Chapter 6

The Theology of Economics

Robert H. Nelson

ECONOMICS AND RELIGION IN AN INCREASINGLY SECULARIZED SOCIETY

A value-neutral economics can be of no real benefit to society. Thus, it is important that Christian economists assert themselves in the academy. Modern economics offers its own worldview, one that stands in sharp contrast to the Christian worldview. The dominant view of economics as value-free is difficult to defend when it is understood that economics is itself a religion—worshiping at the altar of free enterprise and submitting to the gospel of efficiency and growth. Arguing that any religion is value free ignores the reality that every religion offers its own value system.

It is a good idea sometimes to present one’s conclusions at the beginning. Readers are not left wondering where one is going. I will use that approach now. I will start with an overall summary of my views on some of the key issues that have been addressed in this book. This also serves as a summary of views that I have developed in my two books that address the connections between economics and religion. Reaching for Heaven on Earth was published in 1991. The more recent, Economics as Religion, came out in 2001. I attempt to establish in these books that the ideas of economists and the development of the American economics profession are closely related to religious questions (see also Nelson 1994, 1995, 1997b, 1998b, and 2001a).
The rise of professional economics was a part of the general secularization of American society. It is not a coincidence that the rise of the economics profession dates to the progressive era. This was the time in American history when Harvard, Princeton, and other universities converted from their traditional religious orientations to instruction in the methods of scientific management. The rise of professional economics occurred roughly simultaneously with the increasing marginalization of Christian religion in the arena of American public life. George Marsden talked about the marginalization in an earlier chapter. This theme is found in many of his writings. In effect, the university world abandoned Christian belief and converted to new forms of secular religion such as the American progressive "gospel of efficiency."

This may be more controversial, but I think that any economist, whether Christian or non-Christian, who actively participates in the current American economics profession is helping to advance the further marginalization of Christianity. I would say this, at least, with respect to the forms of Christianity that have historically been most influential and with respect to those with which most attendees of the 2002 conference at Baylor are associated. There has been a long conflict in the modern era between—as I would put it—secular religion and Christian religion. It seems to me that scholars have to make a choice. It is one or the other. Otherwise, it is like saying that you are a Christian and a Muslim simultaneously.

Now, this does not mean that all forms of religion have been marginalized with the rise of the economic profession—I am really saying just the opposite. Professional economics has been part of a broader spread of secular religion in American life. In fact, the economics profession is itself the priesthood of a powerful secular religion.

There are also other secular religions that do not have anything to do with economics. I recently discovered a book on Psychology as Religion (1994), written well before my own book on Economics as Religion. In my view, the greatest religious dynamism in American society in the twentieth century was associated with the rise of secular religions. Besides economic religion, I would include the secular religion of environmentalism—in fact, the environmental gospel is doing very well these days. I have also written about the religious side of environmentalism (1990, 1993, 1995, 1997a, 1997c, 1998a, 2003) and am now thinking of writing a book on this subject.

Although they are secular religions, both the economic and environmental gospels derive many of their core messages from the Judeo-Christian tradition. In this sense, one might even say that Christianity today is thriving in public life. It is just that this "Christianity" is operating in disguise as economics or as environmentalism—or as one or another of the various forms of secular ideology. It does not make any difference that many current economists and environmentalists are not even aware that they are heirs to the Christian tradition and to the teachings of Christian theology. The modern age seems to have been characterized by widespread efforts to repackage Christianity as science,
reflecting the tendency of many modern intellectuals to find an authority in “Science” that earlier eras had found in God.

From one perspective, it is possible that Christianity is once again being reshaped and reworked. This has happened several times over the history of the past 2,000 years. It started off with the synthesis of St. Paul, which brought together the New and the Old Testaments and created a religion outside the Jewish fold. In later centuries Christian theology was significantly reworked by Augustine, Thomas Aquinas, and others to reconcile Christian teachings with Greek philosophy. Possibly Christians are in yet another period where a grand synthesis is being improvised and new forms of Christian religion are in the process of being born. This inevitably involves wide confusion and many dead ends, but it may eventually lead to something that will be of great importance in religious history. It may involve some kind of fundamental synthesis of modern ideas—associated with claims to truth derived from science—with more historic Christian beliefs and theology. The modern era itself attempted such a synthesis, but these efforts increasingly look unpersuasive.

If this interpretation is correct, perhaps society is really at the beginning of a new postmodern era. Maybe the postmodern project is really about a revival of Christianity but in a new form that is better suited to a reconciliation of modern scientific truth with traditional Christian truth. In this view, the modern era itself perhaps was simply a long hiatus in the development of a more coherent Christian theology. It seems to me that we are living today, in general, at a time of great religious ferment. The Nobel-Prize-winning economist from the University of Chicago, Robert Fogel, has recently written that the United States is experiencing yet another of the great religious awakenings of American history. Religious revival today is occurring partly within traditional religion but also partly in secular forms outside traditional religion. Maybe America is seeing today the birth spasms of a new era of postmodern religion.

Now, why are such speculations potentially so important? It is because the subjects of economics and the activities of the economics profession (as a new priesthood) are playing central roles in this postmodern process of theological reassessment.

FROM MY YOUTH TO GRADUATE STUDY AT PRINCETON

At this point, I want to switch gears and offer some explanation of how I came to these views. Relating the broader themes to some of my own personal background helps to make things more concrete. The views just expressed are a process of continuing evolution that goes back at least to the time I was a student in college.

The Culture of My Youth

Unlike many of attendees of the Baylor conference, I was brought up in a family of true believers in secular religion. My great-grandfather was a Protestant
minister in the Swedish Evangelical Covenant Church in the United States, and his daughter, my grandmother, was very devout. As a minister, my great-grandfather believed that one should educate a person enough to read the Bible, but no more education than that. If a person went past the eighth grade, he was more likely to endanger his faith than to be benefited spiritually. My great-grandfather may have been right from his perspective because that is what happened in the case of my father. He went off to college—this was around World War II—and became part of a generation convinced of the truths of science and of economic religion. He also became a college professor of economics and business administration for 20 years. So he was one of the great wave of academics that George Marsden speaks of who were instrumental in secularizing the American university in the twentieth century.

That was the environment of my youth. There was an assumed automatic belief in the power of economic ideas and economic progress to reshape the world for the better. All this was pretty much taken for granted—it was not necessary to develop an explicit “economic theology.” When something seems so obviously true, there is less need for a formal theology or the development of a precise logical explanation. In any case, that is where I started from theologically—a true believer in economic progress in my youth. My attitudes were not unusual. A faith in progress at that time was pervasive in American society; one might call it the religion of the American welfare and regulatory state (the official public “church” of America) of the twentieth century. The New York Times, the major television networks, and many other contemporary opinion leaders preached this theology nonstop—that conditions in the world and its future prospects are explained by economic phenomena.

Economic religion may not be a formal theology, but presidents run for office on the basis of who can stimulate the fastest rate of growth (remember “It’s the economy, stupid”?). When the media wants to say that something is “good,” it says that it will “improve the productivity” of the American economy. Since the progressive era, “efficient” and “inefficient” have been the secular substitutes for the “good” and “evil” of Christian religion. Indeed, the progressive faith has been labeled by several historians as the “gospel of efficiency,” and economists have carried the professional mantle of efficiency in the second half of the twentieth century.

There was not much space left in my religious thinking—or in that of many other Americans—for traditional Christianity. I went to Sunday school fairly regularly but, truthfully, almost nothing sunk in. When I became more interested later in the history of Christian theology, it required a new start in self-education.

Embrace of the “Gospel of Efficiency”

Now, why are economic progress and economic efficiency so important that they took the place of Christian religion for me and so many other Americans
in the twentieth century? One way to put this is to say that economic progress can save the world. I would not have put it that way in my youth, but I never-the-less believed in those days that economic progress is in essence the path to heaven on earth.

Why would anyone think that? At this point, it may help to use some more explicitly religious language. Among the fundamental religious questions, the cause of sin is certainly central. The Bible says that the cause of sin in the world is to be found in the Fall in the Garden of Eden. In economic religion, however, the source of human sinfulness is much closer to hand; evil actions have environmental causes and are directly attributable to the economic circumstances in which a person lives.

If someone behaves badly, according to economic theology, the explanation must lie in material deprivation. If given a choice between feeding their children and lying, cheating, stealing, or maybe even killing, many people will choose the latter. This is the secular version of original sin—as you might call it.

For example, what are wars about? Many people have said that war is basically the product of struggle for access to natural resources and other material inputs into production. Recently, I read a report that illustrates very well the perspective of economic theology (Chapman, 1995). It was in a scientific magazine and was a report about chimpanzees and how they behave in different environmental circumstances. When the rainfall is good and there is abundant food available to them, the chimpanzees behave peacefully and benevolently. However, if the weather is bad and if their food supplies run short, the chimpanzees end up squabbling, fighting, and stealing among themselves. This is based on actual field research. The empirical result observed in this research is actually close to the core assumption of economic theology. It is assumed that, after living many millennia at the edge of survival, and with an evolutionary struggle for survival of the fittest, human beings have come to behave much the same way as chimpanzees. They may have a veneer of civilization, but it is a thin veneer. Underneath, people are like the chimpanzees, willing to do what is necessary to survive—whatever the Ten Commandments might say.

This is the fundamental premise of economic theology, and it is a premise that has been very widely shared in at least the Western world over the last 150 years. It can be found, for example, at the core of Marxist “religion” and the Marxist idea that all of history is shaped by a class struggle centered on competition for material resources and for material advantage. This class struggle shapes everything in society, including even such “opiates” as Christian religion. If one accepts this view, it has radical implications. If human beings could somehow solve the economic problem, they could then also solve the problem of sin in the world. If they could somehow achieve a condition of total material abundance by human actions, they could actually bring an end to human sinfulness on earth. That is to say human beings may now have the capacity to save themselves by their own scientific and economic intelligence.
There is no need for God in this vision. It is human thinking and human effort that reach heaven on earth—the equivalent in secular religion of reaching the millennium for Christianity. There are other radical implications. The Roman Catholic priesthood and the Protestant ministry can now fade into history. If the path to heaven on earth is economic, it will be economists—not priests or ministers—who know the correct path to the salvation of the world. Economists will be the ones who have the knowledge to eliminate material scarcity in the world, and this will be the means by which evil actions will finally be abolished in human affairs. People do not need to read the Bible any more. They do need to read, however, economics textbooks and other explanations of the requirements for economic progress in the world. The members of the economics profession will have as their charge to conduct economic research and to communicate the results of their scientific discoveries to the American public. In this way, they will play their essential part in reaching heaven on earth.

Graduate Study in Economics at Princeton

When I entered graduate school in economics at Princeton, in 1966, I would say that I already believed much of the above. However, it was all implicit rather than explicit. I would never have put it in precisely those terms. You might say that “economic religion” was more of a folk religion than a well developed theology. Still, I knew that I was being trained in graduate school to go out into the world to spread the gospel of economic progress. I might, for example, end up in a job at the World Bank (as several of my fellow graduate students in economics in fact did) and then work to show the poor nations of Africa, Asia, and Latin America how they might join the modern world—based in the end on their ability to learn how to follow the economic model of the United States and Europe. The many economists who went to work for the World Bank in the second half of the twentieth century were the missionaries, as it appears to me now, of the religion of economic progress.

It was not only Princeton and its economics graduate program, of course. The same thinking could be found at other leading economics departments such as MIT and Stanford—even at Chicago, which was out of the mainstream in many other respects. The field of economics was emerging in those days as preeminent among the social sciences. Economists were the only ones, for example, who had the direct ear of the President of the United States through the Council of Economic Advisors. However, the other social sciences, the schools of resource management, the schools of business administration—in fact most of the “professional” schools of the university world—were committed to a similar agenda. The university had become the new seminary for modern secular religion. The actual Christian seminaries survived at Princeton Theological Seminary. The seminary students were pulled out of the university mainstream and isolated in their own school as a reminder of the past.
Princeton students were in economics graduate school to learn the true knowledge and to gain the valid tools and abilities to save the modern world. I heard quite a bit during the Baylor conference about economics treating people as crassly self-interested. I think that this is a serious misreading of what professional economics has been about. Economics fundamentally has been about giving people collectively the instruments of their own social salvation. It might happen that the pursuit of self-interest can serve this goal—as in making a market system workable. But encouraging self-interest is not the end in itself. It is part of some larger and much more benevolent vision, a vision of human redemption here on earth. That is what brought many of the graduate students to the Princeton economics department (not that the other students ever used such explicitly religious language).

Of course, there were also fellow graduate students in economics who were mainly looking for comfortable jobs and a nice salary. Being a college professor is a pleasant life. Such motives probably affected at least somewhat everyone who was there, including me. But I would say only a minority were in graduate school just for the job prospects. One of my classmates (and a personal friend as well) was James Heckman, who is now a professor of economics at the University of Chicago and won the Nobel Prize in economics in 2000. Heckman's personal background was somewhat like my father's. He had been brought up in a devout home and then left Christianity as an adult for economics. This kind of conversion from traditional religion of one's youth to secular religion as an adult was widespread among academics in the twentieth century.

Heckman also was (and still is) legendary among economists for his zeal, his enthusiasm for hard work, and his dedication to economic give-and-take. Knowing him personally, one would never say he was doing it for personal profit alone. Like a lot of other people at Chicago, he exhibits an obvious missionary zeal for what he would probably describe as the "true scientific enterprise" of economics. Milton Friedman is another good example of the Chicago tendency toward a missionary form of behavior, although Friedman (unlike Heckman) preaches his religious truths of economics in a free-market version.

I have to say that I find Friedman to be virtually a walking contradiction. He talks about the power of self-interest in the world, but this apparently does not apply to his own behavior either in reality or in his own characterization of his life "mission." If people are so self-interested, you have to wonder who Friedman expects will be reading and profiting from his own writings. I am confident, in fact, that Friedman expects his readers, like himself, to be "seekers after truth" who are willing to make personal sacrifices of time and effort to learn the path of economic efficiency. Of course, this is not the model of individual behavior of economic theory. The economic man of economic theory, it seems to me, would have no interest in reading Friedman's writings and would not be interested in saving anyone but himself.
So Friedman is writing for people who, it would seem, have to violate in their own lives some of the basic assumptions of his writings. Perhaps Friedman is thinking implicitly that a modern priesthood can be found that will behave differently than ordinary people who are concerned mainly with their own self-advancement. This modern priesthood, unlike ordinary people but like the medieval Catholic priesthood, should exhibit an altruistic commitment to the greater common good of society.

DOUBTS ABOUT THE RELIGION OF ECONOMICS

Poverty and Lyndon Johnson’s War

So this was my graduate education in economics. It may be helpful to give some concrete examples of economic religion in practice. When I was in graduate school in the 1960s, some of America’s most important cities had recently burned in riots. There was a great concern in American society for the problems of the poor. Lyndon Johnson declared a general war on poverty. I would argue that the premises of economic religion underlay much of the thinking about and the proposed policy solutions to American poverty in those days.

First, there was a core assumption that poverty is a social problem. The poor in inner cities commit crimes, have high illegitimacy rates, become drug abusers, and have other individual maladies because of their broader economic circumstances. It is a simple diagnosis. The poor are poor because they have been oppressed by their environment. If all this is true, then there is also a simple solution. At least in concept, society should be able to eliminate poverty by changing the economic environment of the poor. If the poor simply have more money, for example, they will no longer have the financial need to commit crimes. In fact, Milton Friedman (1962) proposed the negative income tax as the obvious solution to poverty. Another social scientist, White House advisor Patrick Moynihan, tried to convince Richard Nixon of the idea (Hodgson, 2000). It was all very much a part of the thinking of the times. The “poverty problem” was simply to find an efficient way to transfer money to the poor without creating negative disincentives for work effort.

Of course, we know now that by and large this approach did not work. The war on poverty did not solve the problem on poverty. In fact, crime rapidly went up almost simultaneously with pouring more and more money into inner-city areas. Overall, the country spent a very large amount of money and put a very large amount of human effort into solving the problem of poverty, much of it based on the assumptions of economic religion. In the end, given the wide failures of these efforts, it is hard to avoid the conclusion that economic religion must have ignored some fundamental part of the problem of poverty.

By now, there is a great deal of frustration. In fact, one now hears about faith-based welfare programs. It is a sign of the increasing presence of a new (or perhaps
we should say old) religion. There are echoes in the policy debate of more traditionally Christian ways of thinking about poverty. The poor may be poor because they are sinners. To eliminate poverty, one needs first to save the souls of the poor. More missionary efforts, not more money, are the real solution to poverty. Poverty programs may need to follow in the path of programs like Alcoholics Anonymous.

In order to reduce poverty, some might even argue that more people must be "born again." That would obviously be a radical departure for public policy. It also shows some of the problems society may face in the future. How is it possible to use public funds to promote a process in which the goal is that more people should be born again? At some point, might America have to abolish the very idea of separation of church and state?

**Saving China Economically**

There are other areas in which economic religion has played a central role in influencing recent public policy. In U.S. foreign affairs, for example, consider policies toward China. The United States is seeking to promote economic development as part of a long-term process of bringing China fully into the modern age. Yet the process has a long way to go. China in many ways is not a very nice place—there are tight limits on personal freedom, widespread executions, and in general a degree of tight social control over the individual that many Americans would find oppressive.

The implicit premise of the China policy is that economic development in that nation will change these objectionable features. A richer China would be more democratic, more peaceful, more respectful of human rights, and would become a good citizen in the world community of nations. That is basically an expression of economic theology. Material advance leads to moral improvement as well as more goods and services. Like the remedy for inner cities, the solution to poverty is to be found in scientific understanding of economic processes. By improving the economic conditions of the poor, whether in American cities or in China, the result will be the abolition of "evil actions" in the world.

However, what if our assumptions about China turn out to be wrong—as they turn out to be at least partly wrong in America's own antipoverty programs? The United States is working hard today to make China rich and powerful in the future. If its behavior as a nation does not also change for the better, the United States may be confronted with a large, powerful, and potentially antagonistic force in international affairs—a force in significant part of its own making. Thus, for China policy, the validity or lack of validity of the premises of economic religion represents an extremely important issue. Will economic progress "save" China?

Suppose that the United States rejects the idea that economic progress brings corresponding improvements in individual and collective behavior. U.S. policymakers might then have to rethink their entire China policy. Perhaps they
would have to try to develop a "faith-based" China policy. Conceivably, it could involve sending new Christian missionaries to China—instead of economic development experts from the World Bank.

September 11, 2001

Another related example of economic theology occurred in the aftermath of the September 11th attacks on the World Trade Center in New York. Right after September 11, many people were greatly concerned to try to understand the explanation for such terrorist behavior—the reasons for this extraordinary manifestation of the presence of evil in the world. Probably the most common explanation heard in the United States was that Islamic terrorism is a product of economic frustration in the Middle East. The explanation for Arab hatred of America is to be found in poverty—this time among the poor in Egypt, Pakistan, and other nations. Once again, "original sin" was seen as having an economic cause.

The solution must then also be economic. There will have to be economic progress in the Middle East in order to bring about a new social order. The United States needs to increase foreign aid, to send more economic experts to Indonesia, to rebuild Afghanistan economically, and so forth. If poverty in these places could be reduced and eventually eliminated, the divisions between the Christian West and the Islamic world would also be undermined. Such thinking offers a graphic illustration of the application of the tenets of economic theology to a pressing world issue.

However, once again, economic theology might have it all wrong. Indeed, the facts do not fit the theology very well in this case. Osama bin Laden came from one of the richest families in Saudi Arabia. Most of the airplane hijackers were better-off, or at least more better-off than most other people in the nations where they were born. Many of the hijackers had lived long periods in the West; they chose consciously to reject Western values, in effect a religious choice independent of economic circumstances. In order to change their behavior, economic methods would not seem to be of much help. If there is any possibility of having an influence on Islamic terrorists, it would seem to lie in some form of religious persuasion, or in the direct application of force.

Maybe a central goal of American foreign policy should be to establish a new religious conversation with Islamic societies. Perhaps there needs to be a theological discussion of the possibility that the theology of Islam includes some elements that work to promote violent tendencies. Perhaps official U.S. policy should be working harder to show that bin Laden is a heretic—not a Christian heretic but a heretic in terms of the fundamental ideas of Islamic religion itself. Instead of promoting economic progress, the leading instrument of American foreign policy may have to be found in theological conversion and argument. Once again, public policy and theology seem to be coming together.
LIFE AFTER PRINCETON AND GROWING DOUBTS ABOUT THE FAITH

To return to my individual journey, I did eventually get a Ph.D. in economics at Princeton in 1971. I was brought up in economic religion but, as you have probably gathered by now, I am an economic apostate at present. I doubt that economic progress will save the world. My first step in turning away from the professional economic mainstream was in the early 70s. It was not as much a question in those days of the specific tenets of economic religion as of the basic economic methods that I had just been taught in graduate school. They simply seemed to me to be too formal and thus were barren and empty of insight. Economic theorizing was too mathematical, in many cases amounting to little more than a fancy tautology. Much of the time economists were taking simple, even rather obvious, ideas and putting them in a technical jargon. Based on the fact that they spoke in mathematics, economists then made claims that "economic science" was on a par with the physical sciences.

By the early 1970s, I had concluded that this was mostly false pretenses. I decided to get out of academic economics because I was not comfortable teaching something that I did not believe. By 1975, I ended up in the Office of the Secretary of the U.S. Department of the Interior in Washington, D.C. I worked in the Office of Policy Analysis, a small in-house think tank populated heavily by other economists. I was not a traditional government bureaucrat, however. In fact, I am here now because I had a great deal of freedom at the Interior Department to write and think about the big picture. I also was able to watch government administration at work, to meet the political players, and in general to see the policy-making process firsthand. Although I did not have any final decision-making authority as a staff person, it was a fascinating place to be. In some ways, it was my real education, teaching me more about the way the world really works than I had learned at Princeton.

I stayed at the Interior Department until 1993, when I returned to the academic world with an appointment to my current position at the University of Maryland. It is in the public policy school entitled the School of Public Affairs. I would probably not be able to get a job today at most economics departments in the United States. I majored in mathematics as an undergraduate at Brandeis University from 1962 to 1966. However, I have not done anything mathematical in economics since the early 1970s. In any case, the experience of working at the Interior Department forced me to rethink the role of economics in the world and the best ways of doing economic analysis (Nelson, 1987).

When I arrived at the Interior Department, I did not really think that the economics I had recently learned in graduate school was going to be very helpful. However, I did then—and still do—think that certain basic economic ideas can be very powerful. It is important to understand supply and demand in thinking about many policy issues. I also expected to find that interest groups would be important in government decision-making and that outside interests
would often drive the policy results at the Interior Department. In retrospect, all of these expectations turned out to be at least partially true.

I was surprised when I arrived at the department, however, to see the extent to which the policy-making process there was often grounded in clashes of social values. Policy-making often was not technical, it often was not interest-group driven; rather, in many cases it was basically a fierce fight about competing visions of the world. As I would say today, my greatest surprise at the Interior Department was to discover how important religions—often but not always secular religions—turned out to be in policy-making.

However, there is a longstanding fear in American society of any strong expression of religious emotion and conflict in public. Religion ranks with sex and money as private subjects that people try to keep out of the public arena. As a result, the religious conversation is often pushed underground. Basic disagreements about social values are obscured by a large overlay of technocratic jargon—often provided by economists. Social values may be embedded in the technocratic language, but it requires a translator to reveal these values. Most economists are reluctant to provide the translation; in fact, many of them deny that core values are even being actively expressed. However, for those able to decipher economic and other allegedly scientific code, it is apparent that government decisions very often are being driven by an underlying clash of social values—or, as I increasingly came to believe, by an underlying clash of religious beliefs. I had not understood this before arriving at the Interior Department, but theological debate and symbolism were where the real action frequently lay.

THE DEPARTMENT OF RELIGION

If I had known more about the Interior Department, I might have been less surprised. (And I should also acknowledge that there might have been more of a useful role for technical economic analysis at other government departments such as the Treasury Department.) While I was working at the Interior Department, I sometimes joked that it was really the Department of Religion of the U.S. government. The Interior Department managed the secular shrines of American life. The department was responsible for the Lincoln Memorial. It oversaw the Gettysburg battlefield, the Grand Canyon, and Yosemite. Wilderness areas on federal lands were modern churches—the most inspiring cathedrals of the time for many people. The Interior Department administered the Endangered Species Act, which one Secretary of the Interior, Bruce Babbitt, once called the new Noah's Ark for modern times (Nelson, 1996).

Interior dams such as Hoover Dam or Grand Coulee Dam were no longer in fashion by the 1970s, but at the time of their construction they had also been modern cathedrals, inspirational places for the worship of the modern god of human progress. They symbolized the human ability to control nature, which was seen by the great majority of Americans as a positive good until the 1960s.
It was important as a top official in the Interior Department to know how to pay proper respect to all these leading symbols of the American civil religion.

Given the importance of the Interior Department’s religious role, policy making there took on a new meaning. It could be, in essence, an exercise in theology. Christianity has a field of applied Christian ethics. At the department, employees were often forced to be students of applied secular religious ethics. For example, how many wilderness areas of spiritual inspiration do the American people need? It was like asking the question how many churches are needed. One public policy issue recently involved the permanent placement of rock pitons—used by mountain climbers—in wilderness areas. Should they, or should they not, be allowed in a wilderness area? Mountain bikes, for example, are prohibited even when they are not motorized. Such issues cannot be resolved by economics; it is really a matter of making a “theological” judgment. Would, or would not, the permanent placement of these pitons desecrate the wilderness values of the area?

When I arrived at the Interior Department in 1975, it was the heyday of the environmental movement. The first Earth Day had been held in 1970; a wave of environmental legislation moved through Congress throughout the 1970s. I call it the “environmental revolution” of the 1970s. However, I was somewhat surprised to find that I was in frequent disagreement with environmentalists. It was at this point that I began to think that environmentalism is like economics; they are both forms of secular religion. In fact, compared with economists, many environmentalists are less defensive about underlying religious inspiration. Some are even quite explicit and argue that the long-term success of the environmental cause in the United States depends on a religious conversion in American society—away from social values like consumerism.

Joseph Sax, a leading environmental lawyer in the United States, wrote a book in defense of the national park system—called Mountains without Handrails (1980). Sax stated approvingly that the environmental movement is filled with “secular prophets, preaching a message of secular salvation” (p. 104) for American society. The purpose of the national park system is to provide spiritual inspiration in a new message for mankind. John Muir founded the Sierra Club in 1892 and was a leader of the movement for preservation of nature in the early twentieth century. Muir often wrote explicitly in religious terms. For him, a wilderness was a place to be in closer contact with God. In a wilderness (Muir, 1968), as he said, a person can encounter the actual handiwork of God—in effect, it was a piece of the original Creation. That is why it is so important to preserve wilderness areas; otherwise, people would not have anything left of the original Creation on earth. It would be much worse than losing the Sistine Chapel: that was painted by Michelangelo, a mere human being. God is not literally in the wilderness (that would be the heresy of pantheism), but a person can find in the wilderness the very artwork of God.

Organized environmental groups today are not usually as explicit about all this as Muir in his day. Current environmental activists know that it could be somewhat awkward to employ such overtly religious language in a general
public setting. Nevertheless, in their fund-raising solicitations, and in many other internal activities, members of the environmental movement often speak in directly moral and religious terms. They lament the "rape" of the land; the old growth forests are said to be a "new Eden"; natural objects are being "murdered"; people are called to "environmental witness"; and so forth. Society must stop "playing God" with the natural world. I could go on and on with examples of religious language from the environmental movement.

ECONOMIC RELIGION VERSUS ENVIRONMENTAL RELIGION

When I first encountered this religious side of environmentalism in the 1970s at the Interior Department, I found it somewhat troubling. Partly, I suppose, it was a challenge to my general secularism. It was obvious to me that many environmentalists were new fundamentalists, but they were much more politically powerful and more directly engaged in the public arena than traditional Christian fundamentalists. It also seemed to me that the political activism of environmentalists raised difficult questions of the separation of church and state. Maybe we were discriminating; the traditional Christian fundamentalists were being kept out, but environmental fundamentalists were being offered top government jobs in the Carter administration to put their religious beliefs into practice.

I suppose that I also recognized that environmentalists in many cases were challenging my own faith in the idea of economic progress. It was not a very strong faith, but it was still there. Many environmentalists seemed to think that progress really ought to be defined as "regress." If an economist thought that economic progress was the salvation of the world, the same progress for many environmentalists seemed to be the path to the destruction of the world.

Whatever the moral verdict, however, it is hard to see any way one could stop economic progress. Six billion people on earth have to be fed, sheltered, and clothed. Hunter-gatherer times, even if superior in some ways for human beings and other creatures of the world, could not offer much of relevance to the current human condition.

Moreover, economic progress has been a wonderful benefit to the people alive today—at least in the developed world. Populations live better in matters of food, communications, transportation, and medical care than even the kings and queens of a few hundred years ago. It is almost miraculous, and certainly most people three hundred years ago would never have predicted it. This may not go on forever—it is a hard argument to resolve definitely the "sustainability" of the current condition—but it is foolish to deny the current benefits. Too many environmentalists seem to me to be hopeless romantics. As society saw in the twentieth century, romantic impulses gone wrong (communism and fascism as the leading examples) could yield the worst outcome of all.
BECOMING AN "ECONOMIC THEOLOGIAN"

At first, I was not very articulate about the character of the religious tension that I was observing between economists and environmentalists. This kind of subject had certainly never come up for discussion in my studies in economics graduate school. I knew that professional economics felt religious and often exhibited a certain religious dogmatism. In their irrelevance to the real world, formal economic writings in the professional journals were reminiscent of old-fashioned scholasticism in the medieval period. However, I had not really addressed the question in my own mind of the actual religious content of economics. I also had not attempted to define in any explicit way the religious differences between the economic and environmental ways of thinking about the world.

Eventually, however, I began to feel the urge to think more seriously about these types of questions. If there were two strong sets of value judgments being expressed, where did these values come from? In the case of economics, this forced me to think about the implicit values expressed in economic arguments. Maybe economics was a religion in more than simply a metaphorical or sociological way. It began to dawn on me that perhaps economics offered an actual theology in the same sense that Christianity is grounded in a theology—that it had its own economic version of original sin.

Of course, "economic theology" requires certain assumptions that go beyond understanding the laws of an economic system. The idea that economic scarcity is the root of all evil in the world is not, strictly speaking, even an economist's idea. However, implicitly, as I explain further in my two books on the subject, economists do make this assumption in much of their work. Without it, economists would not be able to reach many of their most important policy conclusions.

Eventually, in 1986, I received a government fellowship to go to the Brookings Institution for a year. Brookings fortunately did not ask many questions about my intended course of study. If I had said that I wanted to write on the relationship between economics and religion, the people at Brookings might have said to try another place. In any case, at the Brookings Institution I wrote the first draft of a book that eventually came out in 1991 as Reaching for Heaven on Earth: The Theological Meaning of Economics. As I was working out my own thinking there, I described in explicit terms the premises and logic of economic theology. I have already described the core ideas above: the source of sin is economic scarcity; society can thus eliminate sin in human affairs by eliminating scarcity; economic progress can therefore bring heaven on earth. Economics, as it now seemed, was a disguised offering of some of the principal messages of Christianity—or a new Christian heresy, as some others might say. Heresies, it is said, are most dangerous to the faith when they represent only a limited departure from its core tenets.

I also argued in Reaching for Heaven on Earth that different economic schools had different ideas about the correct route of economic progress. Remarkably, the
different ideas about the workings of economic progress mirror older controversies among competing forms of Christian theology. As I argued, most American economists were heirs to a Christian tradition that found its high points in the history of the Roman Catholic Church. Economists, like Roman Catholic theologians, believed in a rational world. Economists claimed they were studying scientific laws of economics, but their reasoning was reminiscent of the Roman Catholic treatment of natural law. In effect, economics offered an old-fashioned, natural-law understanding of the world, disguised as a modern, positivist understanding that claimed to be analogous to the physical sciences. Finally, professional economics served as the religion of the American welfare and regulatory state, which was hierarchically organized and centered in Washington, as the Roman Catholic Church was hierarchical and centered in Rome.

However, there were some schools within economics that were more Protestant in their basic understanding of the world. For such economists, the world is less rational, less controlled by human decision-making, and more a reflection of the sinful and depraved character of human beings since the Fall in the Garden of Eden. Marxism is the best example of a Protestant economics. But, of course, Marxism was never much of a factor in American economics. Strangely enough, America was founded by Puritans and other old-fashioned Protestants. But little of the original "doom and gloom" Protestantism survived in the economic theology of modern America.

To the extent there was a Protestant school of economics in the United States, it tended to be associated with University of Chicago economists. An economist such as Frank Knight—the founder of the Chicago school—might exhibit some clear Protestant tendencies in his economic thinking. Knight, for example, doubted that any real progress of a moral character could be achieved in the world by improvements in the economic environment. However, with the exception of Knight's follower James Buchanan, few other American economists showed similar skeptical and pessimistic tendencies of thought. Americans are by nature optimists, and the success of economists has reflected their ability to offer supporting arguments for this.

A CHRISTIAN ECONOMICS?

Given the central theme of the Baylor conference, and since I am close to the end of this essay, I will offer a few remarks about the possibilities for a new "Christian economics." It would be a substitute for scientific economics, recognizing that any system of economic thought will reflect some powerful value judgments. It might make sense, therefore, to develop a body of economic thinking that explicitly reflects a Christian set of values. If not Christian values, economists will reflect some other values—even when they refuse to put these values explicitly on the table. There can be no value-neutral economics of any great interest to society.
But a Christian economics would not only be about different values that have to be taken on faith. Christianity has been historically about establishing truth. It says in the Bible that "the truth will set you free." Science challenged Christianity by seeming to be able to make more accurate and powerful truth statements. A new approach to scientific economics will have to challenge this development. It will be important to show that introducing Christian ideas and Christian themes will produce a better understanding of economic truth. Max Weber, for example, showed how the theology of a religion could be central to the workings of an economic system. It might also be the case that a true belief in a religion is a more accurate predictor of personal happiness ("utility" in the jargon of economics) than the amount of goods and services that a person consumes. It has already been demonstrated by statistical research that religious people on average experience better personal health than nonreligious people. Similar studies could be made about levels of individual happiness.

Here is one example of what a new Christian economics might be. You could study the effects of religious belief or of religious conversion on the likelihood of a person escaping from poverty. You might gather a sample of 1,000 people who are living in poverty, and then follow this group for five years. Some of the people would be religious, or would have religious conversions, and others would not. Using econometric and other statistical methods, the effect of religion on the probability of an individual escaping from poverty could be estimated. It would also be useful to compare the effects of religion in this regard with the effects of other strategies that have been employed to try to help people escape from poverty. For example, a study might be done of religious conversion in terms of impact on future poverty, as compared with spending six months in a job-training program. Benefit-cost ratios might be developed, taking into account the costs of conversion and the costs of the job training.

In a more detailed analysis, one might also consider the impacts of different forms of religion. A study might assess the economic improvement of people over the five years who converted to the Baptist faith, versus other people who converted to the Mormon faith. Among those living in poverty at the beginning of the study, one might ask whether the members of one religious group, for example, tend to escape poverty more rapidly than the other. In Latin America, it is said that the most entrepreneurial and economically successful citizens today are likely to be found among recent converts to Protestantism in that region.

There is much contemporary discussion in the social sciences of the idea of social capital. A Christian economist perhaps might work with others to attempt to develop more operational measures of social capital using indicators of trust and other appropriate factors. One might then ask the question, Does a population of religious believers in the one faith, or in another faith, tend to generate a higher level of social capital? Another question might be to ask how these religious believers compare in this regard with a population of atheists. Does a group of Buddhists have a high level of social capital as compared with a similar group of Christians (or Muslims)?
Another form of Christian economics might involve a redefinition of the goals of the economic analysis. When a current economist considers the goal of efficiency, the analysis is conducted in terms of increasing the total production of goods and services that enter into gross national product. However, perhaps the goal of public policy should be to increase the overall sense of community in America. A Christian economist might examine various government policies in terms of the effectiveness, not in promoting a higher GNP, but in promoting the sense of community in American life. It might be possible to undertake forms of cost-effectiveness analysis in terms of advancing the goal of community. Does policy A advance the sense of community in American life as much per unit of dollar spending as policy B advances community? It is conceivable that at some point in the future The American Economic Review will be publishing some articles of this kind.

Another area for study might be the effectiveness of different forms of training for the ministry (an analysis of "Christian job training," as it might be called). A Christian economist could study whether church ministers who have formal theological training serve their congregations more successfully than ministers who are self-taught. In any case, these are some tentative ideas for a Christian economics. I doubt that abstract arguments alone will yield a greater acceptance or a greater place in society for Christian economics. Christian economists will have to show that by introducing their perspective it is possible to gain a better understanding of actual events in the world.

MY CURRENT THINKING

So where am I today? I am no longer much of a believer in the idea of economic progress in a redemptive sense. However, I do think that more food on the table is better than less food and the same thought applies to housing, clothing, medical care, and other material concerns. Economic progress, one might say, is probably a necessary but not a sufficient condition for saving the world—assuming that can happen at all. Thus, I still think it is important to introduce economic considerations into the policy debate. However, I also think that economists should make drastic changes in the ways that they study economic systems and issues. Their economic methods should be much less formally quantitative and much more historical and institutional.

I am still critical of environmental religion, although in some ways I may have become more sympathetic. I find myself in agreement with environmentalists on the exaggerations of a simple belief in the redeeming benefits of economic growth and progress. I also think that environmentalists should be given credit for directing the attention of Americans to environmental problems. The environmental movement created the political impetus to take important new steps to protect the environment. Even though much of environmental policy has been flawed in its conception, Americans are still better off overall for having
taken these steps. There have been some desirable environmental trends such as the improved air quality of the United States over the past 30 years.

In terms of my own religion, I have become more agnostic as a whole. Secular religion, whether economic, environmental, or otherwise, seems to me to have been much overrated in the modern age. A commitment to some kind of religion does seem to me to be necessary to a thriving human existence. I am unwilling to see human beings as simply an elaborate collection of molecules or as the mere byproducts of a random evolutionary process.

However, my own religious ideas are a work in progress. Some of my colleagues at the University of Maryland occasionally chide me for being too much the disinterested observer—for enjoying the Olympian perspective and for being reluctant to make a greater personal commitment to a religious bottom line. One response I give is that each person can have his or her own role. Perhaps my faith is that somehow out of the chaos of modern—and now postmodern—pluralism in religious matters there will emerge something of greater religious certainty in the twenty-first century. It may be enough simply to be a small participant in that process.