

on page 325, and "Hutchinson" for "Hutchison" on pages 46 and 315), and the index is so poorly compiled as to be quite

misleading. But the authors have placed the cause of Christian scholarship heavily in their debt.

Economics Today: A Christian Critique

Donald A. Hay, Fellow and Tutor in Economics at Jesus College, Oxford University, and editor of the *Journal of Industrial Economics*, is one of the more distinguished scholars to write about Christianity and economics. He sees two weaknesses in many previous attempts to integrate economic analysis with Christian theology: attempts by theologians have been deficient in their economic understanding, while at the same time being "far too respectful" of economists; and attempts by economists too often use theology as a "prop to a predetermined polemic."

Economics Today is a differentiated entry to the religion and economics literature. Before summarizing the organization of the book, let me first recommend its addition to one's library. Of the dozen or so volumes one should have on the subject of Christianity and economics, Hay's book deserves to be among the inventory.

The structure of the book is as follows. It begins with a chapter on the Biblical foundations of the Christianity-economics nexus (hereafter C-E nexus). This chapter makes clear that the foundations of Hay's inquiry are orthodox. He has a high view of the authority of Scripture and seeks to base his analysis on the Bible. Hay's use of Scripture is not ancillary to his analysis. He tries to make it pivotal. But Hay contends, persuasively I think, that the treatment of the Biblical text is to be thematic rather than exegetical when applying Scripture to economic issues. The themes Hay develops are: creation, with an emphasis on God's sovereignty and man's stewardship; the fall of man and the judgment of God; Israel as a covenant people, with detailed prescriptions for their behavior under the Law; and the new covenant in Christ for the church, with its "radical ethic" of the kingdom of God.

Chapter two takes the C-E nexus from Biblical principles to theological ethics. Throughout the book, the author makes clear that Scripture provides the reference point. But Hay also makes clear that applying Scripture, i.e. doing theology, is not a wooden or mechanical process. It takes judgement, caution, humility, criticism from within the community of faith, and an up-to-date knowledge of economic research.

Just as economic theory generates principles, Hay delineates seven principles derived from the Biblical concept of stewardship, man and labor, and the

AUTHOR/ PUBLISHER

Donald A. Hay.
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REVIEWER

Kenneth G. Elzinga,
University of Virginia,
Charlottesville.

Economics

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distribution of output. The seven are:

- man must use the resources of creation to provide for his existence, but he must not waste or destroy the created order.
- every person has a calling to exercise stewardship of resources and talents.
- stewardship implies responsibility to determine the disposition of resources. Each person is accountable to God for his stewardship.
- man has a right and an obligation to work.
- work is the means of exercising stewardship. In his work, man should have access to resources and control over them.
- work is a social activity in which men cooperate as stewards of their individual talents, and as joint stewards of resources.
- every person has a right to share in God's provision for mankind for their basic needs of food, clothing and shelter. These needs are to be met primarily by productive work.

Hay then explains how he sees these seven principles fitting into social policy. He contends that the principles are not mandated only for the community of faith, nor are they mandated for all people. "Rather, a Christian's concern for justice in the economic sphere will be a persistent identification of areas of disorder or disproportion in the economy, whether capitalist, socialist or 'mixed,' and then the attempt to get things put right insofar as the hardness of men's hearts will allow." (p. 79)

Chapter three describes the "methods and values" of economic analysis. I see this portion of the book essentially as a critique of neo-classical analysis, at least as commonly done by economists in the West. Hay believes too much is made of the positive-normative distinction, and takes pains to summarize the methodological strains in modern economic analysis. I can imagine many readers, who think themselves eager to learn about the

C-E nexus, will find chapter three tough sledding.

Chapter three also is the longest chapter in the book. But Hay makes it clear that he considers this discussion essential to understanding the presuppositions behind the policy pronouncements of economists in the West. Chapter three contains a serious critique of utilitarianism (at least for us who happily use the concept in the classroom), Hay arguing that it is a theory inconsistent with the Christian doctrine of man.

Upon completing the first three chapters (which are over one-half of the book), readers come to a fork in the road: chapters four and five discuss the choice between a market economy and a planned economy. In these two chapters, Hay puts each economic system through the theological filter developed earlier. Some readers may recall this material from the two Grove Booklets on Ethics Hay wrote. Any reader looking for an unadorned defense of either markets or planning will be disappointed. Hay offers a clinical description of what he sees as the weaknesses in each allocative mechanism.

Economics Today is not a brief for the left or the right; nor is it a book about how to attain utopia by adopting just the right (or left) economic policy. To overly summarize the chapters, the policy prescriptions Hay draws from the C-E nexus are social democratic: extensive use of markets, combined with extensive use of government planning and resource direction, particularly in areas of health care, employment, and income distribution.

Chapter six contains a discussion of macroeconomic policy, which is not a feature common to all books on the C-E nexus. The author discusses macroeconomic goals such as price stability and full employment, and summarizes some of the economics literature on these phenomena, dividing the subject into five schools of macroeconomic policy.

Chapter seven, entitled "Rich nation,

poor nation," describes the path to economic development, and discusses the extent to which the developed world is responsible for the economic development of the rest of the world. The discussion takes two tacks. First, is economic development causally responsible for the plight of the poor? And second, are developed countries morally responsible to help the poor nations? Particularly valuable in this chapter is Hay's discussion of international trade and its consequences for income inequality.

Hay argues that Christians in the developed world should press their governments to give generous assistance to less-developed nations, with funds paid from taxation. What I found missing was a discussion of the transfer mechanism that would accomplish this, or a response to the contention of some economists that foreign aid is counterproductive, notwithstanding its possible good intentions.

The final chapter of Hay's book, on economic growth, is peculiar within the literature on the C-E nexus. Here Hay discusses economic growth, and, in some technical detail, describes growth paths consistent with Biblical principles of good stewardship. The author contends that a market system may not generate a consumption path of exhaustible resources that is fitting for future generations.

A review of *Economics Today* also should mention the footnotes that buttress the book's text. To my annoyance, they are set as endnotes, making their perusal more difficult. But the material and sources that Hay cites in footnotes are themselves helpful, and bear witness to the breadth of Hay's reading. These endnotes not only further attune the reader to the author's thinking, but over and over again I found they suggested items I should (or should have) read. The book has an index, but it does not embrace authors cited in the endnotes.

In writing the book, Hay indicated the audience he had in mind is "the university student with some training in economics." What is sad about this new contribution to the C-E nexus is the book's marketing. It will not readily reach the target consumer. Published in England by Inter-Varsity Press, and distributed in this country by Eerdmans, the book no doubt will occupy shelves in Christian bookstores. I hope it will. But I would desire even more that people interested in economics — such as randomly drawn members of the American Economic Association — would read this book and be introduced to its ethical and methodological assumptions. It is the thesis of *Economics Today* that "Christianity has much to contribute to the analysis of... major economic issues." ■

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