BOOK REVIEWS

*Market Capitalism and Christianity,*
Reviewed by William C. Wood (Bridgewater College).

Christians everywhere face complex and difficult economic choices, both in their own personal decisions and in decisions about what economic and social policies to advocate. These choices are thoughtfully explored and illuminated in Jim Halteman’s *Market Capitalism and Christianity.* The book is, in fact, oriented more toward individual decisions and less toward comparative economic systems than the title would imply.

Halteman is aiming this book at two groups in particular: (1) beginning economics students; and (2) “people involved in policy issues from a biblical perspective who have little economic training” (p. 16). Because of the intended audience, a number of the chapters are tutorial in nature and contain little new material for the professional economist. Even so, the tutorial passages are engagingly written and the professional economist can take a lesson from the clarity and force of the argument.

An organizing theme of the book is the tension between two agendas the Christian might pursue. The first agenda involves practicing the values of the kingdom of God, which to some degree implies living apart from the secular world. The second agenda involves infiltrating the secular system and influencing its values along Christian lines. The author notes that pursuing either agenda to an extreme degree compromises the other agenda; this is, to the economist, a familiar implication of limited resources and conflicting goals. Halteman feels that the mainstream evangelical church has pursued the infiltration strategy almost to the exclusion of the principle of not conforming to the world:

Ultimately, the believer is an alien and stranger in the secular world; his involvement with it is like that of a traveler in a foreign land. Obviously he must interact with the secular system, but his focus is on the new life that cannot be understood by the unbeliever unless he comes to faith (p. 37).

The result of Christians not acting more like aliens and strangers in the secular world, according to Halteman, is that believers too often have bought into the secular world’s values—and without even being fully aware of what they have done. The author presents five specific areas of economic life in which he believes Christians should take special care not to be conformed to the world: consumption standards, ethical standards, stewardship of creation, concern for the disadvantaged, and global thinking.

On consumption standards, Halteman proposes that the typical family spend on itself an amount close to the average consumption of the community it serves. He documents carefully the biblical reasons that excessive consumption can interfere with the believer’s ministry.

Halteman argues that Christian behavior requires higher ethical standards than the secular world requires. These ethical standards reach to all aspects of economic life, including production, consumption and employment decisions.

Stewardship of creation calls for protecting the environment both through personal decisions and through governmental policies, according to Halteman. Although Halteman takes full account of modern public-choice considerations, Chapter 10 on “Limited Government Activity” presents an externality argument to justify imperfect environmental policy as preferable to a seriously imperfect unregulated solution.

On concern for the disadvantaged, Halteman endorses government transfer programs but calls on Christians to take their concern beyond the impersonal assistance offered by governments. He urges Christians to identify with those who are the losers in market activity and to “bring the healing that money cannot provide” (p. 150).

Halteman challenges Christians to think in global rather than nationalistic terms. The global view advocated would counteract the western tendency to think of success as an economic culture and lifestyle like our own.

To support all these views, Halteman presents sound economic reasoning and biblical interpretation. Where the book becomes more controversial is in its mechanism for promoting these values. In Chapter 6, “A Radical Economic Model for Today,” Halteman...
proposes making the church rather than the individual the basic unit of economic decision making. Under the Halteman model, the community of faith would be directly involved in its members’ major economic decisions, such as purchasing homes and changing jobs. The “community of faith” would consist of about five to ten families, united with other similar communities into a local congregation. Operationally, the five to ten families would consult with each other before making economic decisions.

Certainly there are advantages to such a decision-making mechanism implemented by thoughtful and caring Christians. If the model worked as intended, members of the community of faith would make more responsible decisions and would find deeper involvement with each other. However, there are many ways in which the model could fail, and Halteman only partially succeeds in overcoming objections to the model. Consider the dialogue between two members of a hypothetical community of faith about the house that Jack proposes to buy:

Jack: Last night I read in Matthew about the dangers of laying up treasures on earth. Would I be doing that?
Sam: Well, it is true that a house is essentially a consumption item in many ways.
Jack: At work they tell me it is a good investment, in other words, a sound financial move as well as good housing.
Sam: Nearly all realized appreciation on homes is put back into more expensive homes. This appreciation, which is the investment side of the purchase, never gets into productive investment where society at large benefits. It usually ends up encouraging even more consumption by placing people in bigger houses. Take the appreciation on your present home. Where is it going? Into better housing for you. But don’t knock yourself, the tax laws almost force people to do this. Look at how God has blessed you! He has given you open doors. What are you waiting for?

Sam, it seems likely, is a Ph.D. economist. Indeed, unless each community of faith had a Ph.D. economist as a member, it is probable that the usual confusions about consumption vs. investment would go uncorrected in the group’s discussion. None of this is intended to make light of the Halteman model; it is only to indicate the difficulty of the decision-making model proposed.

The discussion between Jack and Sam raises the distinction between consumption and investment in the housing stock. Fine points like this will be all the harder to handle in a community of believers when the points themselves are subject to debate among economists—even Christian economists. Just one example of this difficulty is Halteman’s assertion that in Biblical times there was no interpretation of wealth as productive capital, the Parable of the Talents (Matthew 25:14-30) notwithstanding. Although Halteman presents a well-reasoned argument for his view, other writers have examined the parable and come away with the opposite view. Therefore Christian economics has limited guidance for the believer struggling with whether a particular investment is productive capital accumulation or hoarding. A distinction between hoarding and productive investment is vital to Halteman’s thesis, yet he admits that “The dangers of accumulated wealth are still very real, and the believer today must not take them lightly—even if the accumulation is in productive wealth” (p. 63). Indeed, what is productive investment for the macroeconomy may be hoarding from the individual’s viewpoint. How many individuals with fortunes in securities are even aware of the degree of physical productivity of their investments?

When the difficulty of the model is considered together with the tendency for modern Christians to see the group’s influence as meddling, it seems likely that the model would be dismissed out of hand by many. Halteman admits, however, that the model is radical and that it calls for major changes in believers’ thinking. Beyond that, the modern Christian’s discomfort with having his or her economic choices examined by fellow believers may in large part be a reflection of excessive loyalty to material goods.

Market Capitalism and Christianity is useful reading for the professional economist and especially for Christians struggling with the challenge of making faithful choices in a secular world. With its review and discussion questions at the ends of chapters, it would be a good book for study groups. This is a challenging and thought-provoking book that should serve its intended audience well.
Economics and the Christian Mind,

"There is no longer a Christian mind . . . As a thinking being, the modern Christian has succumbed to secularization." So begins Harry Blamires' well-known book (The Christian Mind, Servant Books, 1978) in which he issues a call for Christians to recover a sense of what it means to "think Christianly" about all human problems. Echoing this theme, McKee sets forth the following ambitious agenda:

... to relate the Christian mind to economics; that is, ... to project attitudes and thought that are systematically and authentically grounded in the Christian religion and way of life on the economy and on the science that studies it (p. xi).

What is most interesting (and most troubling) about this work is that, although McKee describes himself as a "traditional or conservative" Catholic Christian, and states that his objective is "to present an integrally Christian approach to economic questions" he avoids narrowing his appeal to any particular Christian community or even to Christians in general. His intended audience includes "those chiefly interested in religious socioeconomic thought, past and present students of the economy and economic science, and those having a professional interest in both." The result is that McKee avoids basing his arguments on explicit references to Scripture or to Papal statements, since: "while building in a stronger base, such more specific premises narrow the appeal considerably." Instead he chooses to rely "on the sort of intellectual approach represented by moral theology and natural ethics." A legitimate question to raise is whether this is consistent with the goal of presenting "an unadulterated Christian approach" to economic problems. I will return to the issue of his consistency later.

Structurally, the book contains three parts dealing with theological foundations, Christian economic thought, and the methodology of economics. In Part 1 of the book ("The Christian Mind") McKee sets forth his foundational theological beliefs, which include the centrality of God, discipleship of Christ, and the role of the Church. He begins with the assertion that if we approach any aspect of reality without reference to God, we are bound to "introduce falsity" and, ultimately, risk incurring God's judgement. All areas of life must be lived so as to serve God and bring glory to him.

Beyond this we must admit that Jesus is Lord over all the physical world, and hence the economy. To know Christ is to place ourselves in a position of "obedience to [his] rightful authority." As Christian economists we should "adopt the perspective of Christ" insofar as we are enabled to do so as enlightened by the Spirit of God. The Church is important as the interpreter of Scripture, the body which develops and passes on "tradition," and the source of legitimate teaching authority. It is difficult to take issue with any of this though important questions remain unanswered: How do we find "the perspective of Christ"? What constitutes "legitimate teaching authority"? Can we appeal to the non-Christian and avoid "introducing falsity" at the same time?

But McKee's purpose in presenting these theological foundations is not to lay the groundwork for logical inferences. Rather, one who accepts these beliefs should adopt a certain "orientation of mind" which affects the way he or she approaches any field of knowledge. Such an orientation includes:

1. the recognition that all knowledge is partial if it is not connected, in some way, with the "divine dimension of all reality";
2. the pursuit of truth coupled with the acceptance of limitations on all human knowledge;
3. the pursuit of a more integrative approach to social science, "capable of synthesizing at a fundamental level."

These Christian attitudes should stand in opposition to the fashionable values of secular humanism and the methodology of logical positivism.

In Part 2 ("Christian Economic Thought") McKee sketches some basic principles of Christian social thought from which he derives certain economic rights: the right to "the material requisites of physical and mental health," the right to property, the right to work, the right "to engage in enterprise for personal benefit" and the right to choose as a consumer. Included in this part are informative and thought-provoking discussions of the just price, just wage, and inflation. He also includes in this section a discussion of the use of Scripture in which he emphasizes the problems of moving directly from particular Scriptural texts to economic applications without the aid of some mediating philosophical perspective.

Part 3 ("Economic Science and the Christian Mind") contains a strong criticism of the methodology of mainstream economics. He is particularly concerned with the influence which positivism has had on economics, especially in purging the discipline of its moral purpose. Economics should be organized with