by all who call themselves economists. Better to work from within distinct value communities in order to understand reality. I am not persuaded. To argue that a pure distinction between positive and normative is impossible does not compel me to give up the quest for seeking as much objectivity as possible, in a common understanding of those pieces of reality which are not obviously value-loaded. And these pieces (large and many) comprise the lion’s share of what economists traditionally have addressed, from the likely effects of price controls to the causes of unemployment.

The Christian faith will inform the analytical work of the economist in very limited ways, if at all. I agree with Brennan that the greatest potential for this will lie in the operating assumptions about human behavior that must be made in drawing analytical implications. At the least, given the competing views of reality among economists (Austrian, mainstream, post-Keynesian, radical/Marxian), Christianity acts as a “control” for siting among the different conceptions: a role for the faith that was not stressed in the conference.

Christian economists are needed to join with ethicists in the task of formulating appropriate norms, and most importantly for the reason that Brennan suggested: the trained awareness of what ends and means are feasible. There should be no hint of disciplinary superiority in this cooperative endeavor however—from either community. The task is far too important for the kind of bickering that seems to have grown up over the last several decades.

Though there were the various, albeit (with the exception of Waterman) casual, attempts to define an Anglican distinctive it was quite clear from the prepared papers, the formal responses, and the interaction generally, that the more appropriate adjective was “Christian.” From the impressive searches through the philosophy of science (Emmett and Waterman), to the considerations on how to do economic analysis (Brennan and Rymer), to the concern for ethical applications of economics to practical problems (Dean and Heyne), the real concern was how the Christian faith does and should interact with the work of the economist, if at all. The appeal, as noted already, generally was not of a proof-texting nature to the pages of Scripture. Nor was there much appeal to commentaries or formal Church statements on economic matters: Heyne and Waterman being the exceptions. The references almost always were to commonly understood theological categories such as—and especially—sin.

Rather considerable differences existed in the prepared papers in both the extent and nature of the interaction between economics and the Christian faith. J. C. Weldon (“Economic Processes that Bind Successive Communities”) reasoned from no obvious Christian premises. James Dean (“An Anglican Economist’s Approach to Public Policy”) took the minimalist position that has tended to characterize mainstream economics and its use of the positive/normative distinction: one’s faith affects the choice of problems and

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6 Of course the quick response to this by many non-economists, as well as economists who do not work from within the mainstream orthodoxy, is “which” economists—mainstream (neoclassical-Keynesian orthodoxy), Austrian, post-Keynesian, radical/Marxist? [In this regard see note 8 below.] I speak here out of the conviction that were economists of differing labels placed together and forced to draw the implications of a given policy specification (e.g., 4% level of unemployment), far greater consistency in analysis would result than many seem to think. My sense is that much (certainly not all) of the disagreement among these labels lies in differing policy goals and tolerances for bearing certain costs, than in substantially different analytical conclusions.

the spirit with which one does his economics, but not the actual construction of analytical insight. Geoffrey Brennan ("Economist v. Christian: Drawing the Battle Lines") and Thomas Rymes ("On Efficiency, Ethics and Keynesian Equilibria") reasoned carefully and perhaps tentatively to suggest how Christian understanding might actually affect the construction of analytical insight, with Brennan also suggesting how economics might sharpen ethical discernment. William Campbell ("Liberalism v. Conservatism? The Legacy of L. Einaudi & W. Roepke"), after taking a few pot-shots at the ease with which the positive/normative distinction is abused, called Christian economists to walk boldly in both camps.

Paul Heyne ("Moral Judgments on Economic Systems") and Ross Emmett ("Christian Social Thought: Embarrassed by God's Presence?") drawing upon recent work in ethics and the philosophy of science, criticized the usefulness and possibility of making the positive/normative distinction, as well as offered strong counsel to the Church to refrain from speaking to economic matters. Anthony Waterman ("On the Contribution of Economics to Christian Social Thought"), in a hard paper to summarize quickly (other than his helpful taxonomy of different approaches by economists and others to doing social thought), argued that economists and ethicists really cannot speak to each other and, apparently, should not try. As I trust these two paragraphs suggest, the waterfront was well covered.

It was not surprising that the greatest stress in the papers and discussions lay with what economists call methodology (otherwise referred to as philosophy of science and epistemology). Though clear policy differences existed these did not receive much attention at all. The other major issue of discussion and contention was the appropriate role for the Church in making statements about economic reality and policy, and how economists and social ethicists should cooperate in this enterprise. Upon reflection one can see that the question over Church pronouncements was in fact an extension of the methodological concern. If the analytical propositions of economists can be accepted as objective and hence truthful, such that the ethicist can rely upon their advice for the scientific content in preparing moral statements, then economists and ethicists should be able to work easily together, each bringing the expertise of their separate communities. Formal discussion within, as well as informal comments outside, the meeting room suggested that none of the previous sentence may be true: that the propositions of economists cannot necessarily be taken as faithful representations of reality,8 which then clouds the whole enterprise. When ethicists must choose among competing claims of economic reality they use their own biases (and perhaps undeveloped understanding of economics) in the selection process, which then makes economists suspicious of the work of the ethicists.

Regarding the wisdom of Church bodies making statements about economic reality and policy, mildly exercised interaction took place over the recent statement on the Canadian economy by the Canadian Roman Catholic bishops. The drift of opinion appeared to question the detail of many recent statements, with at least one participant strongly convinced that the Church has done far more harm than good by making pronouncements of any type. Probably the majority would be willing to allow official statements (no poll was taken) but would want them restricted to general ethical or theological sensitivities, and not commit the Church to particular interpretations of socio-economic reality or specific policy agendas.

As one who has attended several prior conferences similar to this one, joining economists and ethicists and exploring the relationship between economics and the Christian faith, I was impressed with the rigor of the examination conducted in Winnipeg. I am thinking of, for example; Brennan's concern to ferret out the logical inconsistencies in the usefulness of the Christian faith for the analytical work of the economist; of Rymes' reflections seeking to join recent work by economists on imperfect knowledge with Christian understandings; of Emmett's searches through the literatures of ethics and the philosophy of science to inform the use of economics by Church bodies; of Waterman's typology of approaches to integrating economics and Christian teaching, as well as his use of philosophy of science and religion; of Campbell's research bringing to our attention lesser-known Italian and German Christian economists who merit attention; as well as numerous other observations in the papers and by various discussants. This work was in the best tradition of faith-discipline integration, and it was a pleasure to be a part of the interaction.

I noted above sharp differences in methodological and policy orientations among participants, as well as over the Church's role in speaking to the economy. Upon rereading the papers following the conference I was struck with how sharp a number of these differences were; and how at the conference they were not laid as bare as (upon reflection) I wish they had been. Perhaps a heavier editorial hand might have pointed out the differences earlier, allowing discussion to focus more vigorously on the reasons for the differences and the consequent implications. But perhaps this was expecting too much and should become the grist for a subsequent conference.

One question that I would like pursued which was left unresolved at the conference is the specific role of the

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8 But, again, which economists? The conference discussion among the economists tended to subdue the often substantial differences between these rival approaches: which, I perceived, made the ethicists present a little uneasy—one of which, as I recall, offered (perhaps ritualistically) the standard joke about three economists having four different opinions.
economist in the doing of Christian social ethics. There seemed to be a general feeling among the economists that they should be more actively involved in the forming of ethical implications, primarily due to their trained understanding of what institutions and behaviors are most feasible in any given situation. What however is the content of the economists enhanced role? Simply to be guardians of the feasibility of various options, as the mainstream approach long has argued, and nothing more? Though this may have been the role being prescribed, I sensed there was a desire for something more than this. But given the expressed reservations about using Scripture in any careful sense (Wilkinson excepted), and given the criticism of much of Church teaching on the economy to this point, what unique content would the economist bring to this task? Several participants sought to understand the implications of sin in a way that perhaps economists, due to their unique training, might best be able to discern; Rymes, for example, noted that a Christian understanding has led him to argue there should be more saving than an unregulated market would provide. Given the testy relationship between economists and social ethicists, efforts to help these two communities work more smoothly together would servewell the larger Church’s understanding.

In this regard I would suggest, at the risk of some seriously raised eyebrows were the conference still in session, that economists begin exploring the world of biblical studies and especially Old Testament studies, for helpful insight in devising counsel to the Church and to society. As Heyne and Waterman reminded the conference, Frank Knight some years ago argued there is no social ethic in Christian teaching—i.e. in the so-called love ethic drawn especially from the New Testament. I demur. Consider, for example, the essentially ethical problem of whether to require welfare recipients to work (where possible) in order to receive state aid: a problem that has plagued the United States in the 1970’s and 1980’s. Though a New Testament “love ethic” may not offer much specific help for this issue, the structure of the welfare system embedded in the Pentateuch contained clear and specific content—and for a social and not just an individual setting. Recent scholarship in biblical studies is suggesting that an Old Testament ethic can be discerned, and that this is an ethic with clear social and institutional implications. 9

The Christian—economist, ethicist, or layman—need not be apologetic or embarrassed about appealing to the documents and traditions of his faith community (as Emmett argues); to then enter the ever more pluralistic “public square” in order to argue for ends and means that comport with the desires of the God of all creation (as Emmett—and Heyne—warn against). The square is so filled, and the democratic and legal traditions so well developed, in the societies of the economically developed West, that we need not fear the potential for Christian bullying that seems to worry some who continuously raise the spectre of the Moral Majority imposing narrow standards upon an unwilling populace. Indeed, our societies are so much in need of consistent and workable ethical guidance, that it becomes irresponsible not to do this. 10

Was it then necessary to have a gathering of Anglican economists to get at the issues of the conference: apart from matters of social support or personal taste? A common Anglican commitment allowed the participants to worship together without questions of why this or that (except by this non-Anglican), and perhaps led to the desired openness to varying theological persuasions. Two papers, for example, noted how the authors could say things here they otherwise would not because they were among friends and those of like persuasion. I wonder however. At the previous conferences of this nature I have attended, comprised largely of “evangelical” Christians, the range of differences with regard to methodology and policy were as large, and the practical respect for the differences discernably no less.

This is an important insight; for it tells us that we probably need not be concerned for denominational labels in taking up the important relationships between economics and Christianity. At the same time I reassert that this gathering exhibited a more profound grappling with the issues than the others I have attended. I choose to attribute this however to the wisdom of the conveners in choosing presenters and discussants, and not to the fact that everyone happened to be Anglican. Perhaps it is for an Anglican to correct me in this regard.

9 One of the social ethicists present took umbrage to this presumed imperialism on the part of the economists: that only they are discerning enough to grasp the limits of reality. In response to the question of why so many social ethicists tend to read primarily non-mainstream economists like Galbraith and lieblecker, he noted that ethicists are by nature social reformers and therefore were attracted by those who were not content with the existing structures. This was a start on the needed dialogue, but much more needs to be done.


"The World Bank and the International Debt Crisis"
Prepared by Barend A. de Vries

[Editor's note. Given the realities of heavy debt in many Third World nations, and the work that Bob de Vries has been doing on this problem for the World Bank; and given the Old Testament teachings which speak to the problems of excessive debt facing poorer individuals and families (countries?); the editors felt it might be helpful to have him speak to this issue as a Christian and an economist. This brief note is his offering. Bob will have published in late November of this year a work entitled Remaking the World Bank (Seven Locks Press, PO Box 27, Cabin John, MD 20818).]

The interrelations between official and private providers of capital to developing countries is of central importance to a resolution of the lingering international debt crisis. How can official capital encourage private sources to make available more equity capital and credit for development, and do so more effectively? This question became urgent after the sharp cutback in private lending in 1982 and following years, causing a massive outward transfer of resources.

In a study started in mid-1984, I have dealt with the possibilities of reducing countries' debt problems by focussing on the role and experience of the World Bank, where I had been professionally active for three decades. Set up at the 1944 Bretton Woods Conference, the World Bank is a remarkable instrument of international financial intermediation, tapping funds from private markets for relenting to productive development projects. It can expand lending without burdening taxpayers in the industrial countries, which are the Bank's main shareholders. A major purpose of the Bank is to encourage private capital flows. As my study progressed I gained more perspective on the Bank and began to focus on ways of making it more effective. Many of my views are contained in Remaking the World Bank which will be published this fall by the Seven Locks Press in Washington.

Three issues are of particular importance. First, the poorest countries must attain a new momentum. Many of them have suffered declines in output and exports despite high and rising levels of aid; these setbacks are caused by adverse external trends aggravated by the affected countries' own policy failures. Secondly, the semi-industrial countries, including the major debtor countries, need to be restructured. They must reshape, rebuild and refinance their industries, many of them in the state sector. They suffer from excessive protection and dependence of industry on public finance (causing government deficits of sometimes 15% of GDP). Pressed by a cutback in foreign resources, many of these countries have begun to rationalize their economic policies, often with the assistance of the IMF and the World Bank. And thirdly, the private sector in the developing countries must be strengthened; this sector has suffered badly from the effects of the 1980-82 recession, and the rapid expansion of the public sector in the seventies.

Facing up to new issues in a changed external environment the World Bank can build on a solid record of past performance. It is well suited for assisting change in specific sectors, such as transport, agriculture, and technical education. It has gained expertise in project-specific finance and methods of project appraisal. Financially it is strong and well managed, with favorable returns on assets and earnings exceeding $1 billion for three years in a row.

But despite its inherent strength the Bank has thus far stood on the sidelines in the international debt crisis. In 1982 it was the Bank's sister institution, the International Monetary Fund, which swiftly took the lead in mobilizing new finance from its own and other resources. The IMF also negotiated essential policy packages which often made it highly unpopular with the debtor countries. There is widespread agreement that the IMF's assistance in monetary stabilization must be accompanied by longer-term structural measures, where the World Bank has particular expertise.

The Bank's initially timid posture in the debt crisis stands in sharp contrast with its activities in earlier years, when it provided assistance in the management of external debt (in Mexico, for example) and developed theories and policies linking the buildup of debt with the growth of borrowers. [See D. Avramovic, "Economic Growth and External Debt," 1965.] Even though since 1983 the Bank has accelerated its loan disbursements, it has failed to formulate a comprehensive strategy for dealing with the debt crisis. The present debt predicament calls for a combination of fundamental policy reform, fresh long-term finance to bolster new growth-oriented programs, and more effective linking of private and official finance.

The World Bank has many instruments to provide essential technical and financial assistance. Its "country programs," maintained since the McNamara years (1968-81), analyze individual countries' socio-political problems and possibilities, medium-term macroeconomic and balance of payments projections, and place the external finance from various sources in a broad yet realistic framework. These "programs" can be brought into the center of international discussion and debt negotiations, with full participation of the debtor country and the creditors concerned. Discussions should focus not merely on questions of debt restructuring or new finance, but on the policies that can improve confidence and efficiency, establish a better balance between the public and the private sectors, and strengthen domestic financial markets. In this process the Bank must