

A Theology of Moral Agency in Capitalism Today

Christina Gail McRorie
Anchorage, Alaska

MAR, Yale Divinity School, 2008
BA, Pepperdine University, 2006

A Dissertation presented to the Graduate Faculty
of the University of Virginia in Candidacy for the Degree of
Doctor of Philosophy

Department of Religious Studies

University of Virginia
August 2016

ABSTRACT

This dissertation is a work within the fields of Christian political theology and social ethics. Its overarching aim is to propose a theological description of, and to a certain extent also critical response to, the ambiguous conditions for moral agency that capitalism today presents.

The first part of this dissertation builds toward this by diagnosing and addressing an obstacle confronting this project of moral description. It argues that both theological scholarship and public discourse demonstrate a certain amount of ethical inarticulacy regarding capitalism as a context for moral agency, and that this is in part due to the cultural diffusion of misleading representations of economic processes as naturalistic and/or deterministic, and therefore not as the result of (or responsive to) human agency. In light of an immanent critique of the economic theory undergirding these representations using heterodox economic scholarship, it argues that capitalism ought to be understood instead as a culturally contingent, although path dependent, social phenomenon. We understand capitalism more accurately, that is, when we stop trying to evade responsibility for it. We understand it better, moreover, by attending to how the contingent conditions we now inhabit have been shaped by the usage of misleading claims and assumptions about markets.

Addressing itself to capitalism so understood, the first part of this dissertation then models one way that Christian theological reflection may proceed, using the doctrines of creation, fall, and redemption. When considered together, it proposes, these offer a grammar of analysis that rules out the suppression of any significant aspect of capitalism's (or any other social order's) ambiguity and complexity. The moral description they enable thus improves upon the ethical inarticulacy of one-sided theological analyses, and of those based on misconstruals of economic phenomena. This part concludes by suggesting that moral descriptions such as this may also offer resources for enriching public conversations on economic issues.

The second part of this dissertation extends this initial theological description of capitalism as a moral context to address the situation of the individual agent within it. It does so by turning to two different descriptions of human moral agency within the context of creation, fall, and redemption: one emphasizing the role of grace (found in Lutheran theology, broadly construed), the other emphasizing humanity's natural powers (found in Thomistic thought). These differ in how they conceptualize our fallen condition, and accordingly offer complementary idioms in which to consider various aspects of our agential predicament in capitalism today. For all these differences, however, these approaches share the assumption that human moral agency is deeply compromised after the fall. This is similar to the account of impure agency advanced by philosophical treatment of moral luck, but is fundamentally more tragic. A theological description of our agential predicament thus invites us to consider the extent to which we experience our moral agency in capitalism today as not only impure, but tragically compromised. It then proposes a framework in which to make sense of that experience, not as something unique to capitalism, but as a perennial feature of humanity's fallen condition, which appears differently in different historical moments. This dissertation then concludes by suggesting that a fuller theological description and analysis of capitalism today would complement this attention to humanity's fallen condition with attention to our current experience in light of God's ongoing and gracious support of human agency in and through the goodness of creation, and of humanity's calling to perfected agency through communion with God.

TABLE OF CONTENTS

Abstract	ii
Table of contents	iii
Acknowledgements	iv
Introduction	1
Part I: Capitalism as a moral context	
Chapter 1: What is capitalism?	29
Chapter 2: Capitalism and economics in Christian theological ethics today	69
Chapter 3: A missing piece: Why the naturalistic picture of capitalism, markets, and economic phenomena is wrong	126
Chapter 4: Capitalism today, continued: So what is it, really?	160
Chapter 5: A theological reading of capitalism as a moral context	197
Part II: Our agential predicament within capitalism	
Introduction to Part II	225
Chapter 6: Compromised agency as the fallen human condition	231
Chapter 7: Hindrances to moral agency in capitalism today	266
Chapter 8: A theological reading of our predicament	301
Conclusion	322
Works cited	331

ACKNOWLEDGEMENTS

I am grateful to a number of institutions for support during this writing of this dissertation, including the Institute for Advanced Studies in Culture, where James Hunter, Tony Lin, Jay Tolson, Josh Yates, and others modeled what it looks like to engage in charitable and yet rigorous cross-disciplinary conversation; the Skinner Fellowship through St. Paul's Memorial Episcopal Church, which provided a welcome space to reflect on the relationship between the life of scholarship and that of faith; the Mercatus Center at George Mason University, where Pete Boettke especially has communicated a compelling vision of humanistically-oriented economic inquiry; and Jim Childress and the Institute for Practical Ethics and Public Life, for a travel grant in support of my research, and for the opportunity to teach a seminar on Business, Ethics, and Society. The concerns raised by students in that course over the last three years have significantly influenced the questions I ask in this dissertation.

I am indebted to a host of friends for generous gifts of reading at various stages of this project (often at the home of Chuck Mathewes and Jennifer Geddes, whose hospitality is remarkable), including Laura Alexander, Brookes Brown, Paul Gleason, Joe Lenow, Phil Lorish, Kris Norris, Travis Pickell, Matt Puffer, Nelson Reveley, Solomon Stein, and Petra Turner. I am especially grateful to Paul, Kris, Joe, and Ashleigh, who in the name of friendship suffered through multiple iterations of some of these chapters, and to Solomon, for his commitment to improving my economic literacy, and ensuring that I don't blame all economists for the things done in their name. Thanks also to the kind folks at Princeton University's Center for the Study of Religion for the invitation to bring a portion of this project to the symposium on Faith and Work in the New Economy in June of 2015, and to the interdisciplinary group gathered there for their useful feedback.

I am humbled and blessed to have been a part of such a supportive community at UVA. Among many others, I am also particularly grateful to Christine Landau, Nichole Flores, Daryn Henry, Matt Farley, Will Boyce, Charlie Gillespie, Jeremy Fisher, Shifa Noor, and Rebecca Epstein-Levi, in the shade of whose friendship, collegiality, and camaraderie this project took root and grew. Above all, for his encouragement and support during my time at UVA—and for his mediation of grace in my life more generally—I am happy to be deeply indebted to my husband, Matthew Lewis.

Finally, I am sincerely grateful to the members of my committee, who have each provided helpful feedback and encouragement during the dissertation process, as they have throughout my entire graduate training. Tal Brewer graciously served as outside reader, and his concerns about consumer society have informed this project from the start. I owe thanks to Josh Yates for introducing me to key sociological literature, and for hosting the IASC's Program on Culture, Capitalism and Global Change, which has significantly shaped my thinking about capitalism as a moral context. Willis Jenkins has provided valuable gifts of encouragement and excellent advice, both here at UVA, and during my years at Yale Divinity School. While I am afraid that this iteration of this project does not yet adequately answer his questions about method in theological and ethical reflection, his concerns have nonetheless already enriched this draft and influenced the kinds of questions I ask as an ethicist, and will continue to do so in years to come. I owe Jim Childress thanks for his generosity on many margins, and I am glad to have received his helpful advice, both in the writing of this project, and in my training as a teacher. I am especially grateful to Paul Jones, who offered gifts of both incisive critique and warm encouragement at critical moments in the drafting of this manuscript, and without whose attention to nuance and detail it would be far less interesting. Finally, I

owe an incalculable debt to Chuck Mathewes, whose mentorship and friendship I have experienced as extraordinary grace. I am deeply grateful to have been the recipient in general of his remarkable combination of skills as a cheerleader and drill sergeant, and of his unstintingly generous devotion of time and energy to the development of this dissertation in particular. I am confident that as a scholar and teacher—and ultimately, as a moral agent—I have been formed by Chuck, and by other colleagues, friends, and mentors at UVA, in ways that I will only discover and fully understand in time, and I could not be happier about this fact.

INTRODUCTION

Theology is utterly practical, a reflection not merely on theories and concepts but on life as it really is and as it really can be. The various challenges to human life—economic, political, environmental, and medical—may seem disconnected from theology, but they are not. Theology is a reflection about life in light of the reality of God. And this means that theology is very historical. It develops in the history of the church as we try to announce the gospel within a concrete situation and in a way relevant for daily life. Thus theology is “in the middle,” between the living faith of believers and the task of announcing that faith in the world.¹

1. Capitalism today, the air we breathe

Every day we are becoming more thoroughly capitalist, market creatures. This wasn't always the case; in prior eras, the fundamental forces shaping our lives were political, or religious, or social, and accordingly so were the discursive registers in which we made sense of our lives. Today, these forces and registers are increasingly economic. Although markets have always existed, they have ballooned in size and scope starting in the eighteenth century, bringing with them a dramatic increase in both world population and material living standards. More of human life is now provisioned through market exchange than ever before in human history. And, as these things tend to go, this structural transformation has been made possible by and in turn effected remarkable cultural transformations, as well, one of which is the extension of market metaphors and concepts into other domains of life. We are now culturally tutored to see time as a “commodity” and ourselves as “brands,” for example, and to “invest” in relationships, and our children's future. Markets have subtly but distinctly remapped how we understand and relate to key aspects of our lives, including identity, interpersonal intimacy, and even

¹ Gustavo Gutiérrez, “Saying and Showing to the Poor: God Loves You,” in *In the Company of the Poor: Conversations with Dr. Paul Farmer and Fr. Gustavo Gutiérrez*, ed. Michael Griffin and Jennie Weiss Block (Maryknoll, NY: Orbis Books, 2013), 28.

belief itself. (Or, more accurately, *we* have remapped these, using market language; this dissertation will argue that how we ascribe agency in such narratives is important).

In short, capitalism is now the air we breathe. (This is the air that all that is solid melts into!) Or, put differently, capitalism is now the unavoidable stage of our lives, and it is hard to imagine how it could be otherwise. As Fredric Jameson has suggested, for many of us now, it is “easier to imagine the end of the world than to imagine the end of capitalism.”²

Just because most of us can’t really imagine the world any other way, though, does not mean we fully understand it, or our place within it. What is capitalism, exactly? What does it mean for our lives, as moral agents? Is the air we breathe sweet, or noxious, or some mixture of both of these?

Despite the proliferation of scholarship on capitalism in recent years, and its increasing popularity as a subject of public discussion, we are nowhere near reaching a common conclusion on the question of how to describe capitalism, morally. This can be seen in our ongoing disagreement over how to use the word in the first place. As Chapter One explains, capitalism still presents a case of what philosopher W.B. Gallie has called an “essentially contested concept”; like terms such as “art,” or “justice,” its true meaning is under dispute.³ In the case of concepts such as art and justice, however, the disagreement is not over the moral valence of the concept itself (both are generally taken to be good), but over how to specify it. This is not the case with capitalism, where the descriptive dispute is further complicated by disagreement over its moral desirability in the first place. This disagreement is informed by two ideal typical moral descriptions of capitalism:

² Fredric Jameson, “Future City,” *New Left Review* 21 (May-June 2003) 76.

³ There is not even “general agreement among economists or economic historians as to what the essential features of capitalism are.” E.K. Hunt, *History of Economic Thought: A Critical Perspective* (New York: M. E. Sharpe, 2002) 3.

in one, it is inherently oppressive (a description stemming originally from Marxist thought); in the other, it is the most liberating social order yet discovered (arising generally from what can be called economic liberalism, or classical liberal thought).

This dissertation begins from the presumption that neither of these moral descriptions is completely accurate, but that each does articulate important insights about our situation. Indeed, as Chapter One argues, polemical descriptions of capitalism (and the political projects to which they contribute) based on these descriptions are attempts to describe and ultimately manage the complexity of capitalism today, and above all, of what it like to live within it as moral agents. Their stylized and normative frameworks attempt to make sense of the hopes, fears, and general anxieties that many of us feel about freedom and agency in markets today. The incomplete nature of their descriptions—and the fact that neither narration has completely “won” by defeating its polar opposite; both remain present and resonant in public discourse—speaks to the complexity of our contemporary situation, and to the seriousness of our many unanswered questions about life in markets today.⁴

⁴ At this point the reader may justifiably ask to whom this “we” and “our” refers. Surely no single reader will be gripped all of these specific questions, anxieties, and concerns, and not all will be under the thrall of the naturalistic view of markets that this dissertation criticizes. This project nonetheless invites its readers to consider the extent to which they *do* share these concerns and ways of thinking—and then, in later chapters, the extent to which they find the alternative description it offers is plausible, attractive, or illuminating. In this, it intends something like philosopher Bernard Williams’s invitational, rather than descriptive, use of we. In response to the question of “who this ubiquitous “we” represents” in *Shame and Necessity*, he writes,

Obviously it cannot mean everybody in the world, or everybody in the West. I hope it does not mean only people who already think as I do. The best I can say is that “we” operates not through a previously fixed designation, but through invitation. ...It is not a matter of “I” telling “you” what I and others think, but of my asking you to consider what extent you and I think some things and perhaps need to think others.

Bernard Williams, *Shame and Necessity* (Berkeley: University of California Press, 2008) 171, n7.

Anxieties about capitalism today; moral uncertainty and inarticulacy

It makes sense that we haven't yet answered all our questions about economic life; despite having been around for a few hundred years, capitalism is still new, in terms of human history. And, moreover, it is further evolving at what can feel like an accelerating pace. This changed and changing situation has left us with a kind of inarticulacy and uncertainty about our particular moment.

What are markets, exactly, we might ask, and how much and what kind of agency do they allow us? Other than the occasional farmer's market, we are long past the days when we visit actual markets with actors that we know who can tell us the history of the goods and services they sell. These days, "the market" and "the economy" are abstract and amorphous concepts used to describe a nearly infinite range of diverse economic activities, none of which are—or ever can be again—gathered in any one location. As the markets (and the information and communication technologies that mediate them) expand their reach, an increasing number of these activities are anonymous in nature. I participate in "the market" when my paycheck is automatically deposited into my bank accounts, when I purchase a book on my smart phone, and when I make a student loan payment from my home computer. It is omnipresent and ubiquitous in my life, and I can't avoid it even for a day. Some of these transactions allow me to imagine that I am an important input in the market, and I feel I have some agency; I select which bank to trust with my savings, for example, and from which seller to purchase a used book.

On many other margins, however, I feel that I have less agency. I had very little control over the interest rates on my undergraduate student loans, for example; they were set by government policy at the time I acquired them. The amount that I pay in rent is likewise largely determined for me, in this case by both supply and demand for housing in

the area in which I live. My interactions on these fronts do not give me a strong sense of agency, at least not vis-à-vis the market itself; rather, in these it appears to confront me as a set of predetermined limits (and perhaps imperatives) with which I simply must cope. When I consider the amount of various inputs, contracts, exchanges, other actors, and supporting institutions that lie behind the prices or products that encounter, I am staggered. The market feels rather more like the inhuman force invoked in mentions of “the Dow” on national news.

This brings up the question of not just markets, but *the* market: the economy. What is it, and more important, what are we to make of it, morally? Is it inherently (or contingently) moral, immoral, or amoral? Are we to bring it under ethical scrutiny, and if so, how? How does one evaluate—not to mention act upon, or change—something as amorphous, invisible, and decentralized, and yet also as dynamic and powerful, as the economy?

Our public confusion about how to understand the moral dimensions of markets can be seen in our responses when capitalism goes awry. Our first move is often to start a mad search for someone, anyone, to blame. As the global financial crisis of 2008 and its aftermath reminded us yet again, the American public loves to point to fraudulent billionaires, unscrupulous lenders, and cocaine-snorting high finance traders, as the real problems of capitalism these days. When we can identify specific and culpable individuals, the public sense of relief (even if it is comingled with grief and outrage) is almost palpable—for a moment, it seems to shrink the juggernaut that is capitalism down to a manageable, human size. We have a target upon which to displace our anxieties and frustrations with the disorienting and ever accelerating pace of economic life. This almost lets us believe that a few bad apples are the ones messing up an otherwise pretty good

system—that it is not capitalism itself that is responsible for the many economic harms that we find so troubling today.

To a certain extent, the discipline of business ethics itself stands in support of this reassuring claim; it implicitly extends the promise that with the right amount of moral effort on the part of individuals, we can manage the moral complexity of business. In the wake of each new financial crisis or scandal in American history, we hear calls to awaken our consciences, to revitalize business ethics, and to train the character of the next generation of merchants, financiers, and entrepreneurs so that the given moral failure at hand will not repeat itself.⁵ On one hand, such calls can be read as an admission that the innovation characterizing capitalism is perennially overwhelming, and that it creates new relationships and obligations faster than they can be theorized and encompassed within existing traditions (not just religious and spiritual, but public and civic, as well). These calls are also, however, an attempt to conceptually control this threatening danger of capitalism's complexity, through bracing reference to the necessity—and implied sufficiency—of proper individual action.

Some of our reflections on the failures of capitalism slip from can-do exhortation, however, into fearful speculation that capitalism and markets themselves are to blame for the tragedies and moral failures we fear, whether because they encourage luxury, or fraud, or simply because they prioritize self interest over the common good. What to do, if these fears are founded, appears uncertain. If the system itself tends toward corruption, what can be done? Will any amount of regulation or individual moral effort be enough to moralize a system founded on selfishness?

⁵ See for example, Gabriel Abend, *The Moral Background: An Inquiry into the History of Business Ethics* (Princeton: Princeton University Press, 2014).

This last concern brings up another perplexing question, this time about the cultural dimensions of capitalism. Does it come with a culture, and if so, is it one to be welcomed, or feared—or both? The extension of markets and economic rationality into many facets of our lives appears to have radically changed the terms for personhood in the last century, and not always for the better. What does the change in our very subjectivity mean for the future of morality in capitalism? (And what does it mean for the future of capitalism itself—is the culture of capitalism, for example, as sociologist Daniel Bell predicted, one that will slowly eat away at the social order itself?⁶)

Questions such as these are not just about how to describe capitalism—although they are certainly about that. At a more fundamental level, though, they are about the terms of our own lives, within it. We want to know how to make sense of our lives—and of our prospects of happiness, goodness, and so forth—with regard to this, the terrain over which (or stage on which; choose your metaphor) they will occur. This terrain seems to pose particular difficulty to long established methods of moral analysis, however. Consider, for example, how the complexity of globalized markets complicates attempts to morally assess individual actions, which we usually take to center on the agent's intentions, the nature of the act itself, and the act's eventual results. In markets today many harmful outcomes—even the ones we intuitively want to label as unjust, such as pervasive unemployment, a lack of affordable housing, and sweatshop labor conditions, all examples to which this dissertation will return—are the indirect and cumulative result of rather ordinary and perfectly legal actions that we regularly find morally unobjectionable, and that are undertaken by agents with good (or at least nonmalevolent) intentions. As a result, it is not clear how we should understand our culpability for harmful economic

⁶ Daniel Bell, *The Cultural Contradictions of Capitalism*, twentieth anniversary edition (New York: Basic Books, 1996).

outcomes. Do our economic choices put us in relationships of responsibility with those upon whom we have an impact? Perhaps—but if so, as of yet we lack the language to describe either that responsibility, or those relationships.

The complex and dynamic nature of global markets now vexes not only our backward-looking moral analysis, but also our forward-looking attempts to exercise agency, as well. Not all of our attempts to do good turn out as intended, and economic choices often have unpredictable results. And that is when they have observable results at all: the enormity of global markets is such that most individual consumer actions, such as boycotting a particular producer or product, seem unlikely to affect much. In short, the sheer size and complexity of global capitalism today overwhelms our received categories for thinking about individual and collective agency, and threatens to render useless speculation on our moral responsibility vis-à-vis the system itself. It is hard to imagine how, exactly, we have individual responsibility for, or any agency with regard to, a system that even national governments are not strong enough to prevent, oppose, or alter.

Uncertainty about moral agency

One of the concerns linking this diverse set of conversations, questions, and confusions is an unresolved question about how to describe capitalism as a context for moral agency, and how to understand and make sense of our predicament within it, as moral agents. That is, many of these questions and concerns implicitly presuppose that context *matters* for moral agency, and that therefore capitalism matters for moral agency. And this is true not only with regard to an agent's responsibilities, although many of these questions certainly do address that, by asking about the scope of economic phenomena for which we are practically and morally responsible, and the specific character and nature of

that responsibility. Even more fundamentally, however, many of these concerns are based upon the intuition that contexts vary in how they form us to think about our options, responsibility, and agency in the first place, and in how they predispose us to make certain choices and to avoid others. That is, many of our unanswered questions about and public debates over agency in capitalism concern how it forms us as agents who understand and act within the world a certain way, and in so doing how it influences our moral agency.

Although the significant role that context plays in shaping our experience of our agency may seem obvious, this is not always acknowledged in more abstract descriptions of the moral life. Indeed, a good amount of Western moral theory, at least since the Enlightenment, assumes that context is *not* an important factor when discussing moral agency. Kantian ethics, for example, is based on this a voluntarist picture of agency. In this view, the agent is capable of moral action because she has a will, and without regard to her social or physical context. As a result, she is also responsible without reference to context; the only morally salient features of any given situation in which her efforts and character are to be examined include her intentions vis-à-vis the universal law.

In assuming that context *does* matter for moral agency, this dissertation begins from a much less tidy picture of that agency. Instead, this project develops a theological account of moral agency which claims that human agency is, as a result of the fall, always imperfect, and compromised. With regard to its relationship to context, this description of our agency that is rather similar to the picture of agency proposed within some literature on “moral luck,” which assumes that the boundary between an individual’s agency and her context is a fuzzy one. As Margaret Urban Walker explains,

The “moral luck problem” is one about conceptions of agency and responsibility of the sort that morality requires. Moral luck is part of a picture of impure agency, agency situated within the causal order in such ways as to be variably conditioned by and conditioning parts of that order, without our being able to draw for all

purposes a unitary boundary to its exercise at either end, nor always for particular purposes a sharp one. Such agents' accountabilities don't align precisely with their conscious or deliberate choices or undertakings, and are not necessarily limited by them.⁷

This is roughly the account of agency this dissertation employs and proposes in its assessment of our agential predicament in capitalism today, although it adds to this the further theological claim that the way that our moral agency is compromised by our context (including the context of our fallen nature) is a contingent, and tragic, feature of human existence, after the fall.

In using the term moral agency, this dissertation is specifically referring to describe both the individual's moral empowerment, and awareness of that empowerment. This involves at least two major capacities: (1) The ability to perform the moral goods one ought to perform (and to avoid the moral evil one ought to avoid); and (2) The ability to accurately perceive and conceive of the moral good which one ought to perform (and to do likewise for the evil one ought to avoid). With this in mind, a context can enable and support an individual's moral agency by promoting harmony between 1) her perceptions of responsibility and 2) her actual moral situation (moral duties), and 3) her ability to act so as to discharge these duties. To the extent that a given context enables a harmonious matchup between these three things, it empowers her moral agency—it facilitates and perhaps even encourages her to act as the moral agent she is, bearing the responsibilities that she does. To the extent that a context hinders and prevents the coordination of these three things—say, by encouraging misperceptions regarding moral duties, or by practically inhibiting and blocking action toward good ends—it constrains her moral agency.

⁷ Margaret Urban Walker, "Moral Luck and the Virtues of Impure Agency," *Metaphilosophy* 22.1/2 (January/ April 1991): 22.

As the question of empowerment and constraint demonstrates, agency is not an all-or-nothing concept; an individual may be empowered in some ways, disempowered in others, predisposed to see clearly in some regards, and predisposed to other blindnesses—and always in flux with regard to each of these. By foregrounding the agential experience of moral personhood and environment, the concept of moral agency enables reflection on the contextual foundations of moral resourcefulness, creativity, courage, and honesty. It offers a non-binary language to discuss moral formation and responsibility that leaves plenty of room for texture, and gradation; just as agents do not either possess moral judgment or fail to possess it, so historical and cultural contexts do not either entirely support our agency or entirely militate against it. For example, capitalism today (this dissertation argues) both empowers and compromises our moral agency in interesting ways—some that are historically novel, others that are not new at all, a few that we may find deeply unsettling, and perhaps (were Part II complemented by a third part focusing on sanctification) a few worth being grateful for. This dissertation offers one frame—a theological one—in which to make sense of this, and in so doing, to orient ourselves for living within this complicated context.

2. The argument of this dissertation

Part I: Capitalism today as a moral context

Part II of this dissertation reflects theologically on the situation the moral agent faces in economic life today. Part I builds toward this by developing an account of capitalism today as a moral context. It does this by: describing the state of public and theological conversations about capitalism as a moral context (in Chapters One and Two, respectively) and explaining that many of these implicitly assume that markets are amoral

arenas, governed by their own natural laws; arguing that this is an unnecessary and unwarranted misconception of economic processes, and of capitalism more generally as a result (in Chapter Three); attending to the social function of this misconception and its role in shaping contemporary capitalism, and offering a description of capitalism lately in light of this (in Chapter Four); and by then reflecting on this account of capitalism in light of Christian doctrinal claims about the fundamental context of all human action—creation, fall, and redemption (Chapter Five). These doctrinal claims, Part I argues, provide a narrative frame capacious enough to enable moral reflection on capitalism (and on the use of misconceptions in its formation lately) that does not suppress or drop from view significant aspects of its ambiguity and complexity as a context for moral action.

Chapter One introduces the history of debates over the term “capitalism,” explains that these are at once both normative and empirical, and argues that neither social science nor history provides resources for their conclusive resolution. It also introduces the emergence and adoption of naturalistic representations of markets and capitalism in the last decades of the twentieth century. It then argues that these larger debates, and the shape that capitalist life has taken lately in the global north, have led to the social prominence of two ideal typical moral interpretations of capitalism: as liberating, and as oppressive. Although these differ in their moral assessment, they both tend to presume and encourage the view that capitalism and economic phenomena are naturalistic, or in some other way not amenable to human agency. Chapter One then concludes by suggesting that debates fueled by these two interpretations are, at core, over whether and how capitalism today meets the fundamentally good human desire for freedom, and agency.

Chapter Two introduces and analyzes current and recent scholarship on economic themes in Christian theology and ethics, and describes what this dissertation adds to this body of work. The first section addresses this in theological engagements of capitalism, specifically, and explains that much of this is polemical in nature. It argues, moreover, that much of this also assumes a generally naturalistic (or otherwise reified) account of capitalism, markets, and economic processes, which hinders reflection on the kind of context it presents for moral agency. The second section introduces a methodological disagreement in theology over how to engage economics and economic claims, and explains that much contemporary scholarship addressing economic issues either simply accepts economics as a hard science or dismisses it as “heretical.” This section argues that the conception of economics operative in a theological work is an important determinant of its ability to characterize economic life today as a context for moral agency, and that the most productive approach is to recognize economics as a contingent and fallible social science. This chapter’s third section gestures towards the broader fields of ethical reflection on economic themes. It notes that much of this scholarship indirectly operates with (what this dissertation argues is) a more adequate picture of capitalism, and acknowledges (although usually tacitly) both its plasticity and ambiguity. This chapter concludes by outlining how the theological description and engagement of economic claims that this dissertation proposes add to these conversations.

Chapter Three turns to economic discourse, to argue against claims about the natural and/or determinist nature of market processes that suggest the economy is an a-moral realm of mechanical forces. As chapter One noted, this representation of economic phenomena—and of capitalism more generally, as a result—has become public, common sense for reasons cultural, political, and economic in nature; however, it ultimately draws

its legitimacy from, and ought to be judged by, its place in and utility for academic economic inquiry into markets. Given this, this chapter employs heterodox economic scholarship to consider two key aspects of economic theory supporting this view: the methodology of equilibrium analysis, and the *Homo economicus* model used for individual behavior. This chapter uses an immanent critique to argue that these are contingent developments within the discipline—and, more importantly, that they offer inadequate approaches to considering economic phenomena. This is above all because they obscure the role of human agency in shaping markets, and economic conditions and outcomes.

In light of this, Chapter Four then returns to the question of how to characterize capitalism today. Its overarching argument is that capitalism in general is a plastic yet path dependent social phenomenon, both culturally and structurally. It develops this by examining a series of specific conditions we experience today that bear the marks of the theory just discussed; it argues that claims based in this theory have permeated public discourse in recent decades, and have been used in recent decades to shape economic practices and conditions, and to cloud and complicate discussions of moral action in markets. Cases considered range from public conversations about the ethics of sweatshops, to the prominence of shareholder value theory in business practice, to more subtle ways that economic knowledge has been “performed” during and in the wake of the global financial crisis of 2008. In this way, this chapter not only advances a specific picture of capitalism, but also complements existing scholarship by noticing the importance of economic knowledge in shaping contemporary economic life, and to the terrain that it presents to moral agency.

Chapter Five then makes explicit an argument that can be found implicitly in Chapters Three and Four: the project of morally describing capitalism today as a moral

context is incomplete without attending to its plastic and path dependent nature in general and, moreover, to the particular and specific influence in recent decades of a misleading representation that suggests economic conditions are not culturally contingent. That is, the operation of misleading knowledge explains some of the ethical inarticulacy we face in economic life today. As such, Christian theological reflection on economic life ought to take account of its role in shaping current economic conditions.

This chapter then begins to model one way it might do so, by resetting discussion of capitalism within the frame of Christian claims about the ultimate and most fundamental context of human action: God's creation, and humanity's fall, both experienced in light of the offer of redemption in Christ. This reframing suggests that capitalism's complexity as a moral context is related to the tension between creation as a fundamentally good context for moral action and the fallen "world" of humanity's making as a corrupting one. In this perspective, this chapter argues, capitalism expresses and is marked by humanity's fallen agency in the way that it compounds the limits of that agency. However, capitalism also participates in creation's intrinsic goodness (which this chapter argues entails its empowerment of humanity's moral agency), and is a site of the Word's salvific and redemptive activity in human history.

In proposing this theological interpretation, this chapter models the argument that theological reflection provides a normative framework that can render intelligible capitalism as a moral context without suppressing any significant aspect of its complexity. A theological interpretation, for example, certainly improves upon the two ideal typical representations discussed earlier, both of which stem from traditions (economic liberalism and Marxism) formed in polemical response to capitalism, and as a result are incapable of reckoning with its full ambiguity.

Part II: Our agential predicament within capitalism

Part I of this dissertation proposes a theological interpretation, or reading, of capitalism today as a moral context. Part II then enters the frame of that reading, and likewise offers a theological description of our agential predicament within that context. Specifically, it models how two different theological accounts of humanity's moral agency (considered with regard to both what they share and how they differ) may make sense of, and offer critical leverage on, our experience of defective and imperfect moral agency within capitalism today.

Chapter Six enters the frame of the story provided at the end of Part II, by turning to two key theological descriptions of how humanity's moral agency is compromised and imperfect due to its fallen state. To model a description based on an appreciative account of humanity's natural moral agency, it engages the thought of Thomas Aquinas, broadly construed; for a description centered more visible on the role of grace, it turns to that of Martin Luther. Although these depictions differ, both assume that human agency is deeply damaged as a result of the fall, and that human agents themselves are morally responsible for this agential predicament. This chapter concludes by arguing that this picture of agency—which it calls *compromised*—is similar to the “impure agency” described in literature addressing moral luck, and that humanity's fallen condition can be described as a kind of bad moral luck. However, both theological idioms used here suggest that the experience of compromised agency is fundamentally tragic, in that it is a contingent feature of our existence, and one we may suffer acutely.

Chapter Seven uses the picture of agency Chapter Six sketched to describe various ways in which capitalism today exacerbates the compromised nature of our moral agency by enervating it, and stymying right action and the development of virtue. It foregrounds

in particular how a naturalistic representation of markets can lead to misunderstanding in economic life, and explains how this interacts with the political, cultural, legal, and social aspects of each situation discussed. It concludes that capitalism today presents many situations where the freedom and agency it is purported to enable is illusory (because it is merely procedural, rather than substantive). Moreover, it argues that despite the fact that we experience its cultural and structural conditions as givens that confront us, capitalism's plasticity and responsiveness to human agency at the collective level indicates that we must consider ourselves in some nontrivial way responsible for the outcomes it generates. This includes the "outcome" of having accepted and acted upon misleading economic knowledge.

Finally, Chapter Eight reflects on these conclusions in light of the theological accounts of our fallen agency Chapter Six introduces. As does Chapter Five, it proposes a theological description of our moment; this time not of capitalism itself, but of our situation within it. It this, our agential predicament in capitalism is an instantiation and result of our (tragic) fallen human condition more generally, in which our agency is compromised, and our responsibilities and culpabilities inevitably outrun our control. This description suggests that insofar as economic harms are contingent, they are the result of sin, and that the desire to avoid recognizing them as such (by accepting and acting upon an inaccurate picture of markets) may be read productively as either culpable ignorance, or as sinful self-deception in an attempt to evade deserved culpability. Further, it proposes that the doctrine of original sin offers one way to talk about individual culpability for emergent (that is, unintended) and harmful economic outcomes. This chapter concludes by examining how the confession and endurance appropriate to humanity's fallen condition may provide a way to conceptually order and cope with the

contradictions of our situation as moral agents in capitalism today. It also suggests that this applied reflection provides a new context within which to understand the meaning and significance of Christian theological claims about our fallen condition.

Conclusion

The conclusion of this dissertation provides a summary of the argument of the preceding chapters. It then identifies areas for further inquiry. Specifically, it argues that Part II has only told half of the story regarding Christian conceptualizations of moral agency, and therefore has only sketched half of a theological description of our agential situation in capitalism. Part I of this dissertation asserts that when considered together, the doctrines of creation, fall, and redemption provide a useful frame in which to balance reflection on capitalism (or on any social order), by ruling out certain attractive, but theologically inconsistent social analyses. However, the analysis of Part II only considers the situation of the individual agent in light of sin, and the fall. It is, in this sense, incomplete.

With this in mind, this conclusion briefly considers the lines along which this theological engagement of capitalism today might be extended. It suggests that further work should use both creation's essential goodness and God's redemptive action in Christ to consider ways that capitalism today empowers, enables, and supports moral agency. This would provide a frame in which to consider and interpret, for example, scholarship indicating that it may be possible to collectively influence economic conditions so as to better support moral agency; no moral interpretation of capitalism is complete without reckoning with this aspect of markets today. Such reflection would also usefully fill out the theological reflection begun here. Just as capitalism today provides a new context in

which to articulate and consider the significance of Christian claims about sin and the fallen human condition, so it provides one in which we may, and perhaps must, rearticulate the meaning and experience of sanctification, salvation, and grace.

3. *Why theology? And a note about audiences*

The conclusion to this dissertation argues not only that this project is thoroughly theological, but that in fact it is incompletely so; it is not yet theological *enough*. And yet, the preceding chapters spend as much time, if not more, engaging history, economics, and sociology. It is perhaps worth clarifying, then, firstly, why this is a fundamentally *theological* project, and secondly, such a project is necessary. What should theology address capitalism, and what can theology add to conversations about capitalism that is not already covered in scholarship in the social sciences? On this last question, consider, for example, sociologist Richard Sennett's analysis of what he calls the "culture of the new capitalism," or economist Julie Nelson's feminist and critical theory-inflected account of economic processes, or anthropologist Daniel Miller's description of the feedback loop between consumption practices and culture in consumer societies.⁸ These each offer fine-grained descriptions of our contemporary context that attend carefully to complexity and contradiction, and for this reason this theological project engages and is informed by this scholarship. But what does it purport to *add* to these? Answering this will go some distance to explaining, also, what audiences this project addresses, and what it hopes they will take away.

⁸ See Richard Sennett, *The Culture of the New Capitalism* (New Haven: Yale University Press, 2007); Julie Nelson, *Economics For Humans* (The University of Chicago Press, 2006); and Daniel Miller, *Consumption and its Consequences* (Malden, MA: Polity Press, 2012).

Christian theology as a normative description of the world

The questions with which this introduction began center on topics such as how to conceive of human nature, the depth and scope of our moral responsibility, and the nature of the common and individual good. Although they certainly ask about our situation, they are more fundamentally about how to make sense of this situation in the first place, so as to cope with and live within it. They ask about how we ought to orient ourselves to our situation—whether with hope, despair, or something else. While social scientific scholarship touches upon such topics, to the extent that it aims to provide neutral descriptions of social phenomena, it cannot fully answer these questions.

The thick description of our world that questions about moral agency in markets demand is impossible without the intellectual scaffolding provided by a normative framework. In fact, more than a few attempts to comprehensively describe capitalism today operate within such a normative framework, without announcing that fact. This is the case with both of the ideal typical normative representations of capitalism that this dissertation engages. Marxism is, in its own way, a full tradition, complete with a story about human nature, the nature of the good, justice and oppression, and so forth. The same is true with economic liberalism (or whatever other name we choose to give to the worldview that generates, and is in turn formed by, the ideal typical account of capitalism as liberating). The moral insight and critical leverage that these traditions appear to provide on our current moment are due to the fact that they work from within a normative framework. Normative commitments and presuppositions orient their analyses of the disparate and conflicting facts of economic life today, and undergird the narration of economic life that they ultimately propose to us.

This dissertation argues that the two pictures of capitalism projected by these traditions in particular are incomplete. They necessarily keep out of view certain features of the terrain on which we now live that do not fit within their orienting normative framework (without, of course, alerting us to this fact). This is understandable, given the complexity of economic life today. As this dissertation argues and explains, capitalism is at once material and cultural; plastic and yet full of forces that confront us as givens and resist our agency; morally empowering and salubrious, and enervating and corrupting. It is, as no doubt all social orders are, complicated. It is no wonder that it is difficult to keep this all in view and in focus at once in our social analysis, and to hold this all within one story about our world.

In the face of this, the thesis of this dissertation, bold as it may be, is that Christian theology offers a normative framework capacious enough to provide a more complete, and therefore more plausible, interpretation of the complexity of capitalism today as a moral context. It develops this interpretation using the frame of doctrinal claims about creation, fall, and redemption, and two distinct and complementary specific descriptions of our agential predicament inside that frame: one emphasizing the grace half of the nature-grace dyad (exemplified in Thomistic thought), the other emphasizing the opposite (exemplified in Lutheran thought). It uses these to describe contemporary capitalism as an arena in which the drama of humanity's fallen and sinful condition plays itself out, and yet also as one in which God intervenes to offer to humanity the gift of grace. It interprets our fraught agential predicament within this order as a historically (semi-)novel instantiation of humanity's fundamental and unchanging predicament, as beings with compromised agency who are mired in culpability, and who stand in need of divine mercy and aid in order to become the agents we desire to be.

One aim in reflexively locating this narration within this theological tradition, and in articulating the particular presuppositions animating its claims, is to invite readers who may not share these claims to nonetheless follow the analysis and interpretation offered here, and to do so with more clarity. While couched in particular theological language, this is not necessarily written for an exclusively Christian audience. It foregrounds the place of tradition and value judgments partly in order make it easier, in fact, for non-Christian readers to understand where and why they do not find the narrations presented here as plausible. The hope is that even where this is the case, such readers still find the normative descriptions proposed here useful—perhaps as provocation to apply the resources of a different tradition to the themes and issues taken up here, in an analogous manner. This project models how the resources of one specific tradition may be brought to bear upon our current economic moment; it does not assume, or suggest, that Christian theology is the *only* tradition capable of encompassing the complexity of, and thereby providing critical leverage on, moral life in capitalism.

Christianity is, however, the tradition of nearly a third of the world's population. Perhaps more to the point of this dissertation, it is also my tradition. And, for Christians, claims regarding humanity's fallen condition and God's answer to this in Jesus Christ are not merely some claims among many others; instead, they add up to a way of seeing the world. As such, they not only help us make sense of, and interpret, our experience of the world, but to a significant extent structure that raw experience in the first place, even of our own personhood, identity, and agency. This is one of the basic functions of theology: to help us make sense of our own lives.

For those who understand their agency and place in the world through the lens of Christian commitments, this project offers at least two distinct proposals for

consideration. The first and most obvious of these has just been introduced: this dissertation offers a theological description of our current situation. In so doing, it intervenes in current theological conversations, arguing that some approaches to capitalism and economic agency are untenable on both theological and empirical grounds, and accordingly ought to be set aside. Then, it proposes an analysis that aims to do justice to both classic Christian theological commitments and current scholarship on economic life.

In this, it aims to contribute to larger theological conversations about how to understand and orient ourselves to life in our ever changing world. This orientation, this project argues, ought to involve (among other things) recognizing how deeply complicit and culpable we are for capitalism today and its effects; but also, how capable we are of acting rightly, and even bettering it itself as a context, with and through God's help. It thus suggests that Christians have tradition-based grounds to consider apparently non-theological decisions in economic life as related to the economy of salvation in which they participate. Viewing capitalism in this way may deepen the tragedy and urgency of human suffering in the marketplace, but also opens up a way to see economic life as an arena in which we work out our salvation, with fear and trembling, and as recipients of God's grace participate with him in the renewal of creation, and building the kingdom. Suggesting this view is one of the major, and surface, goals of this project.

The theological task of announcing, and rearticulating, the faith in new contexts

The other distinct proposal this dissertation offers to such readers is a secondary one. It is that capitalism today presents a new context in which Christians may—and perhaps must—work out the meaning and significance of their doctrinal claims about creation's

goodness, human nature, sin, salvation, and grace. Reading the new signs of the times in light of the faith is always a two way process that refracts back on that faith, and asks how it makes sense in light of new historical conditions. This is especially the case whenever we face what Willis Jenkins has called “ethical incompetence,” which is the normal result of when a tradition of moral reasoning is unprepared to address or cope with a historically novel socioeconomic context, set of issues, or situation (Jenkins himself points to incompetence around climate change).⁹ In such situations, it is no longer possible to simply apply a set of pre-existing principles to a discrete problem or domain, because both what the relevant moral insight would be, and the shape of the problem itself, are not yet clear. Reaching conceptual clarity in such moments of flux and transition, and overcoming ethical incompetence, requires in part rethinking the resources of the tradition at hand as a part of the larger process of learning to name the issues we face.

This dissertation begins from the assumption that we face a kind of ethical incompetence in Christian ethics today regarding economic life. We are still in the process of learning how to talk about the strange new relationships into which global markets throw us—with neighbors near and far, with the planet, with culture, even—and developing and extending our existing concepts in order to orient ourselves to this new situation. Our incompetence regarding these is not just a practical problem that can be fixed by refashioning our current ethical tools. It invites us also to reconsider the significance and articulation of fundamental claims about the world, and our place in it, in the first place. On this deeper level too, traditions must grow, develop, and adapt. This is true in general—all moral traditions must be engaged in an ongoing process of coping with and responding to cultural, social, economic, political, and institutional change—and

⁹ Willis Jenkins, *The Future of Ethics: Sustainability, Social Justice, and Religious Creativity* (Washington, D.C.: Georgetown University Press, 2013).

of Christianity in particular, as a tradition that understands itself as charged with preaching the gospel to all of creation, and making disciples of all nations, in all times.

These two aims as ultimately inextricably linked

Augustine of Hippo opened his *City of God* with the declaration *Gloriosissimam civitate Dei*: “The most glorious is the city of God.”¹⁰ He then proceeded to develop a theological account of our existence in the saeculum as one in which two cities, the City of God and the Earthly City, are commingled, using terms foundational to his context at the end of the Roman empire: government, empire, political life, and the supreme Roman virtue, glory. Augustine thus at once reread Roman history in light of the Christian narrative, and framed and articulated that Christian narrative in light of his historical context. Augustine did not invent this two way process of theological and social reflection; even the gospel writers were engaged in a process of shaping the development of the tradition by considering how the life of Christ made sense in light of and in turn spoke to their particular social contexts. Augustine’s particular formulation of the faith was an especially influential one, though; he invested Christian theology with the fundamentally political idiom that it largely retains to this day.

This investment has been so successful that it has become, at times, possible to take for granted this political idiom, and to forget the more fundamental fact that claims about God’s judgment and offer of grace can only be articulated, and heard, from within particular historical and social moments. In the eighteenth and nineteenth centuries, theologians such as Friedrich Schleiermacher and Ernst Troeltsch sought to address this

¹⁰ Augustine, *The City of God against the Pagans*, edited and translated by R. W. Dyson (New York: Cambridge University Press, 1998) 3.

by arguing for historical consciousness in all theological reflection.¹¹ Then, in the late nineteenth and twentieth centuries, the fields of Catholic social teaching and Protestant social ethics developed theological and ethical reflection in light of and in response to the unprecedented social changes brought by industrial capitalism.¹² Later in the twentieth century, liberation theology, political theology, and other strands of contextual theology likewise emerged in response to a series of social and political transformations. As with the works of the earlier two centuries, and before those *The City of God*, this reflection at once has an inward- and an outward-facing character. As Catholic theologian Johann Baptist Metz, an early influence on contemporary political theology, argues,

Thus fundamental theology seeks to explicate the faith in a manner corresponding to the present historical modes of human understanding. It does this, not in order to submit itself to the ruling modes of thought, but in order to enter into a fruitful conflict with these modes of thought.¹³

On this reading, the task of explicating the faith anew in each moment—that is, the task of preaching the gospel—is at once also the task of gaining critical leverage on a historical moment. The two goals are ultimately the same.

This dissertation participates in this broad tradition of theological reflection, and shares these two aims. It specifically seeks them in the conversation on how to understand claims about God's governance (or, translated into an economic idiom, God's ownership) of the world, and about our place within it in capitalism. In one sense, capitalism and economic issues comprise just one among many social issues now facing Christians in modernity, alongside those related to gender, sexuality, race, class, religious pluralism, and so on. In another sense, however, it is arguable that capitalism is now *the* matrix

¹¹ On this, see, for example, Garrett E. Paul, "Why Troeltsch? Why Today? Theology for the 21st Century," *Christian Century* 110 (June/July 1993): 676-681.

¹² On this, see Gary Dorrien, *Social Ethics in the Making: Interpreting an American Tradition* (Wiley-Blackwell, 2010).

¹³ Johann Baptist Metz, *Theology of the World* (New York: Scribner, 1968) 82.

through which all of these are negotiated, and understood. In a way that other issues do not, capitalism and markets now present the fundamental horizon of our lives, as did politics in previous eras. Capitalism, we might say, is now our Rome.

The explication of the faith offered here does not correspond to capitalist modes of thinking by using economic terms to reinterpret Christian doctrine (although this is an interesting and worthy project). Nor does it employ theological doctrines to redescribe capitalism itself—at least, not as a kind of rival theology. This is one approach currently popular within political theology, and it may be a useful one. However, this approach risks giving capitalism too much special credit, accidentally suggesting that it is more stable (not to mention significant) than it really is, and accordingly making *it* the subject of theological reflection.

Instead, the heart of this dissertation takes as its subject God's interaction with humanity, and from within that frame then considers our economic moment. That is, although this is a dissertation putatively on capitalism, in a significant way it is, at its core, about humanity's condition, and God's answer to this. It asks how capitalism appears within the light of the faith, and what role it is given within the Christian story. It then asks how theological commitments can help us make sense of our lives as we experience them on this complicated and often confusing terrain. Christian theology, it suggests, can render more intelligible our experience of our moral agency within this terrain, and can meaningfully orient us to it, to ourselves, and perhaps, from within it, to God.

Augustine did this by reflecting on the end of the Roman Empire in light of God's judgment, and yet also God's promise of redemption in Christ. This dissertation, while much less ambitious in scope, attempts something similar for what is now our modern Rome. *Most free is the economy of God*, it ultimately suggests: it is only in light of God's

invitation to humanity to share God's own life, and to the experience of true agency, that we can properly understand our experience of agency in this life, and in capitalism today.

PART I: CAPITALISM TODAY AS A MORAL CONTEXT

CHAPTER 1

WHAT IS CAPITALISM?

Introduction

This is a dissertation about how to think about moral agency in capitalism today. To a great extent, then, it concerns capitalism, or at least capitalism *today*, which I argue here significantly changes things. But what *is* capitalism? This chapter addresses this question, although it does not definitively answer the question of what capitalism *is*, once and for all. Rather, it suggests that no such single answer is possible, and that what is more important than defining “Capitalism” is understanding the specific kind of capitalism we have created lately, and now inhabit. Moreover, it argues that the ongoing and seemingly interminable arguments over the true nature of capitalism are driven by fundamental anxieties over the exercise of agency in a market society.

This chapter does this firstly by introducing the long history of debates over the term “capitalism,” explaining how these are at once both normative and empirical, and arguing that neither social science nor history provides resources for their conclusive resolution. While surveying scholarship that sketches key changes in economic life in the last half century, this chapter then introduces the emergence and adoption of naturalistic descriptions of markets and capitalism. Finally, this chapter explains how these larger debates, and the shape that capitalist life has taken lately in the global north, has led to two socially prominent views of capitalism as a moral context: capitalism as liberating, and capitalism as oppressive. These accounts of capitalism as a moral phenomenon clearly draw upon the earliest debates about market society, but are elaborated today in specific

ways as a result of recent social, political, and economic developments. These are ideal typical accounts of capitalism, and perhaps are so caricatured so as to not strike the reader as plausible, or compelling. Nonetheless, in this section I suggest that these are implicitly convincing and dominant pictures of capitalism as a moral terrain—even if they frequently go unarticulated in public discourse. As such they need articulating.

This chapter concludes by suggesting that with this introduction to contemporary economic life in place, we are already warranted in offering some initial theological observations about capitalism. Specifically, it proposes that debates over capitalism—how to understand, define, and ultimately, control or live within it—are interminable precisely because they are debates over how to meet the fundamental and appropriate—that is, the *good*—human desire for freedom, and agency. In light of this, it suggests that a productive theological reflection on capitalism lately ought to take seriously this desire, and the ways that capitalism meets this need. In this, this chapter takes its cue from Augustine, who took seriously the fact that the Roman Empire was ordered around glory—a genuine good, if misconstrued and therefore desired imperfectly by the Romans—and accordingly crafted his theology so as to speak to this by describing how the City of God is ordered around this good, properly understood. So, too, this chapter will suggest, a theology of capitalism ought to structure itself so as to speak to and about the fundamental desires that this socioeconomic order imperfectly satisfies, to speak to the city (or, in this case, market) in which these desires may be perfectly fulfilled, and to speak to the agents that must inhabit both spaces at once.

1. *“Capitalism” the term: contestation over normative and empirical description*

“Capitalism” has historically has been a hotly contested subject of debate, and the term still today carries a diverse number of meanings, and is used by different parties to describe widely different phenomena. In this, it presents a case of what philosopher WB Gallie has termed an “essentially contested concept”; like “art” or “justice,” its meaning is, by its very nature, a matter under dispute.¹ However, in the case of art and justice, disputes over specification are still undergirded by agreement on the moral valence of the concepts at hand—art and justice are generally agreed to be goods, for example. Disagreement over what capitalism entails is not premised on any such agreement; some hold it to be a good, others do not.

This disagreement was perhaps unavoidable, given the polemical usage of the term since its coinage by socialists to describe the political economy they opposed.² Indeed, Marx’s use of “capitalist” was inherently pejorative, and intended to draw attention to the way that owners of capital are the special beneficiaries of a political economy based on wage labor and the legal institution of private property.³ On Marx’s reading, such a system inherently results in the production of two classes: a wage-earning class whose only means of existence is to sell their labor, in return for which they receive a fraction of the value they generate; and a business class, who happen to privately own the means of production

¹ W. B. Gallie, “Essentially Contested Concepts,” *Proceedings of the Aristotelian Society* 56 (1956): 167-198.

² According to historian Fernand Braudel, although Pierre-Joseph Proudhon used the term occasionally, as did Louis Blanc in his polemics with Frederic Bastiat in 1850, “in 1867, the word was still unknown to Marx.” It was not popularized until 1902, by Werner Sombart’s “explosive book” *Der Moderne Kapitalismus*. Fernand Braudel, *Civilization and Capitalism, 15th-18th Century: The Wheels of Commerce, Volume II*, translated by Sian Reynolds (Berkeley: University of California Press, 1992) 237.

³ Although Engels used “capitalism” later in life, it appears neither in the *Communist Manifesto* nor in *Das Kapital*.

and are therefore are legally entitled to enjoy the profits generated by those they employ.⁴ He viewed the relationship between these as unjustly premised on the theft of surplus value created by workers, and as inevitably resulting in their dehumanizing alienation. (This pessimistic analysis of the wage relationship led Marx to claim that even a well-compensated laborer still receives “slave” wages.⁵) Usages of the word that draw upon this legacy tend to invoke “capitalism” is an intentionally pejorative label for a destructive cultural, economic, and legal order that unjustly and arbitrarily takes as axiomatic the right to private property, and as a result intrinsically functions to produce the immiseration of a laboring class. This usage of the word thus combines empirical description with normative judgment; it is more akin to “murder” than to “killing,” for example.

Those who do not share a generally Marxian social analysis, of course, use the term quite differently, based on a different empirical and normative reading of the social phenomena in question, such as the wage relationship.⁶ Drawing in large part upon classical liberal philosophers and political economists such as John Stuart Mill, neoclassical economists, for example, have argued that capitalism is that political and economic order which most protects the ideal of individual freedom, precisely because of its legal recognition of the right of private property. This account emphasizes that, in comparison to other modes of organizing economic activity—whether authoritarian, feudal, communistic, mercantilist, or simply socialist and/or regulatory—what defines

⁴ See, for example, Karl Marx, “Communist Manifesto,” and “Wage Labour and Capital,” in *The Marx-Engels Reader*, edited by Robert Tucker (New York: Norton, 1972).

⁵ See, for example, Karl Marx, “Economic and Philosophic Manuscripts of 1844: Selections,” in *The Marx-Engels Reader*, edited by Robert Tucker (New York: Norton, 1972).

⁶ Many do not share, for example, either the normative assessment that the wage relationship is inherently unjust, or the empirical predictions that the mere fact of private property will (eventually) lead to the disappearance of all but two classes, one of which is intrinsically oppressed.

capitalism is that it begins with the presumption of non-infringement upon individual freedom. Whether autonomy is valued for instrumental (that is, utilitarian) or intrinsic reasons (as a human right), this construal of capitalism focuses on its protection of autonomy on multiple levels: consumers are free to spend their money where and how they choose (without restrictions imposed by the state, either for their own good, or for religious or political reasons); workers are free to work where and in which profession they choose, and to sell their labor to the highest bidder; and entrepreneurs are free to own their capital absolutely, and invest it in whatever enterprise they so wish.

Given the normative approval of autonomy, it should not be surprising that such descriptive accounts of capitalism regularly lead to the claim that capitalist economic arrangements are a constitutive part of—and moreover, lead to and promote—autonomy-respecting political arrangements; Milton Friedman makes this claim in *Capitalism and Freedom*, for example. Friedman’s perspective on the predictable functioning of markets leads him to the further claim that free economic exchange will eventually lead to the disappearance of social discrimination, given that markets will make discrimination costly.⁷

Each of these two prominent uses of the term “capitalism” obviously blends a descriptive account of capitalism’s constitutive elements with an ideological (or, less provocatively, we may say simply a normative) judgment of these elements—in particular the elements of the relationships between persons that it enables (the one judging wage labor to be demeaning and an insult to human dignity, for example, and the other condoning and even welcoming it), and the underlying legal institutions supporting it (the one opposed to the private ownership of the means of production, for example, and the

⁷ Milton Friedman, *Capitalism and Freedom*, Fortieth anniversary edition (Chicago: University of Chicago Press), 7-21.

other in favor of it). In tracking usage of the term “capitalism,” then, these are two levels to keep in view: the normative reading of these phenomena, and the empirical account of how they function in the first place (such as the claim that the wage relationship will inherently and inevitably lead to the polarization of society into two classes).

It can be hard to disentangle these two dimensions of the definitions, and some slippage inevitably occurs between them. For example, is a society in which wage laborers are compensated enough to live comfortably *less* capitalistic, because it causes less immiseration? Or is such a society simply better cloaking its essential capitalist dynamics? The answer depends upon the particular Marxian analyst one asks, and whether and how he chooses to use rhetoric. Likewise, is a society in which private property and the right of free exchange is generally allowed, but the sale of certain products is proscribed *less* capitalistic than another in which no such prohibitions exist, or are both equally capitalistic, given their shared presumption in favor of free exchange? Again, it depends on the free marketeer one happens to ask, and whether “capitalist” in her mind may be harnessed usefully to a political boundary-drawing argument. In one moment there may be something to be gained by arguing that contemporary Russia is a capitalist nation; in the next, there may be something to be gained by making the claim that the U.S. is not *really* capitalist, after all, for reason x, y, or z. It is in this way that the concept is rather like other essentially contested terms such as “Christian,” “American,” and “democratic”: the proper use of these in the first place is essentially a matter of opinion, and subject to debate.

2. Why social science is not the answer: anxieties over “the market,” and the normative nature of all social inquiry

One might think that these cultural and political debates could be resolved by turning to social sciences that study economic life—perhaps these have the answer once and for all how the term ought to be used, and can describe definitively what capitalism is in a non-ideologically driven fashion. How does it work? What are its effects? And what is its true nature? Unfortunately, social scientific scholarship neither avoids nor resolves the difficulties raised by political debates over “capitalism,” even if it does provide nuanced pictures of various capitalist moments.

Economic life is a central subject of anthropological and sociological inquiry, and a great deal of research offers insight into how individuals and communities have and do experience capitalism.⁸ However, studies of particular populations, communities, and historical eras solely provide windows into aspects of capitalism itself; they do not amount to a synoptic picture of capitalism more generally.

Where theorists have ventured more comprehensive theories on the true nature and function of capitalism, they quickly leave the realm of empirical description and enter into contested normative terrain. Consider, for example, Karl Polanyi’s classic account of a market economy:

A market economy is an economic system controlled, regulated, and directed by market prices; order in the production and distribution of goods is entrusted to this self-regulating mechanism. An economy of this kind derives from the expectation that human beings behave in such a way as to achieve maximum money gains. It assumes markets in which the supply of goods (including services) available at a definite price will equal the demand at that price. It assumes the presence of money.⁹

⁸ For a review of some of this scholarship in history, cultural and economic sociology, and religious studies, see Stephen Macekura et al., “The Relationship of Morals and Markets Today: A Review of Recent Scholarship on the Culture of Economic Life” *Soundings* 99.2 (2016): 136-170.

⁹ Karl Polanyi, *The Great Transformation: The Political and Economic Origins of Our Time* (Boston: Beacon Press, 2001) 71.

Polanyi adds to this that in a market economy, the “fictional” commodities of land, labor, and capital are exchanged, as well as (non-fictional) goods and services.

Thus far, this description of capitalist economies does not present any objectionable or unsubstantiable claims; neither does it provide any guidance in answering the larger questions animating debates over capitalism’s true nature and essence. Polanyi’s elaboration of how what he calls the “market society” functions does proffer answers to these larger questions, but in so doing it also makes a series of normative judgments. On Polanyi’s reading, what differentiates a full market economy from earlier forms of society is the fact that in the former the market has become “disembedded” from society. In earlier forms of society, such as feudalism and mercantilism, economic activity was still embedded within social relations; in capitalist societies, the reverse is now true, and social relations are subordinated to and embedded within economic relations. The market economy and the modern nation-state (conceived of and shaped so as to support the economy) together form the market society, which is characterized by a set of assumptions about the self-regulating nature of markets, and the belief that the proper role of the state and of policy is to support, rather than impinge upon, this self-regulation.¹⁰ The advent of this new social order, which Polanyi called the “great transformation,” also brought a new economic mentality, that of rational utility maximization. On Polanyi’s reading, society is now endangered by its subordination to the market, which operates according to its own laws.¹¹

In this last claim, Polanyi’s social theory provides an illustrative example of a normative bias that pervades much social theory on capitalism. Accounts of capitalism found within anthropology and sociology often rely upon a fundamental and implicit

¹⁰ Polanyi, *The Great Transformation*, 72-3.

¹¹ *Ibid.*, 60.

construal of “the economic” as a cold and impersonal realm of life inherently opposed to the warmth of “the social,” or what Jürgen Habermas and others have referred to as “the lifeworld.”¹² Because the market is characterized by “extreme artificiality” and yet is also “mechanical,” this opposition is assumed to be a hostile one, such that “subordinat[ing] the substance of society itself to the laws of the market” exposes it to “peril.”¹³ This construal of the situation has its roots in the Marxian and Weberian origins of these fields, given Marx’s original account of capitalism as an oppressive juggernaut, and Weber’s account of markets as anti-social spaces.¹⁴ (The following chapter will discuss in further detail these aspects of Marxian and Weberian social analyses, and the influence they have had upon discussions of markets in Christian theology and ethics, as well.) Where this implicit normative commitment to the economic-social dichotomy influences contemporary social theory, such theory merely extends, rather than resolves, the early debates over capitalism.

Whereas an implicitly negative characterization of the market complicates discussion of capitalism in social sciences like sociology and anthropology, the opposite is the case in economics. In economics, markets are routinely, and usually implicitly, treated as morally positive social phenomena that are *prima facie* more efficient and desirable

¹² See for example, Jürgen Habermas’s *Theory of Communicative Action, Volume II: Lifeworld and System; A Critique of Functionalist Reason*, translated by Thomas McCarthy (Boston: Beacon Press, 1985), which argues that “systems” such as capitalist markets are run on “technical rationality,” which opposes and threatens to “colonize” the “practical rationality” of the lifeworld.

¹³ Polanyi, 75, 77, 75, 71. Indeed, the market is something from which society must “protect itself,” given the possibility of it “annihilating the human and natural substance of society.” (3)

¹⁴ Virgil Storr and Solomon Stein, “Max Weber on the Market’s Impersonality and Ethic,” forthcoming .

than other forms of social coordination.¹⁵ This chapter will shortly introduce developments in recent decades that exacerbate the difficulty this bias presents by cloaking it, and following chapters will take up in more detail questions about the shape of various biases in economics, and the social impact they have through shaping economic discourse and knowledge. Here it is enough to note that the field of economics does not provide as neutral a description of economic life as it purports. As a result, neither has it provided guidance for a conclusive end to debates over whether capitalism has a true essence, and over its moral valence.

Given the inescapably normative nature of all inquiry into and reflection upon social phenomena, perhaps it is inappropriate to look to social sciences for a final answer to such questions. In any case, they are not to be found currently in either economics or sociology and anthropology. These fields contain much insight into the particular nature of specific societies and markets, but do not contain resources for definitively characterizing capitalism itself as a moral context.

3. Why history is not the answer, either; and a brief introduction to recent economic history

One might also think that a definite answer to the question ‘what is capitalism’ could be found in history. Perhaps by investigating what capitalism has been, we may find the resolution to these debates, and the answer to this chapter’s titular question. Here, too, however, although we find scholarship that is of immense use in refining our capacity to speak about capitalism, we immediately run into the problem of the term’s essentially

¹⁵ For a polemical introduction to how a pro-market bias pervades economics, see Stephen A. Marglin, *The Dismal Science: How Thinking Like an Economist Undermines Community* (Cambridge, MA: Harvard University Press, 2008).

contested nature. History, that is, cannot definitively resolve the question of how to define and understand capitalism.

Consider, for example, the question of when capitalism began, exactly. Was it as early as with merchants in Venice in the late middle ages, or not until Adam Smith had published *The Wealth of Nations*—or sometime and place else entirely?¹⁶ Immediately we face a kind of circularity, because “capitalism” itself is, to a large extent, in the eye of the beholder.

Many scholars do agree that wherever it began, what we now recognize as modern capitalism really took off—or, as James Fulcher puts it, reached its “breakthrough”—in the eighteenth century in Britain.¹⁷ Merchant activity involving long distance trade, significant investment of capital, and large profits had emerged in the previous two centuries, but trading companies had relied on monopolies, and the generally mercantilist policies of states at that time limited trade across borders. Moreover, given that merchant capitalists traded in scarce luxury products, the impact of these early capitalists upon larger European society was quite limited.¹⁸ It was not until the Industrial Revolution that markets began to replace traditional methods of meeting the bulk of society’s material needs.

The transition was a tumultuous one, as increasing mechanization and the rise of the factory system (along with other trends such as the increasing use of steam power and a large scale shift from bio-fuels to coal) transformed working conditions and productivity

¹⁶ Ellen Meiksins Wood, for example, argues that it first emerged in rural southeast of sixteenth century England, as a result of imperatives arising from labor relations between the aristocracy and their farming tenants. (Wood, *The Origin of Capitalism: A Longer View* (London: Verso, 2002).

¹⁷ James Fulcher, *Capitalism: A Very Short Introduction* (New York: Oxford University Press, 2004), 19. See also, for example, Joyce Appleby, *The Relentless Revolution: A History of Capitalism* (New York: Norton and Company, 2010).

¹⁸ Fulcher, *Capitalism*, 1-5.

across the globe. It was at this point that population and average income began the sustained growth that marked capitalist societies throughout the nineteenth and twentieth centuries (although debate exists over whether the standard of living for the general population began to meaningfully improve at this point, or not until the late nineteenth century).¹⁹ The changes industrialization initiated had far-reaching impacts, both across the globe and upon aspects of social life, ranging from raised life expectancies (especially for infants) to intensive urbanization (in 1800, only 2.4 percent of the world's population lived in cities of 20,000 or more; currently over half does).²⁰

Although this period saw the rise of a middle class, it was also characterized by harsh working conditions, and few wage and labor regulations. Although new factories and mills offered increased opportunities for employment, this employment often involved long hours of dangerous and poorly compensated labor. As late as 1900, most industrial workers in the United States earned from 20 to 40 percent less than what was necessary for a decent living.²¹ Moreover, child labor was commonly employed as a way to reduce labor costs. The first laws against child labor were not passed in Britain, for example, until 1833 and 1834 (and these, the Factory Acts, disallowed employment of children under the age of nine, and restricted working hours for children under the age of

¹⁹ See Peter H. Lindert and Jeffrey G. Williamson, "English Workers' Living Standards During the Industrial Revolution: A New Look," *The Economic History Review* 36.1 (1983): 1-25. For a more "pessimistic" historical analysis, see Charles Feinstein, "Pessimism Perpetuated: Real Wages and the Standard of Living in Britain during and after the Industrial Revolution," *Journal of Economic History* 58.3 (September 1998): 625-58.

²⁰ Regarding raised life expectancy, see Simon Szreter and Graham Mooney, "Urbanization, mortality, and the standard of living debate: new estimates of the expectation of life at birth in nineteenth-century British cities," *The Economic History Review* 51.1 (1998): 84-112. Regarding urbanization, see Kingsley Davis, "The Origin and Growth of Urbanization in the World," *American Journal of Sociology* 60.5 (March 1955): 429-437; and United Nations, World Urbanization Prospects 2014 Revision. For a fuller account of the impact of industrialization from 1870s forward in the United States, see Jonathan Rees, *Industrialization and the Transformation of American Life* (Routledge, 2012).

²¹ Library of Congress, "Struggles of Labor," Country Studies, available online.

18 to 12 hours a day). Given these harsh conditions, historical accounts of how the inhabitants of industrial capitalism experienced it vary; while some focus on rising standards of living and real wages, others point out that that quantitative data such as real wages do not account for qualitative factors, such as the reduction in autonomy accompanying a shift from agrarian and artisan to factor labor, that are important to individuals' sense of well-being and agency within their lives.²²

Since the industrial revolution, economies have been shaped and changed by developments political (such as the rise and fall of the gold standard), financial (such as the invention of checking and expansion of consumer credit) and technological (up to and including that of the internet). In the context of the US, these changes include increasing state regulation of labor conditions and production practices that could harm either the environment or the consumer. The capitalism of contemporary American, that is, is very far from the early capitalism experienced in England.

In fact, the middle of the twentieth century saw what is now sometimes referred to as the “Golden Age of Capitalism” (or, less dramatically, the “post—World War II economic boom”). If capitalism at its emergence seemed cold and vicious, during this time period, it seemed benign—and perhaps blessed, even: unusually high and sustained growth and full employment led to rising wages and standards of living and declining inequality. Reagan’s famous dictum garnered the place it did in our cultural memory because it spoke to what seemed to be a truth: for a while, a rising tide in fact did seem to lift all boats. During this period, economic policies were generally Keynesian (which is to say, designed so as to steer and boost the economy using government expenditures as a

²² See for example, E.P. Thompson, *The Making of the English Working Class* (Vintage Books, 1966).

nudge), and in the public perception a somewhat clear divide existed between the body politic, and the economy.

Beginning in the 1970s, however, the golden age came to an end, and much of this changed yet again—from the way we conceived of capitalism, to the policies used to structure it, to the average individual’s experience of it. After a long period of full employment and low inflation, inflation rose, and what was called “stagflation” emerged: a period of simultaneous high inflation and no growth. Markets at this time began to seem less benign for the average working individual. At this time, economy-wide growth became uncoupled from wages: whereas in the preceding years economic growth was reflected in wage gains, since 1973 hourly compensation has almost entirely stopped rising. Although net productivity grew 72.2 percent between 1973 and 2014, inflation-adjusted hourly compensation of the median worker rose a mere 8.7 percent. That is, while net productivity grew 1.33 percent annually between 1973 and 2014, median hourly compensation grew a mere .2 percent each year.²³ Strong evidence exists that this wage stagnation was largely a result of both changes in labor market regulation and business practices.²⁴ As a result of these, this period initiated a still ongoing period of growing inequality.

The general structure of global markets evolved, as well. Whereas the American economy (and that of many other developed nations, including the USSR) centered upon mass production in the postwar era; in the 1970s firms began to shift away from heavy investments into fixed means of production toward more flexible modes of production

²³ Josh Bivens and Lawrence Mishel, “Understanding the Historic Divergence Between Productivity and a Typical Worker’s Pay: Why it Matters and Why it’s Real,” Economic Policy Institute, September 2, 2015, Briefing Paper 406. Available at <http://www.epi.org/>.

²⁴ Josh Bivens, Elise Gould, Lawrence Mishel, and Heidi Shierholz, “Raising America’s Pay: Why It’s Our Central Economic Policy Challenge,” Economic Policy Institute, June 4, 2015, Briefing Paper 378. Available at <http://www.epi.org/>.

that allow for faster response to market feedback and consumer demand. Manufacturing also declined as a percentage of GDP among developed nations, and was replaced and surpassed by the technology, knowledge, and service sectors.²⁵ This transition was aided by a period of outsourcing during the 1970s and 1980s, as improved transportation capacities and the passage of key free trade agreements made the use of cheaper labor elsewhere fiscally attractive to manufacturing industries located in developed nations.

The outsourcing trend was one major step toward (in the US especially, but also elsewhere) a more flexible capitalism, in which the average experience of economic life is characterized by more instability, risk, and insecurity. During the 1980s and 1990s, the role of the corporation in American life changed away from a fairly stable social institution that was responsible to multiple parties and judged on a longer time scale than that of quarterly returns. At this point the shareholder value approach to management, which focused upon the generation of return upon shareholder investment above all other possible goals, became dominant in business practice.²⁶ In this view of the corporation, what is in the best interest of the business itself is not necessarily in the best interest of its employees, who no longer expected anything approaching the life long tenure enjoyed by workers in prior eras. So much of contemporary employment is characterized by flexible and temporary arrangements that scholars have coined the term “precarity” to describe the situation of contemporary workers ²⁷

²⁵ “The Service Economy,” Business and Industry Policy Forum Series, Organization for Economic Co-operation and Development, Paris, 2000.

²⁶ For more on this, see Karen Ho, *Liquidated: An Ethnography of Wall Street* (Durham, Duke University Press, 2009).

²⁷ On this, see the Spring 2016 issue of *The Hedgehog Review*, “Work in the Precarious Economy,” especially Louis Hyman, “Temps, Consultants, and the Rise of the Precarious Economy,” and Brent Cebul, “Liberated as Hell.” For a polemical critique and analysis of this phenomenon, see Guy Standing, *The Precariat: The New Dangerous Class* (London: Bloomsbury Academic, 2011).

These three decades also saw the steady growth of the financial sector as a proportion of the economy, both in the US and globally. The finance industry (including commercial and investment banking, private equity, and insurance, and excluding real estate) was about 1.5% of GDP in the mid-nineteenth century, after a collapse in the 1930s and 40s at 2.5% of GDP in 1947, and recovered slowly to about 4% in the late 1970s.²⁸ Since then, however, it has grown to 8.3% of US GDP in 2006, and in 2014 was 7.2% of GDP.²⁹ (It has grown so large, a 2012 IMF study suggests, that it may now actually slow economic growth.³⁰) In part, this growth was enabled by the slow repeal of regulations that had been put in place after the Great Depression, such as restrictions that separated commercial and investment banking. (These are the precisely the regulations, observers such as Joseph Stiglitz argue, that could have helped prevent the global economic crisis of 2008.³¹)

4. New imaginary (or, a seeming answer): markets as a-social, a-moral, naturalistic

During this time period, in America (especially, and to a lesser extent in Europe and other developed nations) we came to think of the economy, and our place in it, differently. Above all, we came to think of it as a non-human, technical domain, run by a set of impersonal natural forces and timeless laws. To be sure, mechanistic language goes

²⁸ Thomas Philippon, "The Evolution of the US Financial Industry from 1860 to 2007: Theory and Evidence," November 2008, working paper available at <http://pages.stern.nyu.edu/~tphilipp/>.

²⁹ Philippon, and the 2014 data from the Department of Commerce website, drawing from the Bureau of Economic Analysis data, "Interactive Access to Industry Economic Accounts Data: GDP by Industry," available at bea.gov.

³⁰ Jean-Louis Arcand, Enrico Berkes and Ugo Panizza, "Too Much Finance?" IMF Working Paper, Research Department, June 2012. For more on this, see Stephen G Cecchetti and Enisse Kharroubi, "Why does financial sector growth crowd out real economic growth?" Bank For International Settlements Working Paper No 490, Monetary and Economic Department, February 2015; and Stephen G Cecchetti and Enisse Kharroubi, "Reassessing the impact of finance on growth," Bank For International Settlements Working Paper No 381, Monetary and Economic Department, July 2012.

³¹ Joseph Stiglitz, "Capitalist Fools," *Vanity Fair*, 2009.

way back in American life specifically as one way to think about social relations and the body politic more generally.³² And, the use of mechanistic language to describe markets also has deep roots in the field of economics (much more on this in Chapter Three).³³ However, during the 1970s and 1980s naturalistic descriptions of markets, and of capitalism with them, achieved an unprecedented level of prominence and social power.

The causes of this conceptual transformation within our social imaginary are as multiple and diverse as the factors leading up to and driving the larger global economic shifts of recent decades. Some of these can be traced to developments within the academic discipline of economics. Intellectual historians, for example, have pointed toward the influence of economist Kenneth Arrow's work in the 1950s, which mathematically proved the impossibility of rationally agreeing on an optimal distribution of goods (that is, of constructing an account of the common good by aggregating individual preferences). After this, basing economic inquiry on rational choice provided a way to avoid the intractable difficulty of making unscientific value judgments about welfare.³⁴ This disciplinary convergence on using the naturalistic idiom of rational choice to describe economic phenomena was further consolidated by the emergence and rapid growth in the 1960s and 1970s of scholarship that used the methodologies of economics to explain non-economic social phenomena in areas such as law, religion, and crime, which functionally encouraged the view that markets are the fundamental reality undergirding all social

³² See Leo Marx, *The Machine in the Garden: Technology and the Pastoral Ideal in America*, 35th anniversary edition. New York: Oxford University Press, 2000, on the role of the machine metaphor in American life, in describing social relations, and even the body politic itself. This metaphor has been replaced by that of the (mechanistic) market.

³³ Philip Mirowski, *More Heat Than Light: Economics as Social Physics, Physics as Nature's Economics* (Cambridge University Press, 1991).

³⁴ S.M. Amadae, *Rationalizing Capitalist Democracy: The Cold War Origins of Rational Choice Liberalism* (Chicago: University of Chicago Press, 2003), 83-132.

phenomena, and that they operate according to timeless laws.³⁵

Others have pointed to the role of influential elite actors in intentionally advocating a neoclassical worldview, both within the field of economics, and without. Where these actors were economists, rising popular respect for the field of economics no doubt helped legitimize their message to the wider public (although, as Chapters Three and Four will discuss in further detail, the line from the production of formal economic knowledge to cultural imaginary is not a straight one).³⁶ When Nobel laureate Milton Friedman urged the public to respect the rational workings of the self-regulating “market mechanism,” for example, and advocated noninterventionist economic policies in his 1980s television series “Free to Choose,” he found a wide audience.³⁷

The cultural and political message of figures such as Friedman was lent institutional support when in the 1980s the U.S. and other governments in the Global

³⁵ This began with the work of Gary Becker, who used microeconomic economic models to study the family, crime, addiction, discrimination, human capital, and law. This scholarship often suggests economic solutions to (what were previously seen as) non-economic problems. Since Becker’s initial work, microeconomic analysis has been extended to the fields of religion, public health, and numerous other areas. On the influence of this scholarship in other fields, see Robert A. Pollack, “Gary Becker’s Contributions to Family and Household Economics,” NBER Working Paper No. 9232, September 2002; Jean-Baptiste Fleury, “Wandering through the Borderlands of the Social Sciences: Gary Becker’s *Economics of Discrimination*,” *History of Political Economy* 44.1 (2012): 1-40; James S. Coleman, “The Impact of Gary Becker’s Work on Sociology,” *Acta Sociologica* 36.3 (1993): 169-178; and Bernard E. Harcourt, *The Illusion of Free Markets: Punishment and the Myth of Natural Order*, (Cambridge: Harvard University Press, 2011) especially 133-134.

³⁶ On this, see Justin Wolfers, “How Economists Came to Dominate the Conversation,” *The New York Times*, January 24, 2015. A comparison of references to economists in *The New York Times* and the U.S. Congressional Record with references to other academics and social scientists reveals that economists dominate by a large margin. Some scholars have argued this dominance is due to contextual factors; to my eyes, these arguments explain, rather than refute, the prevalence of economists and economics in public discourse. See Philip Cohen, “Sociology unfound: Contextualizing the dominance of economist mentions in the New York Times,” Feb 6, 2015, available at <http://blogs.lse.ac.uk/impactofsocialsciences/2015/02/06/sociology-unfound/>

³⁷ Angus Burgin, *The Great Persuasion: Reinventing Free Markets Since The Depression* (Cambridge: Harvard University Press, 2010); and Angus Burgin, “Age of Certainty: Galbraith, Friedman, and the Public Life of Economic Ideas,” *History of Political Economy* 45 (annual supplement, 2013): 191-219.

North abandoned the generally Keynesian policy consensus of the midcentury, and adopted an agenda based on an idealization of the efficiency of “free” (that is, largely unregulated) markets, now often called neoliberal. Even the Clinton years in the US in the 1990s, during a technically politically progressive presidency, were characterized by cuts to key social welfare programs and the passage of legislation preventing regulation of the multiple financial products (including derivatives, and credit default swaps).³⁸ Such policy goals presupposed a picture of self-regulating markets, and accordingly lent cultural legitimacy to the idea that this is indeed how markets function, and/or function best. (To be clear, “neoliberalism” describes a set of normative assumptions and policy goals centered on deregulation, privatization and reduced government spending that are conceptually distinct from the claims of mainstream neoclassical economics, and the natural picture of how capitalism works discussed here. It is possible to advocate this political agenda without assuming the picture of markets discussed here, as it is to advocate against these goals based on a naturalistic picture of markets (as do Marxists, for example). However, “free market” assumptions and goals often implicitly rely upon this reified and naturalistic account of economic activity, and for this reason the two developments—political neoliberalism, and convergence in mainstream economics on models and ways of representing markets that suggest they are amoral and naturalistic phenomena—were mutually reinforcing, at least in American history.)

The neoliberalization of politics was also complemented by the rise of market-oriented language more broadly in North American culture, including and especially to describe the body politic, and the role of the individual in that body. This time saw the

³⁸ This was the Commodity Futures Modernization Act, passed with the support of the Clinton Administration in 2000. On this, see Matthew Sherman, *A Short History of Financial Deregulation in the United States*, a report of the Center for Economic and Policy Research, July 2009.

transformation of the public conception of citizenship from one of republican civic participation to one of savvy consumption, for example.³⁹ Historians have suggested that increasing social friction over how to manage diversity and social difference contributed to the appeal of conceiving of political life using economic concepts.⁴⁰ Presumably, agents linked in a market are less beholden to each other than members of a body politic, and given that markets enable each to fulfill their own preferences, they also obviate the need for argument over the common good.

In this worldview, extending the reach of the market and repealing public provision of goods was not only legitimate (because citizens are rather like consumers already), but salubrious for democracy. This is especially true if markets are, as a generally neoliberal worldview seemed to accept and suggest, realms of a-moral, predictable behavior and phenomena that can either be managed technocratically toward socially neutral ends such as growth (in one variant of neoliberal discourse), or do not even require management, and can be let alone to function unsupervised (in another).⁴¹ In either case, ceding areas of social life to markets conveniently absolves the community from the messy business of politics, and of arguing over values and the common good. That is, in this view, markets offer a way to organize social life that avoids the fractious pluralism that states often seem to fear in high modernity. This is a promise that social

³⁹ On this transformation in postwar American culture, see Lizabeth Cohen, *A Consumer's Republic: The Politics of Mass Consumption in Postwar America* (New York: Alfred A Knopf, 2003).

⁴⁰ See, for example, Cohen, *A Consumer's Republic*; and also Fred Block and Margaret R. Somers, *The Power of Market Fundamentalism: Karl Polanyi's Critique* (Cambridge, MA: Harvard University Press, 2014); Daniel T. Rogers, *Age of Fracture* (Cambridge, MA: Belknap Press, 2012).

⁴¹ As Philip Mirowski explains, although both advocates and opponents of neoliberal politics cast it as entirely anti-regulation, neoliberal policies regularly entail regulation. (With this in mind, he argues that the financial crisis was not the result of de-regulation so much as the result of the wrong *kind* of regulation.) See Philip Mirowski, *Never Let a Serious Crisis Go to Waste: How Neoliberalism Survived the Financial Meltdown* (London: Verso, 2013).

theorists have pointed out markets have always seemed to offer, but which seems to have become especially alluring in the latter part of the twentieth century.⁴²

At the close of the century, free markets also offered the promise of avoiding the spectacular failures so recently on display in the Soviet Union, for example:

Throughout Eastern and Western Europe as well as in North America during the 1980s, there was a dramatic shift toward a popular belief in the efficacy of self-adjusting market mechanisms. Indeed, the apparent failure of Keynesian economic policies, the strains faced by the Swedish social democratic model, and the collapse of the Eastern bloc economies led many journalistic observers to argue that capitalism is a system of free markets that has finally triumphed.⁴³

As Richard Nelson writes, “The close of the twentieth century saw a virtual canonization of market organization as the best, indeed the only effective, way to structure an economy.”⁴⁴ All other ways of going about things would only be effective for so long (and might be disastrous instead), insofar as they failed to heed the way markets necessarily, and naturally, work. This worldview was so powerful that it was used to brand opponents of neoliberal policies in the 1990s as “anti-globalization,” as if globalization could only

⁴² See for example, Karl Polanyi on how the ideal of a disembedded market seems to offer the promise of a life without politics, managed only by rational market forces; and Michael Sandel’s argument about the changing post WWII political economy in the U.S. in *Democracy’s Discontent*.

⁴³ J. Rogers Hollingsworth and Robert Boyer, “Coordination of Economic Actors and Social Systems of Production,” 1, in *Contemporary Capitalism: The Embeddedness of Institutions*, edited by J. Rogers Hollingsworth and Robert Boyer (Cambridge: Cambridge University Press, 1997). Hollingsworth and Boyer add that “Paradoxically, during the same period, there was a rapidly accumulating theoretical literature that demonstrated that markets were not ideal mechanisms for coordinating transactions... [under a range of circumstances],” and that “there is considerable variation” in “trajectories of capitalist development” (1).

⁴⁴ Nelson continues, “This phenomenon, though strongest in the United States, and to a somewhat lesser extent, the United Kingdom, was widespread. The conception of market organization being canonized was simple and pure, along the lines of the standard textbook model in economics. For-profit firms are the vehicles of production... Economists of an empirical bent and political scientists and sociologists who have studied actual modern economies well recognize the oversimplifications involved in this folk theory. ... The theory represses the extensive role of government in modern economies. More generally, it misses the institutional complexity and variegation in modern economies. The folk theory clearly is intended more as a normative statement than as a positive one. In this role, it has been highly successful in recent years.” Richard R. Nelson, *Technology, Institutions, and Economic Growth* (Cambridge, MA: Harvard University Press, 2005) 213.

occur on a single set of terms—those of economic liberalization (as Joseph Stiglitz points out, the term is accordingly “in many ways a misnomer,” given that most activists *do* support a form of global integration, if not the specific one designed by the World Bank and the International Monetary Fund).⁴⁵

In short, the implicit picture of markets and capitalism many held at the end of the twentieth century, and to a certain extent into the twenty-first, was a rather technical, non-moral, and naturalistic one. However, it is possible that the pride of place in our social imaginary this picture held is now slipping somewhat. Events such as the United Kingdom’s departure from the European Union provide new, if painful, reminders of how the political still does shape the economic, and it is not always the other way around. And the first years of the twenty first century have seen a slow but steady growth of approaches to business—in the form of social entrepreneurship, socially responsible businesses, “conscious capitalism,” and the like—that do not put either profits or shareholder value first, and do not take for granted a view of economic life as intrinsically asocial, or amoral. Moreover, in the aftermath of the 2008 global financial crisis, both public and academic voices have called for overhauls of both economics and finance, so as to correct for the overly naturalistic thinking that contributed to the crash.⁴⁶

Given such developments, sociologists such as Paul du Gay and Glenn Morgan argue that the moment for the neoliberal economic worldview is past, that neoliberal modes of thought and practice have passed a “tipping point,” and are now in decline.⁴⁷

⁴⁵ Joseph Stiglitz and Andrew Charlton, *Fair Trade for All: How Trade Can Promote Development* (New York: Oxford University Press, 2006) 54.

⁴⁶ See, for example, Claire Jones, “A Post-Crash Manifesto to Rebuild Economics,” *The Financial Times*, April 22, 2014; and Thomas Piketty’s unlikely bestseller, *Capital in the Twenty-First Century*, translated by Arthur Goldhammer (Cambridge, MA: Belknap Press, 2014).

⁴⁷ See, for example, Paul du Gay and Glenn Morgan, “Understanding Capitalism: Crises, Legitimacy, and Change Through the Prism of *The New Spirit of Capitalism*,” in *New Spirits of*

Others, however, are not so sure. Within economics, despite both calls for reform and the rise of heterodox (that is, non-mainstream) scholarship in economics, the disciplinary production of economic knowledge itself hasn't changed much in response.⁴⁸ And, as John Quiggin has pointed out, despite the calls for change in politics and financial practice that the crisis generated, responses to it, and even analyses of those responses, still have been animated to a great extent by what he calls “zombie” concepts—supposedly discredited assumptions about the naturalistic nature of markets that never quite seem to die.⁴⁹

In short, even if its power is fading, we have not yet fully escaped the thrall of what Donald MacKenzie has called “the imagined market”: that nearly mythical phenomenon guided by its own self-regulating mechanisms.⁵⁰ There are signs, however, that we are becoming more capable of identifying its mystifications. The questions it seemed to provide an answer to—of what markets are, really, and what life is like for the human moral agents who live in them—are (or should be) back up for debate.

5. Capitalism as a moral context: Two ideal typical pictures

The ascendance of this particular market imaginary has led to the rise of two ideal

Capitalism? Crises, Justification, and Dynamics, Edited by Paul du Gay and Glenn Morgan (New York: Oxford University Press, 2013) 2.: “The financial crisis that erupted in 2008-9 and whose latest turn, at the time of writing, has unfolded in the form of the so-called ‘sovereign debt crisis’ appear to signify the tipping point for a set of ideas and practices that have gained a remarkable hold over the conduct of governments, institutions, organizations, and individuals since the late 1970s. These ideas and practices are often gathered together under the heading of ‘neo-liberalism.’”

⁴⁸ On the growth in recent heterodox scholarship, see Frederic S. Lee and Wolfram Elsner, “Publishing, Ranking, and the Future of Heterodox Economics,” *On the Horizon* 16.4 (2008): 176. On how this has, as of yet, not changed the guild of economics, see Mirowski, *Never Let a Serious Crisis Go to Waste*.

⁴⁹ See, for example, John Quiggin, *Zombie Economics: How Dead Ideas Still Walk among Us* (Princeton: Princeton University Press, 2012). See also Harcourt, *The Illusion of Free Markets*, 9.

⁵⁰ Donald MacKenzie, “The Imagined Market,” *London Review of Books* 24.21 (October 2002): 22-24; Donald MacKenzie *An Engine, not a Camera: How Financial Models Shape Markets* (Cambridge, MA: MIT Press, 2006).

typical stories about capitalism as a moral context. Although the moral analyses of these two stories are diametrically opposed, they both draw upon this naturalistic account of markets. In the first of these, capitalism is liberating, and accordingly presents a benign and natural (and/or potentially salubrious) context for the moral life. In the second, capitalism is oppressive, and presents a wholly corrupting and overwhelming context that mostly, if not entirely, prevents the moral life.⁵¹ These ideal typical narratives clearly draw upon and are grounded in the political debates over the term introduced at the beginning of this chapter. To a certain extent, then, they extend debates that began with modern capitalism, and have even deeper roots in classic anxieties about wealth, property, and luxury. In the sketch of these narrations that I provide in what follows, however, it will become obvious that they have also been influenced by the recent intensification of the naturalistic representations of capitalism.

5.1. Capitalism as liberating, and a natural, supportive fit for the moral life

In the first of these ideal typical representations, capitalism is a natural, and therefore a benign, context for moral agency. This is a perspective on economic life that is especially prominent in the Global North, and is in particular supported by (current, mainstream) economic knowledge which, as briefly noted, tends to imply that capitalism is a natural and unproblematic order (or, non-order; more on this shortly). This picture of economic life is especially plausible for privileged individuals who do not feel the tragedy of economic compulsion, and therefore are infrequently forced to think about their

⁵¹ See Jonathan Haidt, “Capitalism is Exploitation,” and “Capitalism is Liberation,” for a brief and interesting dramatization of these two narratives about capitalism, and his forthcoming *Three Stories about Capitalism: The Moral Psychology of Economic Life* (see storiesaboutcapitalism.com). See also Anthony Randazzo and Jonathan Haidt, “The Moral Narratives of Economists,” *Econ Journal Watch* 12.1 (January 2015): 49-57, for an argument of how these narratives impact economic discourse.

economic context in the first place. For those who do not need to stop to reflect on capitalism, it may feel the most “natural” context in the world.

In this view, capitalism is not so much a system as it is the absence of a system. Capitalism, perhaps, is what is left when we do away with all external, forcible controls of our economic lives. This may be why many of the terms and concepts we use to describe capitalism themselves feel very ordinary: a *prima facie* (if not absolute) right to private property, money as both a consumable commodity and capital, prices that are determined by supply and demand—these all seem so clearly to just *work*. And so the order that lets these things exist on these terms itself feels obviously rooted in reality, as the most logical way to structure our lives. It is no wonder that for many of us, as Frederic Jameson has suggested, “easier to imagine the end of the world than to imagine the end of capitalism.”⁵²

One might expect that the increasing popularity of histories of capitalism would prevent (or at least militate against) such an unwarranted naturalization. Jameson encouraged us to “always historicize!” precisely because in revealing the deep contingency of all civilizations, the sweep of history gives the lie to our apparently settled givens. Unfortunately, even historicizing capitalism does not always protect us from the temptation to view it this way. This is especially true when histories of capitalism set it alongside its predecessors, such as feudalism and various controlled economies, which appear to our modern eyes so obviously wasteful, constraining, and downright oppressive; such narrative framing can have the effect of making capitalism appear all the more “natural.” Even in many academic histories that chronicle the transition from those earlier economies to our current situation, capitalism appears not so much as a new order, but a

⁵² Frederic Jameson, “Future City,” *New Left Review*, 2003.

non-order that emerges when artificial barriers to what is natural—the organization of society’s allocation of resources by means of private ownership, and free exchange—are finally removed.⁵³ That the notions of privacy and freedom are so prominent in the modern Western social imaginary is, of course, an important element of why a capitalist state of affairs (organized as it is by the free ownership of private property) seems so obviously justified. Which is to say, to many of us, capitalism probably feels just about as natural as does modernity.⁵⁴

A great deal of social science and historical research now indicates, of course, that the matter is not this simple. However “natural” is defined, capitalist societies are only as natural as feudalist ones were. Capitalist subjectivities were not just waiting for most of history to be unleashed, but were constructed—just as land and labor were not always understood as saleable commodities, but took on their salability at a definite and identifiable moment in history.⁵⁵ Moreover, the kind of capitalism we experience today is

⁵³ Even Robert Heilbroner’s *The Worldly Philosophers*, which tries to attend to the contingent nature of capitalist concepts *and* subjectivities when it tells the story of what he calls the economic revolution, still ends up giving the sense that this revolution was not so much the advent of a new order as the removal of hindrances of old orders—and Heilbroner is not alone in this.

⁵⁴ Francis Fukuyama’s *The End of History* articulates a thesis along these lines: that capitalism (along with its political twin, liberal democracy) is the inevitable—read: *natural*—result of the modern development of science. The enduring popularity and apparent sensibility of Fukuyama’s overall claims, despite *The End of History*’s argumentative inaccuracies and forecasting errors, attests to how intuitively plausible many (at least in the Fukuyama-reading portion of the world populace) find this account of capitalism. Francis Fukuyama, *The End of History And the Last Man* (New York: Simon and Schuster, 1992).

⁵⁵ For a concise history of the construction and emergence of land and labor as saleable commodities, see Robert Heilbroner, *The Worldly Philosophers* (seventh edition), pp 18-42. For a more recent (twentieth century) analysis of how contemporary individuals are still in a process of transformation, and still coming to resemble the *Homo economicus* model to even greater degrees, see Ryan Acton’s forthcoming dissertation, “*We have the best – or we are dead*”: *Harvard Business School and the Making of a Meritocratic Class, 1945-1980* (Univ of California, Berkeley). [Using the case of Harvard Business School, Acton chronicles the move toward creating students in the image of *Homo economicus* in business schools in the latter half of the twentieth century, by looking at the emerging rhetoric of meritocracy and its role in shaping values of business elites (and legitimizing single-minded money making as a social

not identical with either capitalism in general, or any other moment of capitalism; we all live in contingent and particular instantiations of capitalism that are socially, culturally, and politically constructed and shaped.

The ideal typical picture of capitalism as liberation encourages us to forget all this—or, perhaps more accurately, to not see it in the first place. And in fact, evidence does seem to indicate that this is a common perception today, at least in the United States. Consider, for example, the responses to a recent article in the *New York Times* on the emerging subfield in history that focuses on the history of capitalism. Historian of capitalism Louis Hyman’s reflection on the article and its reception (titled “Why Write the History of Capitalism?”) includes the following quotation from the comments: “a history of capitalism would be as revelatory as a ‘history of gravity.’”⁵⁶

The popularity of this sort of response makes a certain amount of sense, given that for many in the Global North the dominant sense of life in “free markets” is indeed one of freedom—from compulsion and restraint, and for whatever economic choices we choose to make. For those with privilege and power, capitalism may indeed appear not so much as a system, but as liberation from systems. (On this note, interesting studies in empirical psychology indicate that this particularly describes the worldview of those who are the most successful (and likely to become so) in markets today: entrepreneurs.⁵⁷)

goal).] For a more appreciative history of the construction of capitalist subjectivities, see Deirdre McCloskey, *The Bourgeois Virtues*.

⁵⁶ Louis Hyman, “Why Write the History of Capitalism?” *Symposium Magazine*, 8 July 2013.

⁵⁷ Entrepreneurs tend to be individuals who have an internal, rather than external, locus of control (that is, who express a high sense of control over their external environment and events that affect them), and the successful ones even more so. Willingness to exploit an entrepreneurial/economic opportunity appears correlated with this sense of control over one’s environment. This is, of course, fairly predictable; it only stands to reason that those in a position to benefit from our current socioeconomic situation would sense a high degree of self efficacy, and that those who are successful even more so. (Shapero 1975, Brockhaus and Nord 1979, Brockhaus 1980). Studies also show that institutional, political, and cultural context

The assumption of fundamental freedom upon which this ideal typical picture rests tends to suggest that if capitalism forms its inhabitants or constrains their agency, it does so in only insignificant ways. A few of capitalism's ardent defenders do argue that it forms its inhabitants in largely, if not entirely, salubrious ways.⁵⁸ More often, however, the effortlessness with which many of us in the Global North negotiate our capitalist society goes unremarked, and this picture appears in the presumption that "natural" operations are morally benign.

This unexamined but pervasive perception contributes to the moral uncertainty discussed in the introduction, by obscuring some of its subject. If capitalism is "natural," how is it possible to talk meaningfully about moral responsibility for its processes and outcomes, and the ways it shapes us? More to the point, why would one even need or want to, in the first place? That is, viewing capitalism as natural contributes to our moral inarticulacy by tempting us to think that there is nothing much there to be articulate about. Insofar as our economic arrangements (and, moreover, our own common sense, inclinations, and intuitions) appear self-evidently natural, we have no reason to ask them in the first place. Why should we stop to ask questions about something so very natural?

5.2 Capitalism as oppressive, and a hostile context that prevents moral action/agency

Although the second ideal typical representation of capitalism as a context is the polar opposite of the first, it shares with the first the impulses to reify capitalism, and to

influences an individual's locus of control significantly; centralization externalizes agents' locus of control, and political freedom internalizes it (Harper 1997, 1998). So, context is an important factor in whether an individual experiences an economic situation as free (or empowering), or constraining.

⁵⁸ Deirdre McCloskey, whose arguments the following chapter will take up, is a notable advances such arguments (although, to be clear, is not guilty of resting them on the claim that capitalism is entirely natural; she is aware of its historical contingency, despite generally sketching it as a morally supportive context for moral agency).

then describe it monochromatically. In this narrative, however, capitalism presents as a wholly corrupting and hostile context that completely prevents and coopts moral agency. This is an argument that is most frequently heard in academic discourse, and is less culturally popular than its twin, perhaps because it may not accord with the average North American individual's experience of their economic life, insofar as that experience is one of privilege. Despite that, this ideal typical characterization is still not infrequently relied upon in academic discourse, and occasionally informs wider public conversations, as well.

This representation of capitalism can take a variety of shapes, and different versions are premised (either explicitly or implicitly) upon a related but distinct set of presuppositions (many of which are introduced in chapter one). One, for example, is the claim that capitalism (or the consumer society it enables, if the two are conflated) comprises in essence a rival religion, whether because it simply functions to orient attention and values as a religion does, or because it actually is centered on (and evangelizes out of) an ideological core.⁵⁹ In either case, this diagnosis often leads ethicists, philosophers, and theologians to the conclusion that capitalism is therefore in competition with religious traditions such as Christianity.⁶⁰

Another is the claim that capitalism inherently produces immoral material outcomes, such as inequality, poverty, and ecological devastation. Sometimes such arguments focus on the persistence of widespread poverty in developed nations, and the fact that capitalism appears to exacerbate inequality even in the wealthy nations of the

⁵⁹ For example, see David Loy, "The Religion of the Market," *Journal of the Academy of American Religion* 65.2 (1997): 275-90, which suggests that economics is itself the theology of the market's functioning as a religion.

⁶⁰ More on this in the first section of the following chapter.

Global North.⁶¹ At other times, proponents of this argument point out that through globalization, capitalism has rewired relations of production so as to negatively impact even countries that have not fully integrated with global financial markets—more than “leaving them behind,” capitalism has actually worsened their situation, and “held them back.”⁶² Such arguments often proceed along classic Marxist lines, and argue that capitalism itself is predicated upon unjust relations of production, and, as chapter one explains, where theologians adopt this approach they are especially likely to believe that “capitalism” should be used not in a neutral or technical sense (akin to “killing”) but as a normatively encoded judgment (akin to “murder”). Critics of capitalism need not be committed to a Marxist reading of its essential dynamics, however, to voice the complaint that it is a problematic context for moral action because of its inevitable and intrinsic production of undesirable material outcomes.⁶³

Other critiques are grounded in the assumption that global capitalism inherently produces immoral and undesirable *cultural* outcomes. It is common now to hear in conversations about globalization the lament that the extension of capitalism to a locale inevitably corrodes culturally distinctive ways of life, leaving in their place only shallow

⁶¹ See, for example, Piketty, *Capital in the Twenty-First Century*, for an economic history of the long-term evolution of wealth inequality in capitalist democracies, and of the move toward increasing concentration of wealth. To be clear, Piketty’s normative reflection on this history does not propose that because this momentum is intrinsic to capitalism that capitalism *per se* is the problem; rather, he suggests that because this tendency is intrinsic to unregulated market activity, the sort of capitalism worthy of aiming for is a kind with wide ranging market interventions aimed at reducing the sustained concentration of wealth. He does not weigh in on the polemical debate over the essence of capitalism itself.

⁶² This argument is called both uneven development theory, and dependency theory. For a contemporary argument along these lines, see Kenneth Surin’s *Freedom Not Yet: Liberation and the Next World Order* (Durham: Duke University Press, 2009) 65-124.

⁶³ For example, see Katie Geneva Cannon “Racism and Economics,” in *Womanist Ethics Reader*; Joerg Rieger, *No Rising Tide: Theology, Economics, and the Future* (Minneapolis: Fortress Press, 2009).

and homogeneous consumer tastes.⁶⁴ A more theologically-inflected version of this concern assumes that capitalist societies predispose agents to idolatrous or selfish ways of living in the world—to the vices of individualism, crude materialism, political passivity, and so forth. This assessment can be either coextensive with or stand wholly separate from the claims that capitalism has an ideological or theological core, or that it produces undesirable material outcomes.⁶⁵ Such arguments often conclude that because capitalism militates against various goods (whether of cultural diversity or of virtue and right action), the only correct moral response to its challenges is to retreat from its advances, in order to preserve or recreate some elements of a pre-capitalist world. This impulse can be seen within some efforts to encourage individuals and families to insulate themselves from capitalism’s dangers, as it were, by practices such as reducing consumption, living simply, avoiding advertising, and living “smaller” by supporting local crafts and agriculture.

A similarly totalizing moral analysis—albeit here of “markets” themselves rather than the entire social system in which they operate—can be seen in the claims that markets should be “walled off” from various arenas of life (such as the allocation of organs,

⁶⁴ See, for example, Jeremy Seabrook, *Consuming Cultures: Globalization and Local Lives* (New Internationalist, 2004), which laments the “cultural war which accompanies the economic re-ordering of the world” (13).

⁶⁵ A combination of the ideological and predisposing arguments can be seen in Eugene McCarragher:

Capitalism is a *telos* of human ideals—the maximization of utility, the expansion of productivity, the enrichment of humankind—and it fosters an ensemble of mores to minister to those ends—calculated avarice, the work ethic, competition, technological “innovation,” advertising and the multiplication of desires. It’s not that capitalism “wags no fingers” at pernicious or craven desires; it encourages the exponential increase of desire as a good thing in itself. The beatific vision of the capitalist moral imagination is the Gross Domestic Product: the yearly growth in the volume of goods and services whose increase is never questioned. Tapping into and perverting our deepest desires for creative and exuberant lives, capitalism offers a beguiling, insidious account of human nature and destiny... Building a beloved community on capitalist property was always delusional, however “productive” of “affluence and prosperity. Eugene McCarragher, “Capitalism and Our Moral Imagination,” *The Hedgehog Review* 14.3 (Fall 2012) 202. Philip Goodchild’s work, discussed in the next chapter, also blends an ideological, material, and cultural critique of capitalism.

or surrogacy and childbearing, for example). Such claims often premise their specific claims on the general assumption that market exchange is irremediably corrupt or corrupting, and threatens to taint whatever it touch. This presupposition is a variant of the idea that markets run on timeless “laws”—only on this reading, these laws are terrible truths about markets which ought to lead civic-minded people to quarantine market activity to certain arenas of life.⁶⁶

Although they are related and at times overlap, the distinct claims regarding capitalism’s essence and effects that ground each of these arguments all result a rather sweeping characterization of capitalism as an inhospitable context for moral agency. Moreover, they also generally give the sense that the appropriate response to the dangers they adumbrate is to retreat into and create non-, less-, anti-, pre-, or post-capitalistic spaces. It is the very straightforward nature of this analysis and ethical conclusion that lends such arguments their moral bite, and makes describing capitalism in this way a temptation. That is, there is something appealing about the very clarity of such a denunciatory message; if its simplicity does not make it seem more intuitively plausible, it certainly renders it more morally motivating. It is much more galvanizing to hear the rallying cry “All persons of good will should oppose capitalism because it always produces poverty” or “Christians should oppose capitalism because it militates against and corrodes our spiritual values” than to hear “Christians should be ambivalent about the contemporary instantiation of capitalism, and appreciate its contingent upsides while

⁶⁶ This is Michael Sandel’s concern in *What Money Can’t Buy*, for example, which in the space of a paragraph reasons from Beckerian economics to the claim that “To a remarkable degree, the last few decades have witnessed the remaking of social relations in the image of market relations.” Sandel is rather unclear on the method by which a single “market logic” has come to take over—as well as *why*, exactly, this logic should find such welcome home. For this he can be forgiven, however, given that *What Money Can’t Buy* is obviously intended as a polemic, rather than as history or social theory.

judiciously pursuing action regarding its more problematic features as of late.” While the latter message seems pedantic, the former has a satisfying ring to it—one that perhaps humans are hard-wired to appreciate; cognitive psychology seems to indicate that our brains find it easier to process and assent to simple, unambiguous, black-or-white moral judgments of persons and phenomena than they do ambivalent and conflicted analyses.⁶⁷ Jeremiads rely on dichotomous thinking in argument to achieve their moral momentum—even if the clarity this momentum requires sacrifices a certain amount of *adequatio rei*.

As noted, it is not hard to find such jeremiads against capitalism today. These arguments above all appear in academic, critical theoretical (and, as the following chapter argues, theological) conversations about the possibility (or impossibility) of a truly liberated subjectivity today.⁶⁸ To be sure, such claims are more frequently found in this academic literature than in wider cultural conversations. This moral orientation toward capitalism is less culturally prominent and prevalent than is the first view: more individuals are likely to implicitly accept capitalism as morally benign than are likely to decry it as an irremediably hostile terrain for their moral lives.⁶⁹ For this reason, perhaps

⁶⁷ See Daniel Kahneman, *Thinking, Fast and Slow* (New York: Farrar, Straus and Giroux), on how cognition can be understood using two “systems.” The first of these is effortless, and generates tacit interpretations of the world that tends toward coherence and stereotypical representation, and is only overridden by the effortful deliberation of the second system. And this is not to mention the fact that cognitive biases such as “confirmation bias” and the “backfire effect” work to entrench (what psychologists call) “narrative scripts” normatively describing the world. See also Joshua D. Greene et al., “Cognitive Load Selectively Interferes with Utilitarian Moral Judgment,” *Cognition* 107.3 (June 2008): 1144–1154, which indicates that it is cognitively easier, so to speak, to produce a deontological “yea or nay” moral judgment than an ambivalent, utilitarian judgment. In short, developing nuanced moral analyses attentive to ambiguity may go against the grain of human moral processing. This is unfortunate, given that ambivalence may be linked to creativity. See, for example, Christina Ting Fong, “The Effects of Emotional Ambivalence on Creativity,” *The Academy of Management Journal* 49.5 (October 2006): 1016–1030.

⁶⁸ For a recent example of this in critical theoretical literature, see Ken Surin, *Liberation and the Next World Order* (Durham: Duke University Press, 2009).

⁶⁹ Each of these lines of argument is worthy of engagement because, insofar as each advances claims about capitalism in a non-totalizing manner, they contain a kernel of insight regarding

we might say, the temptation to see economic life in these terms is less likely to lead us astray. This is especially true given that proponents of this perspective usually have to be explicit about their premises (namely, the ways in which capitalism and/or consumerism present a hostile and dangerous context for moral action) in order to advance their argument, and to the extent that assumptions about capitalism are made explicit, they can be evaluated and challenged. Explicit and academic as it may be, however, this narrative about capitalism is nonetheless a considerable strand of discourse on economic life within both public and academic conversations.

5.3 The danger of black and white thinking

Given that these two views of capitalism are ideal types, they are explicitly endorsed and advocated in their totality by only a very few. That said, these are nonetheless culturally available scripts about capitalism, markets, and market societies, and we do not need to scratch very hard to find them beneath the surface of much public and academic discourse about capitalism today. As a result this is worth noticing, and diagnosing, if for no other reason than simply to understand the shape of contemporary discourse. As this chapter has begun to suggest, however, and as following chapters will argue more clearly, these two ideal typical descriptions are inadequate representations of economic life today. Specifically, these misrepresent economic life today as a context for moral agency. As a result, when and where these misrepresentations are used—either in whole or in part, and either explicitly or implicitly—they distort and hinder discussion of moral action in economic life.

capitalism's moral essence and effects. As the previous chapter has argued, however, contemporary global capitalism—and not capitalism qua Capitalism, as a timeless essence—certainly does have material and cultural effects worthy of being concerned about.

6. The use of “capitalism” in this dissertation

Having introduced the debates over the true nature of capitalism and the way that viewing markets as naturalistic phenomena has only exacerbated these debates, I should now explain the usage of the term in this dissertation, locating it in this wider conversation. As just noted, this dissertation rejects the two ideal typical construals of capitalism just discussed. In their place I sketch a picture of the ambivalent moral terrain capitalism today provides. I do not intend this moral analysis to apply to capitalism as an ahistorical phenomenon; this dissertation does not propose to resolve the larger debates over the true meaning and essence of capitalism for all time. This is because it seems to me that the debates themselves are irresolvable—and therefore distracting—given that capitalism does not have a single true essence. There is no one “Capitalism”—there are only the various capitalisms we make in different times and places, with the various ways that we shape markets: with culture, with politics, with individual choices, etc.

Of course, to say that capitalism does not have an inner or unchangeable essence is not to claim that the word has no meaning. As I use the term here, it describes any system which takes as foundational presumptions that 1) production and distribution should be decided by voluntary and competitive economic exchange unless a countervailing concern indicates otherwise, and 2) the right of private property ought to be respected, unless and until a countervailing social concern indicates otherwise. This is obviously an intentionally minimal definition of the term—minimal enough that both Marxists and neoclassical free market advocates would recognize it as the subject of their inquiry. Given its modesty, this definition enables us to use the term to describe a broad spectrum of political economic arrangements, from libertarian markets (and their ideal type, anarcho-capitalism) on the one end to the redistributionist plans of more socialist-leaning democratic states. (By this

reckoning, for example, both Sweden in the early 2000s (an economy driven largely by technology and services, with extensive redistributive social policies and a low Gini coefficient) and England in the early 1800s (an emerging industrial economy, with a near total absence of redistributive social policies, not to mention environmental and labor regulation, and a high Gini coefficient) qualify as capitalist.)

It is not current custom to lump these all together as equally valid and recognizable instances of capitalism. We usually qualify our references to states that undertake more than a minimum of redistributive or regulatory policies (or offer more than the American-approved state sponsored services) as being semi-socialist, with terms such as “social democracy,” “the Nordic model,” and “social market economy.” This is based on the assumption that laissez faire economic liberalism presents the “purest” form of capitalism. I think this is a mistake. The equation of “pure” capitalism with the absence of regulation, taxation, or state funded services is a polemical and strategic move that both those on the far right (who advocate capitalist markets that are as unadulterated as possible) and those on the far left (who wish to so construe capitalism so as to more readily make the case for its abolishment) use to further their political arguments. It is in no way necessary—theoretically, or otherwise. Markets are not more capitalistic in the absence of state set limits.

The reason this is true is because determining whether a given law counts as a “regulation” that interferes with market functioning is always a subjective matter of judgment in the first place. Even the most libertarian of free market theorists, such as Robert Nozick, maintain that a certain minimum of state regulation must exist in order to preserve market functioning – regulation that, for example, prohibits and punishes theft, murder, and the usual harms that liberal societies do not tolerate. Presumably, not even

the freest of market theorists would suggest that a market in which fraud, for example, were permitted, is even more capitalistic than ones in which it is prohibited—although technically such a market would be less regulated. The difference is simply that most liberal societies have decided that the freedom to defraud only *appears* to enable wider social freedom; but that in fact it has the effect of limiting freedom. But what counts as an instance of fraud, and distinguishes it from acceptable selling practice? Answering this requires making subjective judgments about values, and social goods (and ills).

Therefore, to claim that some version of capitalism is “pure” by nature of a supposed absence of regulation is only possible by making an arbitrary (or, at least contingent) judgment call regarding which laws are the necessary and just “rules of the game,” and the “regulations” and “interventions.” That is, the invocation of “capitalism” in the singular as a concept or ideal type against which a particular socioeconomic configuration is measured generally hides a political agenda.

Given this, I propose that it is best to leave aside debates over capitalism’s true essence, and also any uses of the term that suggest or imply that it has a predetermined and unchangeable nature and set of effects. What distinguishes various market situations from each other is not that one is pure and another a kind of tainted admixture of capitalism, but the ways in which cultural values are specified so as to justify and shape various exceptions to the presumption on behalf of private property and voluntary exchange. Setting aside polemical usage of capitalism is the approach most likely to bring this fact into view, and position us to reflect with care upon the particular market situation at hand—and upon how that situation can and should be improved. (This is a philosophical argument for this; the following chapters will advance an empirical argument, based on how capitalism has been altered and formed lately.)

This dissertation accordingly retains the use of the term, but not to speak of capitalism's timeless essence. What follows is not about the idea of capitalism more generally; it is instead about the particular capitalism we have here and now, and (in Part I) about the way we think about this particular capitalism. In what follows I hope to convince the reader that the distinct form of capitalism we take for natural today is highly contingent, and therefore also amenable to alteration.

Conclusion: Libertissimam—why we can't put down the debates

As the introduction noted, Augustine's *City of God* begins with the declaration *Gloriosissimam civitate dei*—"the most glorious is the city of God." With this, Augustine attended to what mattered most to the Romans about their empire—what needs it fulfilled for them, and what they valued most about it. Rome was a society oriented around the belief that glory, and the desire for glory, is what is most important in human affairs. According to Augustine, even by this rubric Rome was imperfect; nothing but the kingdom of God and God Godself can fulfill this need—the Romans had misunderstood. But, they had not misunderstood entirely; glory *does* matter, and Rome was organized around an imperfect version of it. Explaining how God's glory is true glory, then, gave Augustine a way to proclaim the gospel in and for his time, and to offer to Romans looking back upon their fading empire a new way to make sense of their time, and what had been.

Perhaps capitalism is our contemporary Rome. This chapter has argued that one of the reasons we cannot seem to find an end to our debates over capitalism's nature is that it does not have one—at least, not an invariant or timeless one invested with a single moral valence. With Augustine's Rome in mind, however, another reason also presents itself: that these debates reflect our disagreement over how to achieve our highest values,

and our deepest desires. Some of us may not notice these desires, because capitalism fulfills them with some regularity. Others for whom it does not deliver, however, may be in a better position to recognize the fundamental good around which we now organize society, and valorize above all others: the good of freedom. Capitalism is centered on, and value for, its deliverance of many related goods, of course; these include (at the very least) creativity, the material comfort that the freedom to do business and own property often produces, and so forth. Underneath most such goods, however, I propose that good most fundamentally prized in much of (at least Western) society today is that of freedom: to make one's life more comfortable if one chooses; to "truck, barter and exchange"; to move socially as one wants. This is what we value; or, put otherwise, *agency* is our most cherished social good. We disagree about how to create, protect, and promote agency within social life. These disagreements are, however, debates over how to acquire and then use a good upon which we agree. The fact that capitalism is defined by its most ardent proponents as the social order that most maximizes agency—and by its most disillusioned detractors as the order that most oppresses agency—is what gives capitalism the lasting importance and mystique that it enjoys. (This is especially true in a society that has turned to the ideal of freedom in the market with the hope that widespread enjoyment of this agency will put an end to the fractious contestations over values, justice, and the common good.)

With this in mind, perhaps theological engagement of capitalism ought to attend to the desires and values around which it is organized. In what way do capitalism's objects of desire instantiate real goods, and in what ways are they distorted versions of true goods? In what way does it meet the needs and desires it purports to fulfill with these goods? In what way does the economy of this earthly city (or market, say) match up with

the economy of the divine city, the city of God? Finally, what may we learn about our place in the divine economy by attending to our current earthly one? And what can we learn about how best to inhabit this earthly economy in the saeculum by placing it within and alongside its larger theological context, the divine economy of creation, the fall, the incarnation, and redemption? In what way can we who inhabit capitalism today participate in the divine economy, even from within the saeculum?

The following chapters of this dissertation ask such questions, focusing on the value of freedom and agency, and in particular moral agency—the freedom and capability to flourish as moral beings, and to effect good. Capitalism, it will argue, does enable us to enjoy the good of this agency. Ultimately, however, capitalism itself cannot deliver the full moral agency we may desire, and offers up instead lesser, and inadequate, goods.

(Consider the kind of agency consumer choice enables, for example, and the outsized weight we expect it to bear.) However, this inadequacy is not cause for dismissal.

Capitalism may not be the city of God, but neither is it hell (and perhaps hell isn't even hell, if that is taken to mean a place where humans have no agency; but that is a separate topic, for a separate dissertation). In following chapters, then, this dissertation will not only ask about the difficulties humans face exercising moral agency in economic life, but also about the capacities they have for doing so. And it will do so in light of Christian claims about humanity's ultimate calling to friendship with God, and the kind of moral agency that promises. With this in mind, one way to start this dissertation might have been to proclaim, *Libertississimam oeconomia Dei*—the most free is the economy of God, in which human moral agents may become fully empowered and capable!

CHAPTER 2

CAPITALISM AND ECONOMICS IN CHRISTIAN THEOLOGICAL ETHICS TODAY

Introduction

This chapter surveys the current state of the field of Christian theological and ethical reflection on economic issues, and explains what this dissertation adds to these. It does so in three sections which, in order, address theological engagement with capitalism, theological engagement of economics, and ethical reflection on economic issues.

The first of these argues that the two moral descriptions capitalism introduced in Chapter One pervade, and to a large extent distract, Christian theological reflection specifically addressing capitalism itself. It explains that a surprising amount of theological energy is expended by, and between, those who celebrate and those who wholly condemn capitalism. This section also argues that the narratives offered by these tends to inappropriately reify capitalism, and construe it as naturalistic (and/or mechanistic). This leads critics to ignore that each instance of capitalism brings with it many goods, and defenders to ignore the many faults and disadvantages of whatever historical moment they address. Moreover, these monochromatic narratives necessarily fail to reckon with the plastic and contingent nature of each particular capitalist moment.

The second section turns to theological conversation with (and more often, about) economics, and introduces a methodological disagreement over how to engage economics and economic claims. It considers Joe Blosser's distinction between isolationist, integrationist, and imperialist approaches to conversation between the disciplines, but argues that this typology leaves out the question of how the theologian conceives of economics in the first place. Does the theologian presume that economics is an empirical

science generating reliable knowledge, or a heretical and pagan discipline based on a misunderstanding of creation—or something in between? While some theological reflection takes this question head on (particularly those that declare economics heretical), much never raises this question, having already implicitly answered it in favor of economics' credibility as a hard science. This part concludes by noting that not enough work in the field addresses economics as the contingent social science that it is, and contests economic claims (without fully dismissing them, that is).

Finally, this chapter's third section gestures toward the broader fields of social and individual ethical reflection that addresses economic themes. It notes that this work often implicitly presumes a more adequate picture of capitalism as a context for moral agency; arguments for change in policy, or business practices, for example, indirectly acknowledge the malleability of capitalism, and pastoral and ethical guidance generally indirectly recognizes that a given context presents both temptation to sin, and opportunities for just action and growth in virtue. This chapter then concludes by outlining what the theological description of capitalism and of our agential situation within it, and the engagement of economic discourse proposed in this dissertation adds to these conversations.

1. Capitalism, it all depends on how you define it

Chapter One introduced two ideal typical pictures of capitalism as a context for moral agency: capitalism as liberating, and capitalism as oppressive. This section now explains that a great deal of contemporary scholarship on economic issues in Christian theology implicitly assumes one or the other of these two ideal typical pictures, and accordingly that our economic moment is the way it is because of the essential and internal dynamics of capitalism. That is, much work implicitly relies on an account of

capitalism as a stable *thing* that determines social, political, and economic outcomes. Interestingly, this is true of work that appreciates and endorses capitalism as much as it is of work that laments and condemns it. In both cases, I will suggest, making such assumptions about an essential essence mischaracterizes our (contingent) economic moment, and leads theologians and ethicists to speak in misleading and incomplete ways about the context that it provides for moral agency. Before turning to this, however, I will introduce how and why this assumption is so often made in current literature.

1.1 Capitalism as inherently and wholly evil

It is not uncommon that theologians declare that capitalism is intrinsically oppressive, exploitative, and sinful—and thoroughly so. In fact, this judgment is much more frequently encountered than its polar opposite, that capitalism is intrinsically and thoroughly good. This is to a certain extent understandable, given that our economic order has not delivered on the many promises made on its behalf—far from it. Instead, it has resulted in growing inequality: although a privileged few now experience a lifestyle of abundance and luxury that is mindboggling, millions still live in deprivation. This deprivation is increasingly localized and entrenched within disadvantaged populations. And this is only to speak of capitalism’s material effects. In what sociologist Richard Sennett has called the “new” capitalism (in which economic arrangements are much more fluid and flexible than they were in the years of industrial capitalism), the unpredictable volatility of markets threatens manual laborers and professionals alike with “the specter of uselessness.”¹ Even as the goal of economic stability eludes ever larger percentages of the population, a new cultural ethos of merit tutors the individual to

¹ Richard Sennett, *The Culture of the New Capitalism* (New Haven, CT: Yale University Press, 2006).

internalize responsibility for her economic fate, such that a failure to thrive on the terms provided by the economy today, unstable as they are, is her failure, rather than that of the larger system.² Like tectonic plates shifting beneath continents, changes in the structural organization of the economy have forced renegotiations of central cultural concepts such as citizenship, political agency, the dignity of labor, and even the nature of interpersonal commitments. These cultural changes come with their own trauma, much of which is born by those who are most vulnerable to material deprivations. These trends are indeed troubling; there is much in capitalism today that is worth lamenting, condemning, and criticizing.

If one views these trends and outcomes as the natural results of capitalism itself, however, then they do indeed offer more than cause for lament; they offer proof that capitalism is an inherently oppressive, shallow, and perhaps morally corrupting way of organizing society. And this is precisely how a significant number of contemporary theologians view these trends. The effort to take seriously the disadvantages and dangers of a given economic arrangement all too easily leads to a condemnation of capitalism *per se* that relies on an implicit (and at times explicit) ahistorical and essentialist account of capitalism. Such monochromatic characterizations offer certain rhetorical advantages, to be sure; they give voice to the very real sentiment induced when considering the vast and seemingly implacable global economic system that capitalism must be a juggernaut of sorts—that it is Capitalism, with a capital “C.” As this section explains, however it is motivated and executed, this rhetorical move is not only premised on an untenable and ahistorical reification of capitalism (which is far from “Capitalism”), but it conceptually

² For the unique ways that this has impacted the working class, and in particular the fraught transition to adulthood experienced by working class youths, see Jennifer M. Silva, *Coming Up Short: Working-Class Adulthood in an Age of Uncertainty* (New York: Oxford University Press, 2013).

precludes discussion of the positive exertion of moral agency in economic life. To explain this, let us consider some of the origins of this rhetoric.

1.1.1 The legacy of Marx: intrinsic injustice and systems with agency

Whether it does so implicitly or explicitly, many theological works so characterizing capitalism rely upon the legacy of Marxian social analysis (although not all, of course, endorse Marxist politics).³ There is a certain irony in this, in that it was Karl Marx who first worked so hard to identify the social construction of various natural-seeming elements of capitalist political economy, including the existence of classes, wages, and capital itself, and even the seemingly fixed “laws” of supply and demand. The very same theory that demystified and denaturalized capitalism, however, had the effect of essentializing it anew by suggesting that true freedom and equality were not possible within its constraints. For Marx, capitalism was by definition premised upon an agonistic opposition between those who benefit from the system, and those whose labor is exploited to produce said benefit. Although it was a social construction, and therefore not inevitable (or, depending on one’s reading of Marx’s history, if it was inevitable, it was at least not *natural*), arguments for its contingency were not, in his view, an argument for its ambivalence. Capitalism was, by definition, thoroughly and inevitably oppressive.

A fair amount of theological treatment of economic issues engages in precisely this sort of circular logic, and presumes what it purports to prove. Not all theologians relying

³ Liberationist thought has been deeply influenced by both Marxian social analysis and Marxist politics, although not all liberationist theologians endorse a Marxist political project. Radical Orthodox thinkers are less likely to acknowledge an intellectual debt to Marxian social analysis (dialectical materialism itself being but another form of secular, and therefore perverted, reason), but the genealogical mode of investigation into the ideological foundations of apparently natural social phenomena that so characterizes this strand of theological reflection is an undeniably rather Marxian move.

on such a pessimistic account of capitalism do so out of respect for Marx or his theories, of course.⁴ Adopting this approach does expose the theologian to the dangers along the path originally blazed by Marx, however. Consider, for example, the work of ecological liberation theologian Leonardo Boff, who speaks of “the clear contradiction between capitalism and ecology.”

To add the prefix *eco* to capitalism or to development projects—ecocapitalism or ecodevelopment—simply masks the inherent perversity of capitalism and its development paradigm. The internal logic of the system suggests that there is no such thing as ecology, or if it does exist, it must be rejected.⁵

Capitalism itself is not the direct target of Boff’s theological reflection; his main subject is the larger civilizational logic that at once marginalize the earth and the poor. This leads him to address the development models and forms of political economy that have so devastated Latin American countries, which he equates with capitalism. On his reading, capitalism refers to the racist, exploitative, exclusionary, elitist, wasteful, and otherwise oppressive modes of social, political, and economic organization that have deleterious effects on both the land and the poor—no wonder it needs superseding! What this essentialist account gains Boff in his ability to dramatize the plight of the poor in Latin

⁴ Although, for two more who do, see Joerg Rieger, *No Rising Tide: Theology, Economics, and the Future* (Minneapolis: Fortress Press, 2009); and Enrique Dussel, *Beyond Philosophy: Ethics, History, Marxism, and Liberation Theology*, edited by Eduardo Mendieta (Landham, MD: Rowman and Littlefield, 2003).

⁵ Leonardo Boff, *Cry of the Earth, Cry of the Poor*, 86. Later in this text Boff makes clear that not even a return to small-scale political economy—a la E. F. Schumacher—is a radical enough break from capitalist modes of production and valuation to truly respect the planet. (130) Elsewhere, he writes, the evil one in the Lord’s Prayer is the one “embodied in an elitist, exclusivist social system that has no solidarity with the multitudes of the poor. He has a name; he is the Capitalism of private property and the Capitalism of the state.” Boff, *The Lord’s Prayer* (Maryknoll, NY: Orbis, 1983) 119.

America, however, it loses in the ability to call for constructive social action. Indeed, even where Boff does call for gradual reform, it is with the ultimate purpose of revolution: “The overall state of affairs obliges us to seek changes in the system in order to get to a change of system.”⁶ As he states in *Introducing Liberation Theology* with Clodovis Boff, poverty is a “collective and also conflictive phenomenon, which can be overcome only by replacing the present social system with an alternative system. The way out of this situation is revolution.”⁷ Given this, the ethical value of various reform efforts is, if not nil, *prima facie* suspect.

Although reliance on an explicitly Marxian worldview has faded in more recent liberation theology,⁸ Boff is not alone in so characterizing capitalism as a hegemonic totality that is inherently oppressive.⁹ This generally has two ethical consequences. The first is that the ethical imperative of superseding—or abolishing, supplanting, or generally replacing—capitalism with another socio-economic mode of organization becomes absolutely unavoidable. If capitalism is by nature an oppressive species of system, to discuss its improvement or reformation is out of the question; it must be replaced entirely.

⁶ Boff, *Jesus Christ Liberator: A Critical Christology for Our Time* (Maryknoll, NY: Orbis Books, 1973) 277.

⁷ Leonardo Boff and Clodovis Boff, *Introducing Liberation Theology* (Maryknoll, NY: Orbis Books, 2000) 27. In this, the Boffs may be representative of a trend within much of liberation theology, which tends to assume that “What is needed is not just the correction of the errors of capitalism but rather its replacement.” Valpy Fitzgerald, “The Economics of Liberation Theology,” in *The Cambridge Companion to Liberation Theology* (Cambridge University Press, 1999) 220.

⁸ Such as the account of capitalism found in dependency theory, which centers on the claim that poorer nations are underdeveloped precisely *because* of, rather than in spite of, the intrinsic nature of capitalism. For more on the use of Marxian thought in liberation theology, see Fitzgerald, “The Economics of Liberation Theology,” 218-234.

⁹ See also, for example, the work of Franz Hinkelammert, and Pablo Richard, and Jon Sobrino, *No Salvation Outside the Poor: Prophetic-Utopian Essays* (Maryknoll, NY: Orbis Books, 2008) especially 38-39.

The second is to enervate efforts for structural change by making it seem “a virtual impossibility.” As liberation theologian Ivan Petrella has argued,

liberation theology often depicts capitalism not just as an economic system but also as the defining element of all of society, western civilization as a whole, and life itself. Combating such a capitalism is a gargantuan task, no avenue of escape comes into sight. The idea of capitalism as an all-pervasive indivisible totality, encompassing the nation, the globe and even the inner recesses of the human heart, cannot but suffocate the emergence of new historical projects.¹⁰

According to Petrella, this depiction of capitalism is “liberation theology’s Achilles heel,” precisely because it hinders theologians’ ability to imagine constructive social change.¹¹

There is also a second Marxian rhetorical move that frequently appears in theological discourse, and that is that of ascribing agency to the market system itself. This as well goes back at least to Marx, who employed it to good effect, using anthropomorphic language to describe both capitalism and its constitutive elements. In *Das Kapital*, for example, he likens capital to “dead labor, that, vampire-like, only lives by sucking living labor, and lives the more, the more labor it sucks.”¹² Anthropomorphization is a recurring trope in *Kapital*; Marx variously describes concepts, processes, and the system itself as *dramatis personae*, in an attempt to call attention to both the necessity and absurd contradictions of ascribing agency to socially constructed patterns of social relations. Where theologians such as Daniel Bell describe capitalism as “savage,” “naked,” “the master,” “responding” to questions, being “served,” and holding the poor in its “clutches,” they are following this precedent.¹³

¹⁰ Indeed, “In this framework there seems to be no middle space between revolution and local activism; yet to aspire to revolution is to hope for too much, while to rest satisfied with community building is not hope enough.” Ivan Petrella, *The Future of Liberation Theology: An Argument and Manifesto* (Burlington, VT: Ashgate Publisghin, 2004) 84.

¹¹ Petrella, *The Future of Liberation Theology*, 69.

¹² Karl Marx, *Das Kapital*, Volume I, chapter 10, section 1.

¹³ Daniel M. Bell, Jr., *Liberation Theology After the End of History: The Refusal to Cease Suffering* (New York: Routledge, 2001) 10, 11, 17, 35, 71, 88, 129, Bell is following Franz

Characterizing capitalism and its dynamics in this way is rhetorically powerful; it is conceptually tidy to describe the system itself as the moral enemy, and anthropomorphic language dramatizes the very real effects of capitalist processes. Technically, this can be done without also reifying capitalism and slipping into an artificially hyped up fear of capitalism as *Capitalism*. Rhetorically ascribing agency to the system, however, militates against this.¹⁴ It is all too easy for the reader (or the writer, for that matter) accustomed to referring to capitalism as a predatory being to lose sight of the absurd, ironical dimension of this metaphorical representation, and to come to accept it as accurate. And here is where difficulty lies: demonizing capitalism (or capital, its personification) without irony seems to suggest that it exists outside of normal social, cultural, and political relations, and outside the realm of human agency. It reifies the very processes it seeks to critique, putting them into place more firmly than before. This has the effect of obscuring questions about individual and collective responsibility, and likewise inhibits conversations about ethics and practical improvement. How is it possible to regulate or reform something intrinsically evil, malevolent even? It is not.

The net ethical effect of these two Marxian techniques of engaging political economy—describing capitalism as unjust by definition, and ascribing to it a kind of agency of its own—is to stymie, if not paralyze, conversation about moral action vis-à-vis the larger system itself. As a result, any contemporary theology that employs either of

Hinkelammert, whose essay “The Crisis of Socialism and the Third World,” introduced the language of “savage capitalism.”

¹⁴ Bell himself falls prey to this; although attends to recent changes in global political economy and therefore cannot be accused of having an ahistorical account of capitalism, exactly, his rhetoric gives his reader the sense that capitalism is an irremediable monster. And, indeed, his ethical prescriptions bear this out: capitalism is, on his reading, not something that ought to be resisted or ameliorated, but must simply be suffered in anticipation of Christ’s ultimate redemption of all things. Bell indicates that it’s changed recently for the worse, but it cannot be changed for the better.

these analytical moves faces enormous difficulty talking about the exercise of moral agency in and on capitalism itself.¹⁵ If capitalism is an intrinsically exploitative monster, Christians may only constructively exercise moral agency vis-à-vis capitalism by opposing its (intrinsic, internal, and invariant) logics—say, by advancing non- or post-capitalist relations and spaces. In such a situation, Christians do not have agency over capitalism itself; they can only have agency by avoiding or opposing it, wholesale.

1.1.2 The legacy of Weber, and cultural iron cages

If Marx is the forefather of anti-capitalist philosophy that denies the possibility of exerting agency over capitalism itself, Weber is the forefather of pessimistic cultural analyses that assume that the cultural forces within capitalism are so oppressive as to render doubtful the possibility of individual agency *within* the system. Much like Marx, when Max Weber considered the role of religion in the formation of modern capitalism half a century later, he intended his social theory to describe the contingent construction of modernity. In attempting to take seriously the power of the cultural dynamics he observed, however, Weber ended up with a social theory that all but suggested that the future for human agency in the culture of capitalism was a bleak one. The bold strokes in which he painted capitalist modernity made it loom large and imposing, and implied that

¹⁵ Eve Poole points this out, noting that it is common in what she calls “the anti-capitalist debate” (she mostly references liberation theologians, and defenders of capitalism), both sides frequently refer to *capitalism*, but rarely to *capitalists* or individuals within the system. Further, anti-capitalists in particular tend to anthropomorphize the system as the enemy, and rhetorically oppose the system with individual liberationists. She suggests that this “linguistic confusion” sets up an unhelpful paradox for ethics in which the system is both moral and amoral, and which inhibits responsibility taking on all sides: “through a process of setting individuals against a system, then conferring on this system anthropomorphic personality, the critics create a chimera and rob the debate of its ability to effect real change” (323). Eve Poole, “On the Use of Language in the Anti-Capitalist Debate,” *Journal of Business Ethics* 59.4 (July 2005): 319-325.

its cultural pressures would brook no opposition: “The Puritan wanted to work in a calling; we are forced to do so.”¹⁶ Weber’s description of the “tremendous cosmos of the modern economic order” was laced with metaphors of force and compulsion from physics:

This order is now bound to the technical and economic conditions of machine production which today determine the lives of all the individuals who are born into this mechanism, not only those directly concerned with economic acquisition, with irresistible force. Perhaps it will so determine them until the last ton of fossilized coal is burnt. In Baxter’s view the care for external goods should only lie on the shoulders of the “saint like a light cloak, which can be thrown aside at any moment”. But fate decreed that the cloak should become an iron cage.¹⁷

For Weber, the bars of this cultural iron cage are reinforced by the material structures of life in capitalism (here the legacy of Marx upon Weber is visible). Capital, for example, imposes upon modern citizens a kind of “masterless slavery,” in which the “penalty for non-compliance is extinction.”¹⁸

Not only are the cultural forces of capitalism irresistible, but their *telos* is, sadly, one that is hostile to human meaning, and to culture itself. In Weber’s analysis, the “continuous onslaught” and “the continuous extension of the free market” brings with it a rationalization and bureaucratization of every day life that is “fundamentally alien to any type of fraternal relationship.”¹⁹ Markets are impersonally characterized by an “orientation to the commodity and only to that.”²⁰

¹⁶ Max Weber, *The Protestant Ethic and the Spirit of Capitalism*, translated by Talcott Parsons (New York: Routledge, 2001) 123.

¹⁷ Weber, *Protestant Ethic*, 123.

¹⁸ Max Weber, “Political and Hierocratic Domination,” in *Economy and Society: an outline of interpretive sociology*, vol 2., edited by Guenher Roth and Claus Wittich (Berkeley: University of California Press, 1978) 1186.

¹⁹ Max Weber, “The Market: its impersonality and ethic (fragment),” in *Economy and Society: An Outline of Interpretive Sociology*, edited by Guenher Roth and Claus Wittich (Berkeley: University of California Press, 1978) 638, 637. Weber is not totally negative about the effects of market society; he finds that market exchange encourages an ethic of “rational legality” (636), presents “opportunities for gain” (637), and is linked with non-violence, since it is the opposite of appropriation by coercion (640), for example. However, the overall sense emerging from his

This perspective makes it difficult to talk about agency *within* capitalism; if its culture is an iron cage, and that culture is a pernicious one, what is to be done? What can the individual, or even a community, do to escape the determining power of its inexorable forces and pressures? (If they cannot, perhaps it is not even worth morally assessing such powers and their effects—a concern that Weber expressed.²¹) This is one of the weaknesses of the cultural criticism emerging from the later Frankfurt School, which so heavily relied on a Weberian (and Marxian) social analysis: in attempting to achieve an illusion-less and devastating critique of society that avoids wishful thinking, it is all too easy to paint a picture in which creative moral and political agency appears altogether impossible.

This is the approach taken by a number of recent theological analyses of capitalism, particularly those within Radical Orthodoxy. These suggest that for various reasons, whether due an unstoppable tendency to commodify all facets of life and forms of agency, or its temptations to consumerist distraction and individualism, capitalism is

scholarship is bleak. As he writes elsewhere, “[s]uch absolute depersonalization is contrary to all elementary forms of human relationship” (637).

²⁰ Weber, “The Market,” 636.

²¹ Indeed, Weber writes, “The domination of capital is the only one which cannot be ethically regulated, because of its impersonal character. Most of the time this domination appears in such an indirect form that one cannot identify any concrete master and hence cannot make any ethical demands upon him. It is possible to advance ethical postulate and to attempt the imposition of substantive norms with regard to household head and servant, mater and slave, or patriarchal ruler and subject, since their relationship is personal and since the expected services result therefrom. ... But for the director of a joint-stock company, who is obliged to represent the interests of the stock-holders as the masters proper, it is very difficult to relate in this manner to the factory workers; it is even more difficult for the director of the bank that finances the joint-stock company, or for the mortgage holder in relation to the owner of property on which the bank granted a loan. Decisive are the need for competitive survival and the conditions of labor, money and commodity markets; hence matter-of-fact considerations that are simply non-ethical determine individual behavior and interpose impersonal forces between the persons involved. From an ethical viewpoint, this “masterless slavery” to which capitalism subjects the worker or the mortgagee is questionable only as an institution. However in principle, the behavior of any individual cannot be so questioned, since it is prescribed in all relevant respects by objective situations. The penalty for non-compliance is extinction.” Weber, “Political and Hierocratic Domination,” in *Economy and Society*, 1186.

intrinsically hostile to the Christian faith.²² Consider Daniel M. Bell Jr.'s claim that "The struggle against savage capitalism must be waged at the level of ontology, for capitalism advances not merely by economic victory but by ontological capture."²³ The capture Bell speaks of is of desire; capitalism is a perverted "technology" and "economy" of desire that forms its subjects to be individualistic and competitive, to have insatiable desires for material goods, and to relate to others through the "agony of competition" rather than moral obligation.²⁴ This corrupting culture can only be opposed with the alternative technology and economy of desire found in ecclesially embodied Christianity. This is a critique of capitalism that may be paired with a criticism of its material injustices, but is not necessarily dependent on it; as Bell explains, "The crux of my critique is that even if capitalism works, it is theologically and ethically wrong and on such grounds Christians are right to oppose it."²⁵

As was the case with Weber, the starker the lines with which such generalizations are drawn, the more imposing capitalism begins to seem. Indeed, although Bell encourages Christian opposition to capitalism, he thinks it unlikely to change or improve culture, given that he agrees with Francis Fukuyama's thesis that we have arrived at "the end of history" in which no alternative to capitalism exists, and, moreover that capitalism is intrinsically savage.²⁶ The best that Christians can hope for is that the church be a

²² See, e.g., Michael Budde and Robert Brimlow, *Christianity Incorporated: How Big Business is Buying the Church* (Grand Rapids, MI: Brazos Press, 2002); or, more recently, David Bentley Hart, "Mammon Ascendant: Why Global Capitalism is Inimical to Christianity," *First Things* (June/July 2016) 33-38.

²³ Daniel M. Bell, Jr., *Theology and the Political: The New Debate*; he makes similar claims in *Liberation Theology After the End of History*.

²⁴ Bell, *The Economy of Desire*, especially 93-122.

²⁵ Daniel M. Bell, Jr., "What Gift is Given? A Response to Volf," *Modern Theology* 19.2 (April 2003): 272.

²⁶ In the use of "savage capitalism," Bell Jr. is following liberation theologian Franz Hinkelammert.

counter-polis that provides a faint glimmer of light in the unending cultural darkness that stretches between now and the eschaton. (As Miroslav Volf puts it, Bell's is indeed a "turbo-charged black-and-white critique of capitalism."²⁷)

Even if his analysis of capitalism (and civil society, and modernity more generally) rules out the possibility of Christian civic action of any kind, Bell is at least fairly confident about the possibility of the church exerting moral agency within its own counter-polis. However, not all theologians are so sanguine about ecclesial resistance, or resistance of any kind, for that matter. Some take their cues from the Frankfurt school's concerns about the way that capitalism coopts agency, and worry that it is impossible to counter its technologies of desire. This more pessimistic view can be seen, for example, in Kenneth Surin's lament for the death of what he calls the "citizen subject" in capitalism, and his disdain for the pathetic simulacra of agency exercised today by the "consumer subject cajoled and tutored in this country by Disney, Fox News, and USA Today."²⁸

1.1.3 When the iron cages are heretical

Technically, theological critiques of the culture of capitalism need not find within capitalism a counter-theology; thus far I have only discussed criticisms of the effects that capitalism has upon the moral life. Bell's analysis of capitalism, however, does in fact also find a "theology implicit in capitalism," which he believes is based in "an idolatrous vision of God"—and he is not alone in doing so.²⁹ This is a charge raised most consistently by Radical Orthodox theologians, to whom capitalism's culture appears not only a monolithic and threatening force, but, moreover, a heretical and idolatrous one. There is a good deal

²⁷ Miroslav Volf, *Modern Theology* 19.2 (2003): 281.

²⁸ Kenneth Surin, *Freedom Not Yet*, 31.

²⁹ Daniel M. Bell, Jr., *The Economy of Desire: Christianity and Capitalism in a Postmodern World* (Baker Academic, 2012) 93.

of overlap between theologies that put forth this argument and those introduced earlier that claim, “when economists are doing economics, they are also doing theology.”³⁰

Bell’s concern that capitalism’s economy and technology of desire is a perverted version of—and in competition with—Christianity’s economy of desire is fairly typical of this line of argument. Others offer similar analyses that various consumer practices are debased parodies of traditional religious ones, based themselves in a perverted theology at the heart of capitalism itself. Long, for example, claims that the “catholicity” of the global economy (by which he means, presumably, the interconnected and unavoidable nature of markets today) is a “false” one, and muses that “perhaps the inescapable unity of our daily practices in service to a global reality [capitalism] has become our ‘confession.’”³¹ Some theologians, such as Goodchild and Peter Dominy (and before them, anarchist Jacques Ellul), have gone as far as to argue that money itself lay at the heart of this problem, and contains within itself a dangerous and idolatrous imperatives (in Ellul’s case, it is selling that is ontologically oppressive).³²

The first significant moral result of characterizing capitalism in this way is that it requires that capitalism be opposed at the level of belief, or ontology. As a heresy and/or idolatry, its essential problem is one of belief, and misdirected desire. This encourages theologians to focus on identifying and criticizing value patterns implicit within consumer practices, often by contrasting them with more adequate values, ontologies, anthropologies, and the like. In and of itself, this is not a mistake. It is a mistake, however, to *solely* (or even primarily) address capitalism’s crypto-theological dimensions. Firstly, doing so fails to attend to the non-intentional aspects of social and economic life, and the

³⁰ D. Stephen Long, *Calculated Futures: Theology, Ethics, and Economics*, 12.

³¹ Long, *Divine Economy*, 63, 69.

³² E.g., Goodchild 2009, Peter Dominy, *Decoding Mammon: Money as a Dangerous and Subversive Instrument* (Eugene, OR: Wipf & Stock, 2012).

fact that social orders are regularly held in place without the assent of their inhabitants to any particular ideology, or value system. Secondly, remaining at the level of ontological critique runs into the problem of commodification (the very problem many ontological critiques of capitalism purport to address): the consumer cultures generated by capitalism tend to defuse even the most trenchant criticisms of the larger system by turning them into just another good to be sold on the market—and frequently, alarmist dissent sells quite well. This dimension of the terrain that capitalism presents for moral agency can only be truly engaged once the theologian steps away from (or, at the very least, adds to) ontological discourse and attends to social scientific research on the shape of life in capitalism today—say, to research on how consumption practices have significantly changed contemporary modes of relation to beliefs, values, and moral commitment. As Vincent Miller writes,

Consumer culture is best diagnosed not as a deformation of belief but as a particular way of engaging religious beliefs that divorces them from practice. ...In consumer culture, even the most brilliant and timely retrieval of Augustine, Gregory of Nyssa, or Catherine of Siena must face the problem of how people receive and practice the theological insights they provide.³³

What Miller points out is that the ills of capitalism cannot be solely countered with right belief, because changing relationships to beliefs may be part of the ills of capitalism in the first place. Any realistic and helpful work that encourages the successful exercise of moral agency in capitalism must address this fact, and likely must do so with attention to practices. A single-minded focus on capitalism as a rival structure of belief distracts the theologian from this.

The second major ethical conclusion suggested by the idolatry/ontology critique is that, in fact, genuinely constructive practices may not even be possible within capitalism

³³ Vincent Miller, *Consuming Religion: Christian Faith and Practice in a Consumer Culture* (Continuum, 2004) 12.

anyway (whether the theologian focuses on them or not). For theologians like Long, Dominy, Goodchild, and Milbank, the idolatries of capitalism invariably lead its subjects to relate to each other in ways incompatible with the Christian life. Whether because of the central role of contract³⁴ and competition in capitalism, its material focus, or simply the preoccupation with scarcity that it presumes, capitalism requires a dramatically different mode of relationship from that which is supposed to characterize the kingdom of God, and the church.³⁵ In Milbank's theology, for example, the church ought to be characterized by an "ontology of peace," in which difference is related analogically, rather than agonistically.³⁶ Daniel Bell Jr. articulates this line of critique thus:

Capitalism is wrong, not simply because it fails to deliver the goods but because it deforms and corrupts human community, distorting human desire so that we relate to one another agonistically. Capitalism is wrong because even if it succeeds in delivering the goods, it nevertheless works against the Good, corrupting (and perpetuating the corruption of) human sociality in competitive and conflictual modalities."³⁷

In short, this theological orientation generally leads the theologian to assume—and even state, in cases—that capitalism prevents moral agency. Given this, theologies embodying

³⁴ Because, for example, contract is indifferent to the good of the person. See, e.g., Adrian Walker, 25-26, "The Poverty of Liberal Economics," in Doug Bandow and David L. Schindler, editors, *Wealth, Poverty and Human Destiny* (Wilmington: ISI Books, 2003).

³⁵ It is worth noting that not all theologians pair this rejection of various capitalist modes of relationship with the larger theological critique. Others simply argue that various modes of relationship common in capitalism are incompatible with the Christian life, such as interest. This is the case with Mennonite theologian Ched Myers, in *Biblical Vision of Sabbath Economics* (Washington, DC: Tell the Word Press, 2001). Insofar as theologians making such arguments do not extrapolate their condemnation of a particular mode of relationship into a larger essentialist account of capitalism, their identification of various problematic components may be ethically useful. Where this identification of capitalism's internal logics or modes of relation does suggest a reified and essentialist account of capitalism (that can only be rejected), however, this theological approach cannot but hinder constructive discussion of how to pursue an ethical life within markets today.

³⁶ John Milbank, *Theology and Social Theory: Beyond Secular Reason*, 279. Elsewhere Milbank calls this "an ontology of the participation of Creation in divine creativity." (xxiii) See 258 for his argument that contractual relationships cannot participate in the giving relationships of this ontology of peace.

³⁷ Daniel Bell Jr., "What Gift is Given? A Response to Volf," *Modern Theology* 19.2 (April 2003): 23.

this approach are unlikely to offer constructive responses to the moral questions raised by markets today. (Or, as Miller notes, these analyses “are much less helpful than they are obvious.”³⁸)

2. *Capitalism as wholly and intrinsically good: the invisible hand as the (almost) hand of God*

As mentioned earlier, much hangs on how one defines “capitalism.” Although proponents of capitalism are often as guilty as its detractors of relying on an essentialist account of capitalism, what they mean by the term is dramatically different from what those relying on a fundamentally Marxian or Weberian picture mean—and, as we shall see, it is this definitional move that (as was true in the case with capitalism’s theological critics) enables their appreciation.

If Marx provides the ur-text from which most pessimistic theological construal of capitalism is drawn, eighteenth century Scottish moral philosopher Adam Smith provides the textual inspiration for the polar opposite. In his *Wealth of Nations* Smith famously claimed that,

by directing that industry in such a manner as its produce may be of the greatest value, he [the individual] intends only his own gain, and he is in this, as in many other cases, led by an invisible hand to promote an end which was no part of his intention. Nor is it always the worse for the society that it was no part of it. By pursuing his own interest he frequently promotes that of the society more effectually than when he really intends to promote it.³⁹

As is the case with Marx, the subtleties of Smith’s original vision are all too often missing from contemporary usage of his work; Smith’s view of commercial society was actually a deeply ambivalent one, and he spent as much time enumerating its potential social ills as celebrating its accomplishments. Nonetheless, the view imputed to him by others has

³⁸ Miller, *Consuming Religion*, 227.

³⁹ Adam Smith, WN IV.2.9.

come to define the appreciative corner of the conversation about capitalism. In this corner, “capitalism” refers to a liberty-respecting order that effectively coordinates individual activity for the greater good.

At its most exaggerated, a theological rendition of this account might assume that the invisible hand that effects this social good is in fact the hand of God, and that capitalism is therefore a divinely intended order that uniquely restrains or redirects sin so as to produce and protect the common good. (It is sometimes mistakenly claimed that this is what Smith himself intended in this passage.⁴⁰) This unqualified theological endorsement, however, is rare; it is much more common to see arguments that capitalism is simply highly compatible with and supportive of the Christian life, and therefore deserving of appreciation.⁴¹

More than highly compatible, in fact, a number of theologians have argued that capitalism is *the* social order that best incorporates and protects Christian virtues and ways of life. This enables the argument that capitalism is a tool used by Providence, while avoiding the claim that it is a perfect, and divinely sanctioned tool. (Most pro-capitalist theologians recognize the thin line between these, and attempt to stay on this side of it, although in practice the assumption that no better economic order exists makes this difficult; it is all too easy to slip from appreciating capitalism as the latest and greatest tool used by Providence to declaring its essential features providentially-ordered.⁴²) Consider the claims of Catholic theologian Michael Novak, for example, who argues (contra

⁴⁰ See the “new theistic” school of Adam Smith interpretation—Hill, Alvey, et al.

⁴¹ See, e.g., Jay W. Richards, *Money, Greed, and God: Why Capitalism is the Solution and Not the Problem* (New York: HarperCollins, 2009).

⁴² See, for example, Stephen Webb, *American Providence: A Nation with a Mission* (New York: Continuum, 2004), which putatively attempts to avoid conflating capitalism (and American democracy) with Providence and therefore sanctifying capitalism, but arguably has the effect of doing so in the end anyway.

magisterial teaching) that free market capitalism is fully compatible with Catholic social teaching.⁴³ In fact, Novak writes, capitalism actually has its origins in Catholic morality: Weber was right to see claim that capitalism has a spirit, but “misidentified that spirit” as Protestant.⁴⁴ A similar argument is found in Max Stackhouse’s claim that capitalism is grounded in Protestant covenant theology.⁴⁵

1.2.1 *Doux commerce as God’s gift to modernity*

As with many anti-capitalist arguments, theological defenders of capitalism such as Novak and Stackhouse often express their claims defensively, and primarily engage interlocutors advancing polar opposite, contrast positions. Novak, for example, wrote largely in response to criticisms of capitalism emerging in liberationist thought (and relying on Marxian or semi-Marxian social theory) in the mid twentieth century. This posture of defense often leads these theologians to engage in the same sort of selective definitional moves as do capitalism’s critics, only this time in capitalism’s favor. It likewise encourages them to describe capitalism as a rather benign and supportive context for moral agency—sometimes unrealistically so.

Consider, for example, economist and theologian Deirdre McCloskey’s defense of capitalism in *The Bourgeois Virtues: Ethics for an Age of Commerce*. On McCloskey’s reading, every day life in capitalist markets is, on the whole, good—and deserves more recognition as such. Like Novak and Stackhouse, she writes in defense of capitalism, and dialogues primarily with its avowed opponents, from Karl Marx to Paul Tillich and Peter

⁴³ Michael Novak, *The Spirit of Democratic Capitalism* (New York: Simon and Schuster, 1982).

⁴⁴ Michael Novak, *Will it Liberate?* (New York: Paulist Press, 1986) 124.

⁴⁵ See also Robert Benne, *The Ethic of Democratic Capitalism* (Philadelphia: Fortress Press, 1981) and, in a less academic register, James P Gills, Ronald H. Nash, *A Biblical Economics Manifesto: Economics and the Christian Worldview* (Creation House, A Strang Company 2002).

Maurin. She believes that, at least since 1848, capitalism has unjustly served as the object of scorn by the learned elites of Western society, and that this “clerisy’s” attacks on the dignity of life in capitalism has carried the day in the public’s mind. She laments that ordinary persons living within capitalism (those who work, and whom she terms the “bourgeois”) have been taught to feel shame for their bourgeois estate. *The Bourgeois Virtues* is the first installment of an apology for capitalism that argues for the moral value of the bourgeois life. “We need to defend a defensible capitalism,” she urges: “We need to nourish the commercial versions of temperance, justice, and prudence that were admired during the eighteenth century by some in the commercial societies of northwestern Europe, and by at least the merchants themselves in Japan. And we need to find a safe home for our faith and hope.”⁴⁶ What is at stake in her defense of capitalism and her conversation with its opponents, as she tells it, is whether the bourgeois life can be good *at all*—that is, whether we can find grounds to agree that capitalism has not abolished the existence of faith and hope.

McCloskey’s apologia in the affirmative on this account is by turns both positive and normative, empirical and philosophical, and it hinges on her response to three objections to capitalism. The first of these is that capitalism works poorly, immiserating some and subjecting all to chronic instability and the possibility of collapse. The second is that capitalism generates inequality. The third, more cultural than the first two, is that “capitalism has debased values, making people greedy, vulgar, alienated, and depraved.”⁴⁷

⁴⁶ Deirdre N. McCloskey, *The Bourgeois Virtues: Ethics for an Age of Commerce* (Chicago: University of Chicago Press, 2006) 32. McCloskey’s choice of language—of finding a safe home for our faith and hope—explains some of the moral urgency she feels in her task. I am tempted at this point to note that Christians, at least, most certainly do *not* “need to find a safe home for our faith and hope” in the social structures and systems in which we live.

⁴⁷ McCloskey, *The Bourgeois Virtues*, 32.

McCloskey's response to the first two of these is that they are both simply "mistaken."⁴⁸ One wonders whether McCloskey would be quite so sanguine about some of these empirical claims if she had written *The Bourgeois Virtues* three years later, after the global economic meltdown of 2008 called into question the intrinsic stability of capitalism, or eight years later, after Thomas Piketty's *Capital in the Twenty-First Century* permanently problematized the erstwhile truism that a rising tide lifts all boats. These are not insignificant questions, since McCloskey's larger argument is as empirical as it is normative, and McCloskey finds within positive findings cause for normative pronouncements.

Ultimately, however, these two first charges, and McCloskey's answer to them, are less relevant to the question at hand: how does this account of life in capitalism characterize it as a setting for moral agency? Here, it is the third answer McCloskey provides—"mistaken again"—that matters most.⁴⁹ The majority of *The Bourgeois Virtues* is dedicated to defending capitalism from this cultural critique, and to proving its opposite. As she summarizes,

The richer, more urban, more bourgeois people, one person averaged with another, I claim, have larger, not smaller, spiritual lives than their impoverished ancestors of the pastoral. They have more, not fewer, real friends than their great-great-great-grandparents in "closed-corporate" villages. They have broader, not narrower, choices of identity than the one imposed on them by the country, custom, language, and religion of their birth. They have deeper, not shallower, contacts with the transcendent of art or science or God, and sometimes even of nature, than the superstitious peasants and haunted hunters-gatherers from whom we all descend. They are better humans—because they in their billions have acquired the scope to become so and because market societies encourage art and science and religion to flourish and because anyway a life in careers and deal

⁴⁸ Ibid., 31. This is a claim that McCloskey tosses out more than a few times: "Equality over the long term—despite an unhappy reversal in the trend in the United States in the 1980s—has been increased by capitalism, and in absolute terms the poor even in the 1980s and after got better and better off" (27). While McCloskey marshals an impressive amount of data to prove the latter claim, however, her first is looking increasingly suspect.

⁴⁹ McCloskey, *The Bourgeois Virtues*, 32.

making and companies and marketplaces is not the worst life for a full human being.⁵⁰

This remarkable passage provides a rather useful précis of McCloskey's larger argument. According to McCloskey, capitalism enables a larger spiritual life (compared to earlier, non-capitalist social orders) for multiple reasons. Materially, it enables the kind of travel and communication that enables individuals to pursue real friendships. Culturally and materially, it both requires and encourages the kind of freedom that enables individuals to exert more control over their identities. Culturally, market societies encourage the disciplines through which humans pursue meaning. And finally, culturally again, the kind of life that it encourages—in careers and deal making and companies and marketplaces—is morally salubrious. On the whole, then, capitalism makes us better persons: "Capitalism has not corrupted our souls. It has improved them."⁵¹

McCloskey is not blind to the downsides of modern life. Her enthusiasm for capitalism's benefits, however, leads her to an odd kind of accounting, in which these downsides are the fault of human nature, not of capitalism. She admits that not all market behavior is good—and that some is even "spirit-corrupting"—but neatly follows this with the explanation,

But the bad things in a capitalist world are not all testimony to the badness of capitalism. Much of human good and evil arises from our fallen natures, and has nothing to do with the circumstances in which we are put. Or to be more exact, it "has to do" with the circumstances, but only in the sense that capitalist circumstances evoke a certain kind of greedy behavior in Ted [an erstwhile options trader at the Chicago Mercantile Exchange], while socialist circumstances would evoke in him... *another* kind of greedy behavior. ... We must in our moralizing not mistake human failing for specifically capitalist failing. To attribute every badness to the system is like blaming everything on the weather.⁵²

⁵⁰ Ibid., 28-9.

⁵¹ Ibid., 23.

⁵² Ibid., 29, italics and first ellipses in original.

So, the material and moral goods that capitalism enables are genuinely attributable to capitalism, but the evils occurring within capitalism ought to be attributed to fallen human nature. This definitional sleight of hand enables her to give credit to capitalism even for the curbing of some of its own lucratively exploitative excesses: “Better working conditions have prevailed not because of union negotiations or governmental regulations, but because capitalism has worked.”⁵³

This rather one-sided assessment of capitalism is only possible because of McCloskey’s selective (and, moreover, inconsistent⁵⁴) definition of capitalism, which attributes to it every benefit and neatly excludes every flaw. It is unfortunate that McCloskey’s treatment of the bourgeois virtues does not even mention the bourgeois vices, and it is simply logically inconsistent to ascribe to capitalism all the credit for the human excellences it enables while denying that it deserves blame for the failings it facilitates. These argumentative gaps are the price McCloskey pays, however, to paint capitalism as monochromatically as she does.

It is impossible, in fact, to endorse such a celebratory account of capitalism without some of this sort of circular reasoning. McCloskey provides one of the most erudite and cogently argued examples of this type of theological engagement with capitalism, and the errors she fails to avoid are even more present in less economically-literate theological defenses. In these, as in McCloskey, perhaps it is the intent to defend

⁵³ Ibid., 27.

⁵⁴ In one place she explains, “I mean by “capitalism” merely private property and free labor without central planning, regulated by the rule of law and by an ethical consensus”—a straightforward enough, and entirely non-contentious, definition (14). Elsewhere she writes, “I don’t much care how “capitalism” is defined, so long as it is not defined a priori to mean vice incarnate.” (2) Fair enough! But elsewhere, the number of interventions in the market she labels as profoundly anti-capitalist (and therefore dangerous) reveals her definition to be thoroughly laissez faire (the list ranges from minimum wages and union bargaining to building codes, municipal zoning, rent control, the SEC, federal deposit insurance, and taxes more generally (43)).

capitalism from its Marxian despisers that goads theologians into the rhetorical shortcuts they take. Whatever the cause, the effect is that such theologians often paint a rather one-dimensional picture of the sort of context that capitalism presents for moral agency. They give the sense, that is, that it is by design a wholly benign social order that only encourages, and never discourages, virtue and the common good. In an attempt to deny that capitalism is a generally or entirely corrupting and oppressive order (and in McCloskey's case, that the bourgeois estate is a shallow and vice-ridden one), capitalism's defenders frequently end up suggesting that it is in *no way* corrupting or oppressive (and that the bourgeois existence is absent of vice). As a result, capitalism's defenders are as likely as are its critics to mislead their readers about what sort of terrain for the moral life it presents.

1.3 What lies between these poles: capitalism and markets as contingent, plastic, and with both positive and negative aspects

Some of the scholarship just discussed provide excellent descriptions of and analyses of specific aspects of capitalism as a moral context—say, the way that clearly defined property rights can be a force for peace, or that consumer society provides historically new inducements to selfishness. In much of this work, however, theologians too quickly extrapolate from these isolated insights when turning to morally describe capitalism itself as a whole.

As a final, although much less problematic, example of this, consider the approach taken by Kathryn Tanner. Tanner's earlier work, *Economy of Grace*, correctly zeros in on the malleability of our economic order.⁵⁵ It does not, however, adequately grapple with (or

⁵⁵ Although without particularly attending to the construction and use of economic theory in this plasticity; but that is somewhat beside the point. Kathryn Tanner, *Economy of Grace* (Minneapolis: Augsburg Fortress Press, 2005).

even acknowledge) the impediments to action it presents to the individual, or even address the issue of collective versus individual agency. As a result, *Economy of Grace* can leave the reader uncertain how to exercise the kind of agency its proposals implicitly require.⁵⁶ Moreover, it addresses capitalism primarily as a structural order, rather than also a cultural one. As a result, it fails to acknowledge or address the epistemological difficulties facing moral action within, and upon, capitalism. Tanner's later scholarship, such as her Gifford lectures, is more alert to the cultural dimensions of capitalism, and to the difficulties confronting the exercise of individual agency. In attending to these, however, her analysis has sacrificed some of its appreciation for the goods of capitalism, and of its plasticity.⁵⁷

Part of the difficulty may be in the perceived need to speak about capitalism itself, the process of which seems to encourage reifying and essentializing capitalism. Fortunately, not all theological scholarship begins with this aim. Consider, for example, economist and theologian Daniel K. Finn's argument that "the market" as such is not the proper subject of moral analysis—that instead, specific markets are.⁵⁸ As he writes,

The question "Are markets just?" defies an answer. It's like asking "Are U.S. courts of law just?" Deciding whether the results of opposing lawyer's arguments for the plaintiff and defendant will eventuate in a just outcome depends on more than simply having the right rules for judges and juries to follow. The justice of a court system is threatened when any number of things in their broader context is badly

⁵⁶ On this, see Julie Nelson, book review of *Economy of Grace*, *Journal of the American Academy of Religion* 74.3 (September 2006): 782-784.

⁵⁷ Tanner's Gifford lectures construe capitalism today as a culture largely in opposition to Christianity. Without diagnosing it as a rival theology, this approach shares much with that of Radical Orthodox scholars. Kathryn Tanner, "Christianity and the New Spirit of Capitalism," Gifford Lectures delivered May 2016, University of Edinburgh, available at <http://www.ed.ac.uk/humanities-soc-sci/news-events/lectures/gifford-lectures/gifford-lectures-2015-2016/professor-tanner-christianity-and-capitalism>.

⁵⁸ Daniel K. Finn, *The Moral Ecology of Markets: Assessing Claims about Markets and Justice* (New York: Cambridge University Press, 2006).

constituted... the question “Are markets just?” ignores the political, social, and cultural context of markets.⁵⁹

Specifically, Finn points to four factors in this context that make up what he calls the “moral ecology” of a market: the regulations prohibiting activity considered abusive; the social provisioning of essential goods and services (which is “where the distributional shortcomings of the market are addressed”); the morality of the individuals and groups acting within the market; and the vitality of the civil institutions supporting the market.⁶⁰ Finn especially focuses on the first of these, which he describes using the metaphor of fences. With these fences, governments can construct (rather than intervene in) markets differently; markets, he points out, are not institutions that have developed spontaneously, but rather are constructed.⁶¹ Markets, that is, vary, and can be changed.

Perhaps with this in mind, Finn prescinds from offering a theological reading of capitalism as such. Indeed, he addresses markets more than he does capitalism, by name. Indirectly, however, his scholarship does give a sense of capitalism, and it is quite differently than does the work just discussed. In it, capitalism is a highly variable social order that can have both good and negative elements. Moreover, it can be altered, because both the material and cultural aspects of markets can be altered.

Finn is not the only voice within Christian theology and ethics to thusly avoid the polarized debate over capitalism; this chapter’s last section will discuss further examples, in fields of reflection ranging from business ethics and policy analysis to personal consumption ethics. In many of these, too, attention to economic phenomena at a more granular level seems to prevent the kind of sweeping, black and white moral descriptions of capitalism just discussed.

⁵⁹ Finn, *The Moral Ecology of Markets*, 108.

⁶⁰ *Ibid.*, 127.

⁶¹ *Ibid.*, 103-125.

2. *Economics: what sort of science is it, anyway?*

The question of how to properly engage economics, or relate the disciplines of theology and economics more generally, is not a popular one within the field of Christian theology and ethics, even in scholarship that addresses economic issues. Although a few works address the question directly, more simply operate with an implicit account of economics that determines their mode of engagement with economic knowledge and claims. In works that address the issue explicitly and those that leave the question implicit, the most common orientations are those of acceptance and rejection. In this section I describe these, and argue that neither demonstrate an adequate theological method of engagement with a social science.

2.1 *Rejections of mainstream economics*

Some theologians answer the question of how to relate to economics by suggesting that theology does not need to do so in the first place. Almost all such rejections are paired with a moral condemnation of capitalism, as well, although theologians reject economics (and capitalism with it) for different reasons. Liberationist thinkers may do so, for example, because they find Marxian social analysis and economics compelling, and accordingly reject the very terms fundamental to modern, neoclassical economics. (In this case, it is not entirely accurate to conclude that liberationists reject economics as a science per se, so much as to say that they contest the legitimacy of a *kind* of economics, and prefer a different, heterodox approach to economic science; some advocates of Marxian economics claim that it is just as scientific—and often more so—as mainstream economics.) This is only a few liberation theologians, however; most do not find an alternative scientific economics in Marxism, or directly address the question of theological

method vis-à-vis economics—although a good deal of liberation theology dismisses the apparent wisdom of neoclassical approaches to development, given the disastrous impact of neoliberal policies in the Global South. Where liberationist thinkers do (explicitly or implicitly) reject mainstream economics, this is generally motivated by a concern for its impact upon the poor.

2.1.1 Theology is queen: critical rejection of the fact-value distinction

A rather different concern motivates the other main rejection of mainstream economics in theology today, in the strand of theology called Radical Orthodoxy. For most of these theologians, the original flaw in economics is not its practical impact (although they are concerned with this, as well, and with the larger social order that economics observes and legitimizes), but a conceptual one that can be traced back to Max Weber, and before him to David Hume: it is the fact-value distinction itself. Following Hume, Weber held that whereas normative philosophy concerns the unfactual realm of values, positive science describes the empirically knowable realm of what is, of facts—a realm in which the modern discipline of economics purports to be anchored. From the perspective of Radical Orthodox theologians, claims on behalf of the scientific facticity of economics betray an inability to see beyond what James K A Smith calls an outdated “objectivist’ or ‘foundationalist’ understanding of the social sciences,” in which “the social scientist is an impartial, attentive observer of situations and systems, recording the “facts” of the matter in a way that is neutral and “scientific.”⁶² This outdated, modern approach fails to recognize not only the contingency of all social orders and forms of political economy, but of the social sciences themselves which, as William Cavanaugh writes, were “not

⁶² James K. A. Smith, “The ‘Ecclesial’ Critique of Globalization: Rethinking the Questions,” *Faith and Economics* 56 (Fall 2010): 9. (5-19)

discovered but imagined, invented.”⁶³ The upshot of this postmodern critique is that, for Radical Orthodox thinkers such as D. Stephen Long, “theology itself must be recognized as constitutive of the real.”⁶⁴

In the case of economics, this means that, as Long writes,

Creation is not adequately defined in terms of a brute mathematical facticity that can be interpreted only at a secondary level through the meaning or value given to those facts. Theological descriptions are as constitutive of the real as are economic ones. ...[this] should lead to a theological suspicion of any economic analysis that assumes the fact-value distinction.⁶⁵

For Radical Orthodox theologians, this fundamental error lies at the root of all of economics’ other shortcomings as a discipline, which include that it encourages and endorses idolatry, heresy, violent competition, utilitarian ethics, and/or inattention to the real ends of the human. John Milbank, for example, claims that economics, in its earlier and more “ideological” version (by which he means to indicate claims that unregulated markets improve welfare, a strand of thought he mistakenly attributes to Adam Smith) is “heretical,” because it is thoroughly “theological,” complete with a theodicy.⁶⁶ Even in its current and rather less “ideological” (and less heretical) version, he claims, it cannot escape being “pagan,” because it is based upon an “outright celebration” of the *libido dominandi*, and agonistic relations of competition.⁶⁷ (Milbank takes the assumption of both scarcity and competition in economics as an endorsement of these same.) In short, for Milbank, economics is a perfect example of the perversion of reason in modernity, and the attempt to control the original violence of existence with reference only to immanent means and powers.

⁶³ William Cavanaugh, *Theopolitical Imagination*, 2.

⁶⁴ D. Stephen Long, *Divine Economy: Theology and the Market* (New York: Routledge, 2000) 177.

⁶⁵ Ibid.

⁶⁶ John Milbank, *Theology and Social Theory: Beyond Secular Reason*, 41.

⁶⁷ Milbank, *Theology and Social Theory*, 37.

Philip Goodchild's account of money models a rather similar method of engagement with economics; as Milbank "renarrates" secularity and secular reason in *Theology and Social Theory*, so Goodchild renarrates money itself in *Theology of Money*, charging it with having a crypto-theology that is contingent, arbitrary, and violent.⁶⁸ Money shapes desire, he writes, by promising freedom, endowing all things with value, reorganizing value evaluations and social activity around itself, and promising access to power. In its own ecology, it is the supreme authority; "Money replaces God as the metaphysical source of truth, value, and power," and like a religion, it accordingly reorganizes attention, devotion, and time around itself.⁶⁹ On Goodchild's reading, money is so intrinsically idolatrous that it is difficult to know how the Christian individual is to proceed in a market economy, let alone the Christian economist in her field: this theology leaves no room for economics to be anything other than the science of idolatry.⁷⁰ Like Milbank, Goodchild's choice to assert *ex ante* that the very terms of contemporary economy are heretical (or, more specifically, idolatrous) means he can find nothing of use for Christian thought in economics; it simply must be rejected altogether.

The rejection of economics and contemporary political economy are intimately linked, such that it is hard to say which is conceptually prior—especially for genealogical projects such as Milbank's, the implicit crypto-theology apparent within economics

⁶⁸ Another example of this approach can be found in Sung Mo Jung's argument that there is a "theology implicit" in both capitalism and economics, which encourages a kind of faith complete with its own version of sin (market intervention), necessary sacrifice (the suffering of the poor), and paradise (a future available through growth). Jung, *Desire, Market, and Religion* (London: SCM Press, 2007) 11.

⁶⁹ Philip Goodchild, *Theology of Money* (Durham: Duke University Press, 2009) 218.

⁷⁰ There is of course a tension internal to Goodchild's project—it's not clear whether he is talking about all money (including abalone shells), or simply money in our current capitalist context; his frequent mentions of the establishment of the Bank of England suggests that he has a historical and particular account of money in mind, but he himself never clarifies. In either case, however, economics (or contemporary economics) is the science of idolatry, and the picture for moral agency in the market today is bleak.

appears at least as troubling as does actual economic injustice (if not more so). This rejection of economics is invariably twinned, then, with a rejection of capitalism itself, and a claim that Christian ethics mandates work toward an alternative economic order. Generally, this alternative economy requires an alternative economics, as well—one that does not separate facts from values. More than that; this alternative, theological economics must be in an explicit relationship with theology. While particular proposals vary, most Radical Orthodox theologians are in basic agreement with Milbank that theology is “itself a social science,” and “queen of the sciences for the inhabitants of the *altera civitas*.”⁷¹ As queen, it is the discourse to which others must be subordinated, and toward which they must be oriented. In the case of economics, this means that it is only truly about *oikonomia* when it is used to describe and facilitate relationships of justice and virtue.

Although Milbank has not specified what a truly Christian economics would look like, others have offered suggestions. D. Stephen Long, for example, advocates the work of twentieth century Jesuit economist Bernard Dempsey, who sought to integrate economics with Christian philosophy and claimed that modern economics had been corrupted by its break with medieval economics. Attempting to incorporate insights from scholastic economics, Dempsey proposed the notion of the “functional economy.” On Long’s reading, this offers “an economics grounded in the true rather than merely the useful.”⁷²

Arguing for something similar, Philip Goodchild has suggested that not only ought economic discourse be subject to theological modes of valuation, but that economic practice ought to be resubordinated to humanistic, and non-monetary forms of evaluation. He highlights specifically the practice of lending credit: “it will be necessary to

⁷¹ Milbank, *Theology and Social Theory*, 382.

⁷² Long, 177.

construct a new fusion of credit and evaluation, doing so in such a way that credit is subordinated to evaluation.”⁷³ Goodchild proposes a series of institutions that might support this humanistic fusion, such that this new system of evaluation is both system-wide (that is, across a polity), yet open to local variations in the visions of the common good, and therefore registers of evaluation. His new institutions would serve as intermediaries redirecting credit to better (that is, more socially wholesome) projects, and refusing it to poorer ones, and in general enabling evaluative credit to “flow in a way different from that of money.”⁷⁴ Goodchild’s alternative economy requires an alternative economics centered on theologically informed methods of evaluating credit and investment (although given his desire to leave room for pluralism, it cannot be solely informed by theology; this is an unclear element in Goodchild’s modest proposal). Economist and theologian Adolfo Garcia de la Sienra appears to propose something similar, where he suggests,

One way of attacking this problem [the “problem of value”]... is to define the “real” prices of goods and services as those that result from the establishment and maintenance of a system of needs that accords with creation-order criteria of social well-being. These prices would measure in units of obedience the economic value of social well-being!⁷⁵

Long and Goodchild’s method of engaging economics (mostly by denouncing it, and seeking to imagine a more theological, alternative economics) perfectly instantiates what Joe Blosser has called “imperialist” in his typology of modes of engagement between

⁷³ Goodchild, 244.

⁷⁴ Goodchild, 244. To be fair, Goodchild acknowledges that his is a “highly tentative” and “sketchy proposal,” that he hopes nonetheless “may contribute to the invention of an alternative to the capitalist credit-money system” (241-2). It has an advantage over “existing proposals for radical reform, most [of which] seek either to repair the existing system or to transform money into the ideological object described by the classical economists,” in that Goodchild’s proposal takes seriously what he sees as the idolatrous power of money and credit in capitalism (241).

⁷⁵ Adolfo Garcia de la Sienra, “Response,” in *Globalization and the Kingdom of God*, edited by Bob Goudzwaard, 83–96 (Grand Rapids, Mich.: Baker Books, 2001) 89.

the fields of theology and economics in which “theologians and economists believe their field contains the dominant logic through which all other fields are understood.”⁷⁶ In the case of Radical Orthodoxy theologians, the imperialism runs from theology to economics, and demands that economics conform to Christian moral (and perhaps metaphysical) commitments. (The “economics of religion” field, in which economics as a way of seeing the world is used to explain religious identity and phenomena, presents the inverse and other form of imperialism, in which economics is the one discourse to rule them all.) Blosser is right to suggest that this mode of engagement is unhelpful; in presuming ex ante that economics can hold nothing of value for Christian moral reflection, such an approach all but prevents useful interdisciplinary dialogue, even of the critical kind. Perhaps even more importantly, however, it may also contribute to a perspective on economic life that prevents pastorally and ethically constructive theological reflection on moral issues.

2.2 Uncritical deference to economics, accidental and otherwise

Not all theologians are troubled by the fact-value distinction, or find economics illegitimate; some quite easily accept that economics is a legitimate and reliable science. Many of these, however, assume that economics and theology do not need to speak to one another, and accordingly model what Blosser calls an “isolationist” mode of relation, in which the two disciplines need never meet. Blosser primarily identifies this ideal type with theology that presumes that “Doing Christian theology well does not require or need worldly sources, like economics,” because Christians are “resident aliens” in this world.⁷⁷

⁷⁶ Joe Blosser, “Natural Law Economics: Reading a Theological Economics,” *Research in the History of Economic Thought and Methodology* 31.1 (2013): 122.

⁷⁷ Blosser, “Natural Law Economics,” 120-121.

He has in mind, perhaps, theology that addresses non-market issues, and for this reason need not engage economics. However, the isolationist ideal type applies just as well to theological discourse that engages economic topics, such as poverty, and in so doing relies upon economics without engaging it directly as a conversation partner. This may occur where a theologian assumes that an economic theory—or, what is more likely, an apparently common sense popular claim about how markets work that has its origins in economic theory—is true, and implicitly relies upon this as empirical scaffolding for his or her normative claims.⁷⁸ Insofar as theologians adopt this approach because they “see the fields asking different questions and pursuing different projects,” and assume that economics is a reliable science, they, too, encourage a kind of disciplinary silo-ing that “isolates” the fields, and in particular isolates and protects economic claims from theological critique.⁷⁹ While such an orientation would be logical if economics were a hard science, economics is not a hard science (as Chapter Four will discuss); to the extent that a theology relies upon economic theory or common sense, an unquestioning and uncritical posture threatens to limit theological reflection.

2.2.1 *Economics is queen: explicit arguments for respecting its scientific chops*

⁷⁸ Daniel M. Bell, Jr. does precisely this—although it is strange that he does so, since it comes in the middle of claims in *The Economy of Desire* that “economics and economy are properly subordinated to theology”:

Economics... has much to offer any effort to develop a theological vision and practice of economy. To take just one example, theologians and professional religious types are not infrequently accused of ignoring the general equilibrium results of the various and sundry proposals they espouse regarding social justice in economics. So in the name of charity of justice, they advocate rent controls so that poor persons may secure affordable housing, all the while oblivious to the possibilities that as a result, landlords will cut corners on maintenance or perhaps make fewer rental units available. Put differently, deprived of hard-nosed economic analysis, too often religious efforts proceed under the illusion that solutions to various economic problems can proceed easily or painlessly. (27)

⁷⁹ Blosser, “Natural Law Economics,” 121.

A few theologians have explicitly advocated this orientation, and are rather up front about policing the boundary between the disciplines.⁸⁰ In their view, economics is a realm of empirically discernible facts, and theological reflection ought to begin from, rather than contradict, these facts. In this vein, Stephen Webb asserts that progressive Christians who reject neoclassical economics as a result of their displeasure with neoliberal politics can be compared to evangelicals who reject evolutionary biology on account of their distaste for neo-Darwinianism:

It is tempting to think that evolution is fixed by nature's laws, no matter how much God might guide it, while the economy is a human creation that is subject to our control. This is a false opposition, because evolution is dynamic and nature pliable, while the laws that govern supply and demand are as settled (or not) as any interpretation of how random genetic change leads to new forms of life. We can no more reinvent the laws of economic exchange to convert *homo economicus* to *homo reciprocans* than we can redesign genetics to fit some transhuman ideal.⁸¹

Likewise, Max Stackhouse argues that the laws of economics are “the controlling constants in social matters, like the laws of physics are said to be for the physical universe.”⁸²

⁸⁰ For example, evangelical authors Chad Brand and Tom Pratt write (citing libertarian Thomas Woods Jr.), “Economics is a bona fide science, whose laws are binding whether we like them or not.” They compare papal teaching on economic matters (specifically, its focus on living wage legislation, and condemnation of sweatshops) to a claim that “two-plus-two is five,” and argue that “no one is to be righteously condemned for declaring such “teaching” to be hokum and heresy.” Like others making such claims (including Michael Novak, discussed earlier), Brand and Pratt endorse capitalism as the form of social organization most compatible with biblical principles and the Christian faith. Chad Brand, and Tom Pratt, *Seeking the City: Wealth, Poverty, and Political Economy in Christian Perspective* (Grand Rapids, MI: Kregel Publications, 2013), 836-37. See also Jay Richards, *Money, Greed, and God*, 5; and Ian Harper and Samuel Gregg, *Christian Theology and Market Economics* (Cheltenham: Edward Elgar, 2010).

⁸¹ Stephen Webb, “Therapeutic Capitalism and Intelligent Design,” unpublished manuscript. Webb appears to conflate economic models (such as *Homo economicus*) with laws; not all economists may appreciate Webb’s defense of their field.

⁸² Max Stackhouse, “Weber, Theology, and Economics,” 307, in *The Oxford Handbook of Christianity and Economics*. This emphasis upon properly understanding the appropriate location of the fact-value distinction especially appears when pro-economics theologians engage (as they often do) theologians who reject economics as illegitimate or heretical. See e.g., Lunn, “Capitalism as Heresy,” *Faith and Economics* 57 (Spring 2011): 1-24, which also references D. Stephen Long’s *Divine Economy*, and Kent Van Til, “A Theologian’s Response to Lunn,” *Faith and Economics* (2012 spring) 59-61. Just as frequently, anti-capitalist/anti-

When offered by theologians, such arguments are not intentional attempts to subjugate theology to economics; far from it: they are often part of calls for more and enriched conversation between the two fields. The assumption is that these conversations can only proceed, however, if theologians become more economically literate. As Gregory Gronbacher writes,

No matter how sublime the theology, it is no substitute for genuine economic knowledge, especially when the goal is to analyze economic structures in terms of their moral significance. How can a theologian who fails to grasp the principles and structures of the market accurately comment on their moral status?⁸³

The ethicist or theologian who *does* grasp the principles of the market will understand that theology's role is to reflect on what these mean for social life—and perhaps, for example, to advocate for one or another given options that markets present, based on ethical values.⁸⁴

2.3 The quest for “integration”—but on whose terms?

Webb and Stackhouse's approach neatly instantiates Blosser's third and final, and preferred, mode of engagement between theology and economics: that of “integration.” “Integrationists,” he explains, “strive to use the insights of both economics and theology to improve human well-being.”⁸⁵ This perfectly describes Gronbacher's advocacy of what he

economics theologians in turn address their extreme counterparts, likewise skipping over more moderate and nuanced treatments of economics. On the anti-capitalist/economics side, addressing defenders, e.g. James K. A. Smith, “The ‘Ecclesial’ Critique of Globalization: Rethinking the Questions,” *Faith and Economics* 56 (Fall 2010): 5-19. Smith recommends that his interlocutors read D. Stephen Long, Graham Ward, and William Cavanaugh. See also the work of Daniel M. Bell, Jr., which engages Hayek more regularly than it does any other figure (with Deleuze and Foucault close runners up). (Index to *The Economy of Desire*.)

⁸³ Gregory A Gronbacher, “The Need for Economic Personalism,” *Journal of Markets and Morality* 1.1 (Spring 1998): 2.

⁸⁴ This is the approach encouraged, for example, in J. Philip Wogaman, *Economics and Ethics: A Christian Enquiry* (Philadelphia: Fortress Press, 1986).

⁸⁵ Blosser, “Natural Law Economics,” 122.

calls “economic personalism,” for example, which “seek[s] nothing less than a fully Christian economic science, one that takes full account of the truths of productivity in the market along with the truth about the human person.”⁸⁶

This sort of integration, of course, can be approached and pursued from both sides, and in fact a number of Christian economists are interested in precisely this. The journal *Faith and Economics* (earlier the periodical of the Association of Christian Economists) hosts the scholarship of such economists (and the occasional theologian, although the majority of contributors are economists) interested in integrating their research with their faith. As economist J. David Richardson writes in his contribution to the *Oxford Handbook of Christianity and Economics* on the question of the relationship between the fields, “Integration has often been a sort of Holy Grail of scholars who labor in Christian economics.”⁸⁷ Richardson contrasts this with what he calls “interfaces” between the fields: “natural meeting places, intersecting concerns, sometimes intersecting methods (e.g., stewardship and optimization).” As opposed to these, integration involves the exploration of “more overlap, topics that might be of common interest (e.g., collective goods, whose distribution is not subject to familiar scarcity), even common methods (e.g., moral suasion as an enforcement device).”⁸⁸ Richardson holds up recent economics of religion scholarship as the most successful of such integrations thus far.⁸⁹ “Other scholarly interface contributions,” he laments, “are less well developed, and some are, frankly, just nascent.”⁹⁰ Richardson is hopeful that more will follow, however, given that the field is

⁸⁶ Gronbacher, “The Need for Economic Personalism,” 2.

⁸⁷ J. David Richardson, “Interface and Integration in Christian Economics,” 282-306, in Paul Oslington, editor, *The Oxford Handbook of Christianity and Economics* (Oxford: Oxford University Press, 2014) 282.

⁸⁸ Richardson, 283.

⁸⁹ Richardson, 285.

⁹⁰ *Ibid.*, 286.

growing. In particular, he hopes to see development in the field of social economics, which is “the study, with the methods of economics, of social phenomena... such as pursuit of status.... Social norms and conventions, and peer and neighborhood effects.”⁹¹ In short, Richardson is hopeful that integration between Christianity and economics will produce a culturally attentive economics that tells us more about the economics of the social world in which we live.

Richardson, like many of the other “Christian economist-integrators”⁹² found in the pages of *Faith and Economics* and Oslington’s *Oxford Handbook*, generally assumes that this integration is already possible on the terms of mainstream economics as it currently exists. (Richardson locates himself “without apology” in the mainstream of his field, and confesses that his scholarly orientation is “at odds with so-called ‘prophetic’ approaches to scholarship, approaches that insist that Christians must remain skeptical, and even critical, of the scholarly powers-that-be.”⁹³) Like others, Richardson is aware of various shortcomings within the field, and affirms that economics cannot stand alone in providing a description of the world without insight from theology. This does not change the fact that for him, and a good deal of other economists, truly productive interface and integration between theology and economics is a meeting of the disciplines that truly *challenges* neither—and that especially does not challenge economics.

⁹¹ Ibid., 290.

⁹² Ibid.

⁹³ Richardson, 300, 284. Richardson thinks heterodox approaches are “incoherent” (295). He appears somewhat presentist about the mainstream, as well. It is probably for this reason that when he asks “why so elusive the quest for creative integration in economics?”, he can come up with no answer, and floats a few unsatisfactory guesses—that, e.g., perhaps the subject matter is intrinsically more worldly than that of other fields, or that economics is too technical, or that evangelicals, who are “the main movers-and-shakers in the integration agenda” are subpar scholars (294). He does not, of course, mention the role of mainstream economics itself, as it is construed lately, in obscuring the normative dimensions of what goes on in markets.

It is at this point that the heuristic limits of Blosser's typology become evident, in light of the imprecise, or opaque, nature of "integration." While he is correct that both isolationist and imperialist approaches to relating the disciplines are unlikely to yield fruitful theology, a mere attempt at integration is itself no guarantee of productive discourse, either. Integration could involve critical investigation of the construction and function of economics—or it could not. It will certainly not where the theologian or economist perceives the need to defer to economics' scientific credentials, as Gronbacher clearly does: "Supply and demand curves, marginal utility, and other economic principles are true independently of their relation to Christian moral principles."⁹⁴ For theologians and economists who view economics in this way, any dialogue between the fields—whether "integration," interdisciplinary conversation, or something else—means that Christian moral principles must simply work around the scientific truths of economics.

2.4 The important factor is the conception of economics

What this reveals is that what is most important in determining the tone and fruitfulness of a theological engagement with economics is not its professed orientation toward the field, but rather its conception of that field in the first place. What sort of science does the theologian take economics to be? Is it a hard science, a heretical one, or something in between? It is the theologian's answer to this that will determine the arena that appears to her appropriate for moral reflection, and in turn this that will determine the tenor of her engagement with economics, whether deferential, dismissive, or otherwise.

⁹⁴ Gronbacher, "The Need for Economic Personalism," 3.

Where the theologian is convinced that economics trades in scientific truth, the content of that truth will itself form the boundaries of where her theologizing may roam, and past which it is doomed to be misplaced moralism. Much depends greatly on the particular account of economics adopted—those who have the economics of the Chicago school in mind (as a reliable guide) will disagree with those of a more Austrian persuasion over what sort of economic truths are true, and therefore what kinds of economic processes and outcomes are natural and inevitable.⁹⁵ Whatever form or version of economics is held up as scientific, however, any appeal to said scientificity demarcates certain topics or “facts” as amoral, and therefore not susceptible to theological evaluation.

This deference to economic claims is a mistake. It is a mistake with regard to economics in particular; Chapter Four will take up in detail the issue of why economics is not in fact a hard science, and Chapter Five will illustrate some of the dangers of relating to economic claims and knowledge in an uncritical way. This deference is also a mistake of theological method more generally; unquestioning adoption of the picture of the world offered by any given social scientific source is likely to stunt the theological imagination. As the following chapter will discuss, although theology is not its own social science or queen of the sciences, neither is it their handmaiden. A posture of total deferral and

⁹⁵ As an example of this latter approach, consider Hill and Lunn, who affirm a generally Hayekian worldview: “We believe many theologians fail to understand how market systems have developed as a solution to the coordination problem created by an extensive division of labor. Hence, they apply an inappropriate ethical standard to the operation of the economic order. ... many theologians misunderstand the nature of the market system and then inappropriately apply an ethical standard developed for personal relationships to an impersonal, complex system.” (628) Seeing as Hill and Lunn reference mostly Austrian economics, they are unlikely to agree that economics is a hard science, exactly; they do, however, operate with the presupposition that markets work a certain way, and that this ought to be respected by theologians. Peter J. Hill and John Lunn, “Markets and Morality: Things Ethicists Should Consider When Evaluating Market Exchange,” *Journal of Religious Ethics* 35.4 (2007): 627-653.

accommodation toward a social science is as unfruitful for theological reflection as is one of total rejection.

2.4.1 A socially constructed social science needs to be engaged critically; examples of this

This project argues that the appropriate method of engaging economics is one of critical, but open, dialogue, in which the theologian may provisionally learn from economics, even as she is empowered to question the construction and—perhaps most importantly—function of economic discourse. Such critical engagement is not possible if the theologian takes economics to be either a hard science or a heresy. A small but steadily growing amount of scholarship does this, and addresses economic discourse as the useful, yet imperfect, discourse that it is. For example, Kathryn Blanchard, Joe Blosser, and Douglas Hicks have critically engaged economic theory and accounts of the world productively, and in particular focused on how Christian accounts of freedom align and contrast with those found in current and historical economic thought.⁹⁶

Even more work has been done by scholars working in economics; perhaps ironically, it is the economists who best understand the provisional, constructed, and flawed nature of their science. This enables them to use the discourse without reifying it, or being afraid to question its utility, in turn using economic and theological modes of thought to ask philosophical questions about the purpose and limits of markets, and practical ones about the governance of our shared economic lives. Some take up questions about the discourse itself, and are interested in making economic models, theory, and

⁹⁶ See, e.g., Joe Blosser, “Can God or the Market Set People Free? Libertarian, Egalitarian, and Ethical Freedom,” *Journal of Religious Ethics* 41.2 (2013) 233–253; Kathryn D. Blanchard, *The Protestant Ethic or the Spirit of Capitalism: Christians, Freedom and Free Markets* (Eugene, OR: Cascade Books, 2010); Douglas Hicks, *Christian Ethics and Inequality* (New York: Cambridge University Press, 2000).

data more tractable and useful for theologians, ethicists, and Christian academics of all fields.⁹⁷ In addition to Daniel Finn, others engaged in this work include Albino Barrera and Andrew Yuengert, both of whom also work within the framework of Catholic social thought.⁹⁸ There is also a growing amount of work in the history of the field of economics, which is especially useful for contextualizing and de-mystifying economic discourse. Here as well the most balanced work is done by economist theologians, such as Paul Oslington and AMC Waterman, who explore the theological valences in the thought of early figures such as Adam Smith.⁹⁹

As noted, a great deal of this is on the economists' side, looking back this way at theologians, and carried out by the few who are trained and teach in both disciplines. At

⁹⁷ E.g., see John P. Tiemstra, "Notes from the Revolution: Principles of a New Economics," *Faith and Economics* 54 (Fall 2009): 19-29; Andrew Yuengert, "The Conversation between Economics and Theology in Christian Colleges," *Faith and Economics* (Fall 2011): 4-7.

⁹⁸ Albino Barrera, *Market Complicity and Christian Ethics*, (New York: Cambridge University Press, 2011); Barrera, *Modern Catholic Social Documents and Political Economy* (Washington, D.C.: Georgetown University Press, 2001); Barrera, *Globalization and Economic Ethics: Distributive Justice in the Knowledge Economy* (New York: Palgrave Macmillan, 2007); Barrera, *Economic Compulsion and Christian Ethics* (New York: Cambridge University Press, 2005); Barrera, *God and the Evil of Scarcity: Moral Foundations of Economic Agency* (University of Notre Dame Press, 2005); Daniel K. Finn, *Christian Economic Ethics: History and Implications* (Minneapolis: Fortress Press, 2013); Finn, editor, *Distant Markets, Distant Harms: Economic Complicity and Christian Ethics* (New York: Oxford University Press, 2014); Finn, editor, *The Moral Dynamics of Economic Life: An Extension and Critique of Caritas in Veritate* (New York: Oxford University Press, 2012); Finn, editor, *The True Wealth of Nations: Catholic Social Thought and Economic Life* (New York: Oxford University Press, 2010); Andrew Yuengert, *The Boundaries of Technique: Ordering Positive and Normative Concerns in Economic Research* (Lanham, MD: Lexington Books, 2004); and Yuengert, "The Conversation between Economics and Theology in Christian Colleges."

⁹⁹ See the first four essays of Ian Harper and Samuel Gregg, *Christian Theology and Market Economics* (Cheltenham: Edward Elgar, 2010); Paul Oslington, editor, *Adam Smith as Theologian* (Routledge); and the first eight essays of Paul Oslington, editor, *The Oxford Handbook of Christianity and Economics* (Oxford: Oxford University Press, 2010). Likewise, economist Robert Nelson has made a compelling case for what he calls "economic theology," or the fact that much of contemporary economics (whether of the Chicago or the Cambridge school) can be read as secular paraphrases of theological language and narratives about creation, sin, and salvation. In this, Nelson's form of economic theology is similar to Milbank et al.'s Radical Orthodox approach of "renarration." Like Oslington and others, however, Nelson does not propose either to fully "debunk" or reject economics as a science that can tell us something about the world.

this moment, the field of Christian theology and ethics would benefit from more such balanced scholarship that is looking in the other direction, by theologians willing to critically but charitably (or at least constructively) engage economic theory. Such engagement would involve not only taking up economic facts, but addressing the shape that economic claims take in the first place, and questioning how they encourage those who use them to think about the world. It would involve, that is, investigation into the construction and function of economic knowledge, and the ways that economics contributes to the context for moral agency that our contemporary economic situation presents.

3. Scholarship addressing economic themes

Thus far this chapter has surveyed theological engagements of capitalism, and of economics. It showed that a substantial portion of these two specific conversations is distracted by polarized views of capitalism, and/or of economics (a fact other scholars have noted and lamented, as well¹⁰⁰). In arguing against this black and white thinking, this chapter has also clarified the relation of this dissertation to this work. However, the field of Christian theological reflection on economic issues is much wider than these two specific conversations. What is the relationship of this project to the broader field of discourse in theology and ethics on economic themes? This section turns now to this question, and introduces key strands of work within Christian ethics, with an eye toward how they (in broad strokes) tend to characterize capitalism, treat economic discourse, and construe economic life today as a context for moral agency. It notes that much of the work discussed operates implicitly with an accurate description of capitalism as a moral context, and is attentive to both ambiguity and plasticity of economic systems. It does so,

¹⁰⁰ E.g., see Finn, *The Moral Ecology of Markets*.

however, indirectly, and without extending this to a theological engagement of capitalism, per se. This section concludes by explaining how this dissertation complements these broader bodies of work: firstly, by offering an explicitly theological description of capitalism as a moral context, and of our agential predicament within it, and secondly, by bringing into the conversation attention to heterodox economic theory, and the contestable foundations of common economic sense within academic economic discourse.

3.1 Catholic social thought

One of the broadest and most coherent bodies of scholarship on economic life is found in the field of Catholic social thought. The body of doctrine identified as Catholic social teaching is generally taken to have begun in 1891 with the papal encyclical *Rerum Novarum*. Responding to issues then emerging in industrial capitalism, in *Rerum Novarum* Leo XIII rejected both communism and the kind of capitalism that results in misery among the working class, arguing instead for an approach that balances respect for the right to private property with the rights of workers, and a preferential option for the poor (and specifically endorse unions and collective bargaining, for example).¹⁰¹ Following encyclicals built on this foundation and further developed core principles—such as solidarity, subsidiarity, and human dignity—and themes—such as the dignity of labor, the sanctity of human life, the common good, and the balancing of rights with responsibilities.

This body of teaching does not generally contain detailed theological descriptions of capitalism itself as a theological subject. The contributions of John Paul II may be somewhat an exception in this regard; he rejected the “ideology” of “rigid capitalism,” defined as “the position

¹⁰¹ Leo XIII, *Rerum Novarum*, 1891. See also Charles E. Curran, *Catholic Social Teaching, 1891-Present: A Historical, Theological, and Ethical Analysis* (Washington, D.C.: Georgetown University Press, 2002).

that defends the exclusive right to private ownership of the means of production as an untouchable “dogma” of economic life.”¹⁰² In this, it may be possible to see (if indirectly) a description of capitalism as a savage system, hostile to moral agency insofar as it is hostile to the dignity of the poor, and as such deserving of rejection. Later, however, in *Centesimus Annus* he clarified that this rejection is not necessarily of capitalism as such. Asking whether capitalism is the model “for the countries of the Third World which are searching for the path to true economic and civil progress,” it declared,

The answer is obviously complex. If by capitalism is meant an economic system which recognizes the fundamental and positive role of business, the market, private property and the resulting responsibility for the means of production, as well as free human creativity in the economic sector, then the answer is certainly in the affirmative... but if by capitalism is meant a system in which freedom in the economic sector is not circumscribed within a strong juridical framework which places it at the service of human freedom in its totality... then the reply is certainly negative.¹⁰³

Indeed, much social teaching focuses not so much on denouncing capitalism itself as on prudentially working within it, while rejecting that which is not compatible with the gospel and Church teaching. In a discussion of contemporary finance in *Caritas in Veritate*, for example, Benedict states that “if love is wise, it can find ways of working” within current systems.¹⁰⁴ Much attention, especially, has been devoted to articulating the significance of the “social mortgage” placed on all property in light of the “universal destination of goods,” and the importance of this for promoting a social order that protects the dignity of all.¹⁰⁵

¹⁰² John Paul II, *Laborem Exercens*, 1981, § 14.

¹⁰³ John Paul II, *Centesimus Annus*, 1991, §42. Likewise, in *Quadragesimo Anno* Pius XI had argued of capitalism, “surely it is not of its own nature vicious,” but that “it does violate right order when capital” engages in various abuses of labor. Pius XI, *Quadragesimo Anno*, 1931, §101. As Charles Curran writes, in Church teaching, “capitalism is not intrinsically evil but often leads to abuses. Thus, the condemnations are not symmetrical. Socialism alone is intrinsically evil.” Curran, *Catholic Social Teaching*, 200.

¹⁰⁴ Benedict XVI, *Caritas in Veritate*, § 65.

¹⁰⁵ John Paul II, *Sollicitudo Rei Socialis*, 1987, §42; then *Laborem Exercens*, 1981, §14.

This pragmatic focus upon specific injustices to be avoided, and goods to be sought, also pervades pastoral letters such as the U.S. Bishops' *Economic Justice for All*. Written as a "personal invitation to Catholics to use the resources of our faith, the strength of our economy, and the opportunities of our democracy to shape a society that better protects the dignity and basic rights of our sisters and brothers," it necessarily focused not on capitalism as such, but upon developing concrete ethical norms for economic life.¹⁰⁶ Many of these specifically address the position of the individual in business, and inherently recognize both the temptations and opportunities markets present.¹⁰⁷

The broader field of Catholic social thought also includes scholarship in conversation with this teaching, such as that generated by academic theologians. Daniel Finn and Albino Barrera have already been mentioned in their capacity as economist-theologians reflecting on markets; others engaged in reflection on economic policies, structures, and issues such as poverty include, for example, Thomas Massaro and Mary Hobgood.¹⁰⁸ Theologians such as Vincent Miller, William,

¹⁰⁶ United States Conference of Catholic Bishops, *Economic Justice For All: Pastoral Letter on Catholic Social Teaching and the U.S. Economy*, 1986, § 2.

¹⁰⁷ See also, for example, USCCB, *A Catholic Framework for Economic Life*, 1996; Pontifical Council for Justice and Peace, *Vocation of the Business Leader: A Reflection*, 2012; Irish Episcopal Conference, "From Crisis to Hope: Working to Achieve the Common Good," The Council for Justice and Peace of the Irish Episcopal Conference, 2010; Irish Episcopal Conference, "Work is the Key: Towards an Economy that Needs Everyone," 1992; "The Final Document," in *Puebla and Beyond. Documentation and Commentary*, ed. by John Eagleson and Philip Sharper (New York: Orbis Books, 1979); Australian Catholic Bishops' Conference, *Common Wealth for the Common Good: A Statement on the Distribution of Wealth in Australia*, North Blackburn, 1992.

¹⁰⁸ Thomas J. Massaro, SJ, *United States Welfare Policy: A Catholic Response* (Washington, D.C.: Georgetown University Press, 2007); and Mary E. Hobgood, "Poor Women, Work, and the U.S. Catholic Bishops: Discerning Myth From Reality in Welfare Reform," *Journal of Religious Ethics* 25.2 (Fall 1997): 307-333. (Although, with regard to the argument of this chapter's first section, it is interesting to note that a response to Hobgood claims, "her argument that most injustice in the modern world is rooted in systemic flaws of global capitalism subverts her hope that governmental welfare policies can alleviate poverty"—holding in tension the impulse to critique capitalism and to generate motivation for change is difficult. Harlan Beckley, "Social Science and Theological Ethics: A Response to Mary E. Hobgood," *Journal of Religious Ethics* (Fall 1997): 343-350.)

Cavanaugh (also mentioned earlier), and Mary Doyle Roche have extended Catholic theology and social thought to consider the challenges and possibilities that consumer society presents for the life of faith, and the pursuit of the common good.¹⁰⁹

Related work arises explicitly from within diverse contexts of praxis. As noted earlier, although much liberationist thought categorically rejects capitalism and (what appear to be) capitalist modes of production, not all does.¹¹⁰ Consider, also, the recently reinvigorated movement called “distributism.”¹¹¹ Distributists aim at remoralizing the market by making questions of distribution central—not primarily through government action, but on the part of private persons and entities. Through alternative economic practices such as the collective ownership of capital by labor that promote equity, rather than inequality, distributists have argued that economies can ward off prolonged recessions. Indeed, figures such as John Medaille have proposed that distributism can contribute to the refashioning of a more humane political economy (and argue that contemporary mainstream economics is, at core, inhumane).¹¹² Related political economic scholarship has arisen from within the praxis of the Focolare movement (and specifically, its Economy of Communion business project, which currently links about 800 businesses) and the

¹⁰⁹ Mary Doyle Roche, *Children, Consumerism, and the Common Good* (Lanham, MD: Lexington Books, 2009); Vincent Miller, *Consuming Religion: Christian Faith and Practice in a Consumer Culture*. New York: Continuum, 2003; William T. Cavanaugh, *Being Consumed: Economics and Christian Desire* (Grand Rapids, MI: Eerdmans, 2008).

¹¹⁰ For example, see Charles Villa-Vicencio, “Liberation and Reconstruction: The Unfinished Agenda,” 183-206, in *The Cambridge Companion to Liberation Theology*, edited by Christopher Rowland (Cambridge: Cambridge University Press, 2009).

¹¹¹ Distributism was originally founded about a century ago by G.K. Chesterton and Hilaire Belloc. See Hilaire Belloc, *An Essay on the Restoration of Property* (London: The Distributist League, 1936); and more recently, Tobias J. Lanz, *Beyond Capitalism and Socialism: A New Statement of an Old Ideal* (Norfolk, VA: IHS Press, 2008). Also John Medaille, *The Vocation of Business: Social Justice in the Marketplace* (New York: Continuum, 2007).

¹¹² John C. Médaille, *Toward a Truly Free Market: A Distributist Perspective on the Role of Government, Taxes, Health Care, Deficits, and More* (Wilmington, DE: ISI Books, 2010).

Mondragon cooperative movement, both of which are rooted within the Catholic faith.¹¹³ Although some advocates of the movement understand these as socialist or in some other way anti-capitalist, many do not, envisioning them instead as promoting an alternative capitalist future. Both movements have strong legacies of successful community development driven by cooperative (that is, worker owned and managed) business practices.

3.2 Protestant social ethics and thought

The field of Protestant social ethics is likewise rich in ecclesial statements, academic theological reflection, and praxis-based reflection on economic themes. Like Catholic social thought, the discipline of Protestant social ethics originally began over a century ago as a response to the sweeping and unprecedented social changes brought by industrial capitalism.¹¹⁴ In more recent years, there has been no lack of statements produced by individual denominations and ecumenical organizations such as the World Council of Churches (although since Protestant ethics is not coordinated through unified teaching office as is the case in Catholicism, it is potentially somewhat less significant in shaping pastoral and theological scholarship). These address issues ranging from international debt crises to acceptable lending practices, and appropriate political

¹¹³ On the Focolare movement, see Chiara Lubich, *That All Men Be One: Origins and Life of the Focolare Movement* (New York: New City Press, 1974); John Gallagher and Jeanne Buckeye, *Structures of Grace: The Business Practices of the Economy of Communion* (New York: New City Press, 2014). On Mondragon, see William Foote Whyte and Kathleen King Whyte, *Making Mondragon: The Growth and Dynamics of The Worker Cooperative Complex* (Ithaca, Cornell University, 1991), and Race Mathews, *Jobs of Our Own: Building a Stakeholder Society, Alternatives to the Market and the State* (Irving, TX: The Distributist Review Press, 2009). For more on other, contemporary Catholic social movements engaged in practices that pursue justice from within, and also transform, contemporary capitalist conditions (although not exclusively focused on economic issues), see Kevin Ahern, *Structures of Grace: Catholic Organizations Serving the Global Common Good* (Maryknoll, NY: Orbis, 2015).

¹¹⁴ For more on this history in the late nineteenth century and early twentieth, see Gary Dorrien, *Social Ethics in the Making: Interpreting an American Tradition* (Wiley-Blackwell, 2010).

responses to the devastation wrought by the 2008 financial crisis.¹¹⁵ Theologians such as Douglas Hicks and Rebecca Todd Peters have deepened the conversation on these themes with attention specifically to the challenges and promises of living within our increasingly unequal and globalized world.¹¹⁶ Likewise, creative and innovative reflection is also emerging from within the lived practice of both those working in business, and those working politically and socially to improve particular economic conditions. Ethicist C. Melissa Snarr's scholarship on living wage movements is illustrative of the way that this type of reflection implicitly (and sometimes explicitly) characterizes contemporary capitalism as an imperfect but malleable terrain. Although Snarr herself tends to describe capitalism as both ideological and hegemonic, and is skeptical whether inequality can be fully addressed within its frame, her ethnographic attention to the practices and rhetoric of

¹¹⁵ In the U.S. alone, for example, (largely) recent statements include, World Council of Churches, "Alternatives to Economic Globalization Addressing Peoples and Earth (AGAPE)," World Council of Churches Commission for Justice, Peace, and Creation, Porto Alegre, 2006; World Council of Churches, "Christian Faith and the World Economy Today: A Study Document from the World Council of Churches," Geneva, 1992; "Section Report on Justice in the Economy, On the Earth, and For All of God's Creation," Document SE 3 of the Uniting General Council of the WCRC, Grand Rapids MI, 2010; Oxford Declaration on Christian Faith and Economics, 1990; Herbert Schollberg, Vinay Samuel, and Ronald J. Sider, eds., *Christianity and Economics in the Post-Cold War Era: The Oxford Declaration and Beyond* (Grand Rapids: Eerdmans, 1994); the Trinity Institute conference on "Building an Ethical Economy," held at Trinity Church Wall Street in New York City, January 2010; Evangelical Lutheran Church in America, *Economic Life: Sufficient, Sustainable Livelihood for All*, 1999; Presbyterian Church (USA), "Living Through Economic Crisis: The Church's Witness in Troubled Times," Advisory Committee on Social Witness Policy, 2010; and Presbyterian Church (USA), "A Reformed Understanding of Usury for the Twenty First Century," 2006. For an overview of both Protestant and Catholic statements in the less proximate history, see Aart Van Den Berg, *God and the Economy: Analysis and Typology of Roman Catholic, Protestant, Orthodox, Ecumenical, and Evangelical Theological Documents on the Economy, 1979-1992* (Delft: Eburon Publishers, 1998).

¹¹⁶ Douglas Hicks, *Christian Ethics and Inequality* (New York: Cambridge University Press, 2000); Rebecca Todd Peters, *Solidarity Ethics: Transformation in a Globalized World* (Minneapolis: Fortress Press, 2014), and *In Search of the Good Life: The Ethics of Globalization* (New York: Continuum, 2004); see also Rebecca M. Blank and William McGurn, *Is the Market Moral? A Dialogue on Religion, Economics, and Justice* (Washington D.C.: Brookings Institution Press, 2004). See also Marva Dawn, *Unfettered Hope: A Call to Faithful Living in an Affluent Society* (Louisville: Westminster John Knox Press, 2003).

ongoing and successful movements leads her to recognize and celebrate both its alterable nature, and the exercise of moral agency amidst its dangers.¹¹⁷

3.3 *Personal ethics: wealth, business, and consumption/consumerism*

A closely related but distinct field of reflection on economic themes develops ethical reflection on individual action in markets, and with wealth and property. Christianity has a long history of reflection on how to love the neighbor with one's resources, and recent years have been no exception to this. Figures such as Douglas Hicks, Jim Wallis, and Ronald Sider especially have developed publicly accessible scholarship proposing practical guidance on how Christians ought to relate to their finances, in light of ongoing need despite the abundance experienced by many in the U.S.¹¹⁸

Another strand of practical ethical reflection addresses business ethics, and the kinds of moral situations that individual entrepreneurs and agents working on behalf of firms and organizations face. (Some of this was mentioned earlier, given that statements on business are also released at the ecclesial level; a related body of scholarship has been developed by individual theologians, as well.) This genre of work especially tends to assume that the practice of business

¹¹⁷ C. Melissa Snarr, "Remembering the Poor: Interfaith Collaboration, Neoliberalism, and an Anti-Imperial Gospel," *Journal of the Society for Christian Ethics* (Fall/Winter 2017), forthcoming; Snarr, *All You That Labor: Religion and Ethics in the Living Wage Movement* (New York University Press, 2011); and Snarr, "Waging Religious Ethics: Living Wages and Framing Public Religious Ethics," *Journal of the Society of Christian Ethics* 29.1 (Spring/Summer 2009): 69-86.

¹¹⁸ Douglas A. Hicks, *Money Enough: Everyday Practices for Living Faithfully in the Global Economy* (Jossey-Bass, a Wiley Imprint 2010); Ronald J. Sider, *Rich Christians in an Age of Hunger: Moving from Affluence to Generosity*, fifth edition (Nashville, TN: Thomas Nelson, Inc., 2005); and Sider, *Just Generosity: A New Vision for Overcoming Poverty in America* (Grand Rapids, MI: Baker, 2007).

simultaneously presents temptations to sin and injustice, and opportunities for right action and neighbor love that is pleasing to God.¹¹⁹

The same is true of a related field of ethical reflection emerging in the last few decades, which addresses the challenges and promises of life within not just a world of material abundance and inequality, but within a specifically consumer society. Here as well scholarship is both academic and pastoral in nature; academic theologians engaged in this reflection include scholars such as Luke Bretherton, David Cloutier, and Laura Hartman.¹²⁰ As with much of the other ethical reflection discussed in this chapter's final section, this work tends to take up the question of capitalism itself only indirectly; its immediate focus is individual practices, actions, and virtue. This genre of scholarship also (and perhaps therefore) generally indirectly characterizes capitalism as a morally mixed context. It examines, for example, how the individual may experience economic life today as both full of temptation, and yet also a realm of opportunity for Christian discipleship.

3.4 *On the relation of this scholarship to the two conversations discussed earlier*

It is interesting to note that much of this ethical reflection avoids the sort of unfortunate trade off between incisive critique (or defense) and attention to capitalism's plasticity and ambiguity seen in the theological scholarship surveyed in this chapter's first

¹¹⁹ See, e.g., Max Stackhouse, Dennis P. McCann and Shirley Roels, editors, *On Moral Business: Classical and Contemporary Resources for Ethics and Economic Life* (Grand Rapids, MI: Eerdmans, 1995); Kenman L. Wong and Scott B. Rae, *Business for the Common Good: A Christian Vision for the Marketplace* (Downers Grove, IL: IVP Academic, 2011), and their earlier *Beyond Integrity* (1996), as well as the earlier mentioned Pontifical Council for Justice and Peace, *Vocation of the Business Leader: A Reflection*, 2012.

¹²⁰ See e.g., Luke Bretherton, *Christianity and Contemporary Politics: The Conditions and Possibility of Faithful Witness* (Malden, MA: Wiley-Blackwell, 2010) especially 175-199; David Cloutier, *The Vice of Luxury: Economic Excess in a Consumer Age* (Washington DC: Georgetown University Press, 2015); Laura Hartman *The Christian Consumer: Living Faithfully in a Fragile World* (New York: Oxford University Press, 2011); Laura Hartman, "Environmental Modesty: Reclaiming an Ancient Virtue," *Journal of Religious Ethics* 43.3 (September 2015): 475-492; and Skye Jethani, *The Divine Commodity: Discovering a Faith Beyond Consumer Christianity* (Grand Rapids, MI: Zondervan, 2009).

two sections. Instead, it generally tends to characterize capitalism adequately, as an ambivalent moral terrain, and as responsive to our agency. It does so, however, generally only indirectly; the kind of applied reflection just surveyed is not as concerned with theologically describing capitalism itself as it is with addressing specific economic issues.

What accounts for the difference between the tone of this work and the theological scholarship discussed in the first two sections of this chapter? One answer might be that an argument for some sort of change—whether in individual behavior or at a social level—implicitly rules out an analysis of despair. (And, perhaps what is more obvious, also presume that the status quo is not undeserving of critique.) One cannot urge action that is impossible. In envisioning how specific practices, policies, structural systems and states of affairs could be altered, then, theologians and various ecclesial bodies must implicitly acknowledge and presume the contingency and plasticity of current economic arrangements. They also presuppose that the audience addressed has the kind of agency required to enact the proposed change. Arguments for regulatory reform, for example, implicitly presume that economic life could be structured differently, and that individuals and churches have a role to play in bringing that about; just as arguments for changes in the culture of business itself implicitly reject the claim that capitalism can only have one culture.¹²¹

¹²¹ On this last note, however, it is worth noting that this may not necessarily be the case where social ethical analyses argue specifically for the “restraint”—rather than reform—of markets and market processes. Although it may appear that this is no different from an argument for reforming economic life, this argument can court the danger of essentializing capitalism by reifying economic processes—as if they cannot be changed, but must be quarantined, and walled off from certain areas of life. This is at core simply a more modest version of the negative essentializing move, and may bear resonances of a masculinist description of the market (discussed at more length in Chapter Three), in which the cold and impersonal character of markets is contrasted with the warm, nurturing, and ethical spheres of the home (or, sometimes, the church). For more on this distinction in recent Christian ethics, see

Another response might be to suggest that the need to provide ethical and pastoral guidance leads theologians to reckon with how individual agents actually experience economic conditions: as both empowering and disempowering, in interesting and complicated ways simultaneously supportive of and hostile to the life of faith and moral growth. This might especially be the case with the genre of individual ethics addressing the agential predicaments particular to business, and consumer society.

Finally, it may also be the case that the process of theological diagnosis itself raises a set of temptations that are difficult to avoid. Reflections that are “zoomed in,” as it were, on specific ethical issues—whether social or individual—or on a particular case or issue within capitalism, may not be prey to the temptation, for example, to set aside complexity in order to more coherently narrate the whole. In any case, it appears that the more particular and less general a Christian theological or ethical treatment of economic issues is, the more likely it is to operate with a realistic picture of economic life as a mixed, contingent, and plastic moral context. For whatever reason, and perhaps ironically, work that consciously addresses itself to the whole—and to the question of its moral valence(s), in particular—is more likely to be distracted by the appeal of the two ideal typical pictures of capitalism.

Conclusion: What this dissertation adds to the field

This chapter has loosely sorted the broader field of current Christian reflection on economic issues into theological engagements of capitalism, theological engagements of economics, and ethical reflection on social issues relating to the economy, and to wealth and

Ibrahim Abraham, “Capital, Culture, and Contradictions: Contemporary Christian Economic Ethics,” *Pacifica* 22 (February 2009): 53-74.

property. In so doing, it has made arguments about certain deficiencies in the first two of these that indirectly point toward the contribution of this project to these fields. It is worth, however, being more explicit about what this project adds to these conversations.

This chapter has argued that theological reflection explicitly engaging capitalism too often reifies it, as a static ideological or material system. Moreover, much of the conversation is between those who construe this static nature as nearly all good, or all bad. Against these, this dissertation argues that capitalism is a mixed moral terrain. Moreover, it is a malleable one; capitalist conditions in any one time or place could be changed to become better (or worse). It does so in conversation with historical and social scientific sources (including heterodox economics; more on this shortly), and argues that black and white theological analyses do not accord with what other disciplines (and perhaps practical experience) indicate about life in capitalism today. This dissertation also offers a theological argument for this description of capitalism. Chapter Five begins this dissertation's theological reflection on capitalism from within theological claims about creation, fall, and redemption, and argues that these together rule out any one sided description of capitalism, and ought to lead Christian theological reflection to be attentive to its complexity as a moral terrain.

This chapter has also surveyed theological engagement of economics, and noted that reflection on heterodox scholarship and awareness of the contestable foundations of mainstream modes of representing markets as naturalistic is just now beginning to emerge. This dissertation adds to this explicit attention to heterodox scholarship, and uses this to make the argument that reifying capitalism, and economic processes more generally, is unwarranted. In this, it shares Finn's assumptions regarding what he terms the moral ecology of markets; markets are never morally just or unjust in the abstract, but only with attention to their particulars, which include the legal "fences" we place around them. In turning to feminist and behavioral economic thought

in particular, though, this dissertation goes perhaps even one step further than this, and emphasizes that within those fences, market processes themselves and economic phenomena are shaped to a great extent by culture. In asking about capitalism as a context for moral agency, then, we must ask about the particulars of how we have shaped capitalism lately. In Chapters Three and Four, this dissertation argues that this shaping includes accepting an unwarranted account of markets, and of economic life.

Finally, this chapter developed an (all too brief) overview of the fields of scholarship that are not focused primarily on either economics or capitalism as such, but on diverse economic themes such as wealth, property, economic policies and practices, and consumerism. This scholarship, it noted, tends to operate implicitly with (what this dissertation argues is) a more realistic picture of capitalism as a moral terrain. However, it is not the aim of this ethical reflection to provide a first-order, theological description of this terrain.

To this work, this dissertation adds such a theological description. In this, it joins arguments that economic life provides “a venue for partaking of God’s goodness.”¹²² Indeed, this dissertation proposes, capitalism itself now provides the venue in which we experience the tragedy of our fallen agential predicament, but also in which we may receive and respond to the gift of grace. It provides this theological description with especial attention to capitalism’s ambiguity, and plasticity—the features missed in much engagement of capitalism itself, and toward which heterodox economic scholarship points. It also does so with especial attention to the way that misunderstandings about capitalism have functioned socially in recent decades, and to the role

¹²² Albino Barrera, *God and the Evil of Scarcity*, 28. Barrera focuses not on capitalism today as such, but on material scarcity as the occasion for all economic activity, and accordingly for this participation, which he describes as perfective. As he argues, “There would be no room for the gift of real productive instrumentality in a world of unconditional material plenitude... doing [is] a venue for human participation in God’s governance” (171).

this has played in complicated our agential predicament. It is to this misunderstanding that the next chapter now turns.

CHAPTER 3

A MISSING PIECE: WHY A NATURALISTIC PICTURE OF CAPITALISM, MARKETS, AND ECONOMIC PHENOMENA IS WRONG

Introduction

The overriding aim of Part I of this dissertation is to reflect theologically upon the sort of context that capitalism today presents for moral agency. Before engaging in this reflection, however, we must ask whether we adequately understand capitalism as a context. Chapter One started this process by surveying descriptions of and debates over capitalism found in public and academic discourse. It proposed that arguments over its “true” moral valence are unresolved in part because capitalism does not have a single essence. This is one of the lessons we can learn from history, which tells us that capitalism has appeared differently in different times and places.

To a certain extent, this is a fact that many of us know, at least theoretically. Nonetheless, many conversations proceed by either explicitly stating or implicitly presuming that markets operate according to certain laws, and that economic processes occur in certain, predetermined ways. (In particular, for example, Chapter Two argued that a good deal of Christian reflection—both for and against capitalism—proceeds in this manner.)

This chapter now returns to the question of how to describe capitalism. To the argument begun in Chapter One, it adds the following: it is not just capitalism more generally, but also economic processes themselves that do not have a single nature. This is part of why capitalist societies, eras, and cultures vary so widely: economic phenomena are

not governed by timeless laws, and do *not* take a single, predetermined shape. They are instead to a great extent contingent—upon institutions, context, and culture.

This chapter makes this argument by turning to the field of economics, and taking on the naturalistic picture of markets it generally suggests. As Chapter One explained, a naturalistic picture of capitalism, and of market processes, gained its cultural ascendancy due to diverse historical, political, cultural, and economic factors. However, this representation of economic phenomena ultimately draws (or should draw) its legitimacy from the discipline of economics, and other fields that study markets. And it is in this court, we might say, that it ought to be tried. This chapter turns to that court, and finds there grounds to argue that this representation is false. It offers, that is, an immanent critique.

It does so firstly by sketching the history of the development of economics in light of feminist and institutionalist economic research. This scholarship indicates that the importation into political economy of metaphors and models from Newtonian physics was premised upon gendered and cultural ideals, rather than being empirically warranted. This chapter then uses the tools of these branches of heterodox economic theory (and others) to assess the metaphor of the market as a mechanistic and natural phenomenon that currently organizes much of mainstream economic inquiry. It examines two specific case studies of this metaphor: general equilibrium theory, and the *Homo economicus* model of individual behavior. This examination reveals that even within economic theory itself, there are grounds to argue that these are based in and in turn lead to unwarranted and unproductive ways of representing markets and market actors.

Of course, an economist is likely to respond, these models do not precisely describe market activity; they are, after all, academic *models* (and, in the case of

equilibrium analysis, a broad genre of methodology). They are based upon hypothetical presuppositions that economists stipulate, and do not need to be descriptively accurate, as long as they enable useful analysis. Therefore, a disjunction between these models and reality is not a problem. This was Milton Friedman's memorable argument regarding the skilled billiard player, whose actions could be usefully analyzed *as if* he were precisely calculating all the angles of a shot, even if he himself never understood the mathematics involved.¹

In response, the argument of this chapter is that even allowing for their hypothetical nature, these models are still not serving their purpose correctly within economics. Economic inquiry proceeds as if markets operated according to invariant laws, when it should not. The distance between these models and the phenomena they purport to analyze is more than simply the distance between the best available hypothetical presuppositions in other hard sciences and the realities they study. This is because economic activity is not analogous to physical phenomena; markets are created and populated by humans, whose activity is determined not by universal laws, but by cultural and historical factors, and by individual agency. However, contemporary mainstream economics does not tend to analyze (or in turn represent) markets with attention to this; this chapter engages scholarship raising the possibility that this inattention can be traced at least in part to a trend of gendered physics-envy (physics being the quintessentially "hard" and reputable empirical science) in the history of the discipline. Whatever the

¹ Milton Friedman, "The Methodology of Positive Economics," 1957, in *The Philosophy of Economics: An Anthology, third edition*, edited by Daniel M. Hausman (New York: Cambridge University Press, 2007) 145-178. Moreover, said economist might object, it is hardly the fault of a discipline if the wider public chooses to interpret its theoretical models as if they were truth. There may be some truth to this, and, as the next chapter will discuss, the line from academic theory to practice is rarely a straight one. Nonetheless, ideas regarding the alleged naturalness of economic processes have had an active public life, and for that reason deserve scrutiny.

cause, though, mainstream economics tends to treat economic activity as if it were naturalistic and mechanistic. This is, this chapter argues, unwarranted, and misleading.

The upshot of this argument for this dissertation's project is simple: if this representation of markets is unwarranted and unproductive within the discipline of economics, it is a fortiori unwarranted and unproductive as a foundation for action in public life, or as an assumption informing moral reflection. Indeed, moral reflection that presumes that economic phenomena are governed by natural laws is beginning off quite on the wrong foot. A naturalistic picture of markets is especially misleading with regard to the exercise of moral agency in markets. For one, the assumption that markets are governed by their own mechanistic laws artificially truncates the realm of our moral responsibility for their outcomes (Chapter Eight will discuss this in further detail). Likewise, this assumption also artificially truncates the realm in which we think we are empowered to act to change economic processes and outcomes. A naturalistic picture of economic phenomena accordingly presents an unnecessary impediment to accurate and honest moral reflection. Unnecessary as it may be, however, it is an impediment that we have faced lately, given the social prevalence of a naturalistic account of markets. The aim of this chapter is to argue that this account is unwarranted.

1. The origins of this perspective in the foundation of economics as a science

As Chapter One mentioned, the discipline of economics has been characterized by considerable consensus regarding the subjects, methods, and discourses proper to the field during in the latter third of the twentieth century (and to a great extent still now). One of the major defining features of this mainstream consensus—if not *the* defining feature—is its reliance upon a broadly mechanistic view of how markets work, and a

related commitment to understanding economics itself according to the model of science first found in Newtonian mechanical physics.

It is worth noting that this remarkably extensive consensus is a historically recent phenomenon. Prior eras were not characterized by this level of agreement. Historians of economic thought refer to the time between the two world wars in the twentieth century, for example, as the period of “Interwar Pluralism,” because neoclassical approaches to economics coexisted in dialogue, tension, and even collaboration with Marxian and institutionalist approaches.² During this time of economic pluralism, economic knowledge itself was much more contested, both in academia and in the public sphere, and therefore use of economic claims in public was likewise contested. Theorists and social activists of all stripes argued vociferously, for example, over whether wages ought to be understood as a price (a market set price for the value of labor provided, as it is understood in neoclassical economics) or as a living, and as an entitlement (as they are understood in many heterodox schools of economic thought, and were understood in classical political economy), and over whether instituting minimum and living wages was the most efficient approach for a polity.³ As Chapter One mentioned, the field’s abandonment of this pluralism, and convergence on a single, mechanistic approach to representing market phenomena, can be ascribed at least in part to the way that mathematicized methods seemed to provide a way to avoid the intractable difficulty of making precisely these contestable value judgments about wellbeing, justice, and the common good.

² See Mary S. Morgan and Malcolm Rutherford, eds, *From Interwar Pluralism to Postwar Neoclassicism*, supplement to vol 30 of *History of Political Economy*, Durham NC: Duke University Press, 1998.

³ Marilyn Power, Ellen Mutari, and Deborah M. Figart, “Beyond Markets: Wage Setting and the Methodology of Feminist Political Economy,” 74, in *Toward a Feminist Philosophy of Economics: Economics as Social Theory*, edited by Drucilla Barker and Edith Kuiper (New York: Routledge 2003) 74.

Although (somewhat) recent, this twentieth century convergence was enabled by and further developed a rather similar transformation in the field a century earlier, when political economists began to explicitly model their emerging discipline according to the example of Newtonian physics. This too was a development driven at least in part by a desire to insulate economic inquiry from the conceptual difficulty of philosophical claims—and, perhaps, by a desire to garner for its discourse the respect (then) newly accorded to empirical sciences.

To be sure, some mechanistic language can be seen in economic thought from fairly early on; as early as the eighteenth century, for example, Adam Smith referred to “power and riches” as “enormous and operose machines.”⁴ And Smith inherited, rather than originated, these terms—a full accounting of the history of influences on economic thought should not only include the impact of the industrial revolution on the formation of classical economics, but also address the historical transition from the religious conceptions of causation and the cosmos prevalent in the middle ages to the more mechanistic ones that emerged after the sixteenth century.⁵

The influence of physical metaphors upon economic discourse, however, was most acute in the late nineteenth century, around the time of what has been called the “marginal revolution.” This revolution occurred after the discovery of the formal theory of marginalism, which describes value in terms of secondary (that is, marginal) utility.

⁴ Adam Smith, *Theory of Moral Sentiments*, IV.I.8.

⁵ The earliest Enlightenment thinkers that developed and elaborated this worldview did not see any conflict or essential gap between their scientific inquiry to ascertain the workings of its clocklike systems and the value questions of philosophy and theology. That said, the emergence of this mechanical worldview was instrumental in the severing of fact and value initiated by Hume and later remarked upon by Weber, and which is a key component of economic discourse today. (And which others claim is at part of the “rot” of modernity; Alasdair MacIntyre, for example, has concerns about the impacts of mechanistic physics in multiple arenas. See MacIntyre, *After Virtue*, 54.)

Marginal utility describes the gain that an agent experiences from an increase (or the loss from a decrease) in the consumption of a particular good or service, entirely apart from either its practical use-value, or the value involved in its production.

Up until this point, theorists had disagreed over how to specify a theory of value that could explain how values become prices, and apparent discrepancies between the two, such as the “paradox of water and diamonds” recognized as early as Adam Smith’s work, which noted that although water is more useful to human life than diamonds, diamonds invariably carry a far higher value (that is, are more expensive).⁶ The development of marginal utility theory neatly resolved these issues in a remarkably short period of time, by dropping the attempt to develop a substantive theory of value in favor of a subjective approach to “utility.” It was at this point that the discipline of economics definitively shed its overtly normative agenda, and turned away from the concern with social theory that had driven analyses of production and exchange in early political economy. Classical political economists such as Adam Smith and John Stuart Mill had taken up questions not only about the true ground of value, but about systems of rights, the virtues of various models of government, and just distribution—and disagreed about these as well. The theory of marginalism conveniently offered a way out of such irresolvable debates, by appearing to enable a purely descriptive formal analysis of economic behavior using the concept of marginal utility.

Institutionalist economist and historian Philip Mirowski was the first to elaborate the role of physics in the theoretical developments made at this critical juncture. In an act of what he calls “brazen daylight robbery,” Mirowski sums up the episode in the history of economics this way: “the Marginalists appropriated the mathematical formalisms of mid-

⁶ Adam Smith, *Wealth of Nations*, I.IV, most of the way through.

nineteenth century energy physics... made them their own by changing the labels on the variables, and then trumpeted the triumph of a truly 'scientific economics.'"⁷ In this newly revised research agenda, utility was the economic analog to potential energy in physics; budget constraints became an altered kinetic energy, and so forth.

This process of adoption was a surprisingly conscious one on the part of some political economic theorists. The early political economist Francis Edgeworth wrote in 1881, for example, that

The application of mathematics to the world of the soul is countenanced by the hypothesis... that Pleasure is the concomitant of Energy... As the movements of each particle, constrained or loose, in a material cosmos are continually subordinated to one maximum sub-total of accumulated energy, so the movements of each soul whether selfishly isolated or linked sympathetically, may continually be realizing the maximum of pleasure.⁸

This process of adoption required sacrifices, however, some of which were immediately apparent, and some of which were required only later, as theorists tried to work out the tensions caused by the effort to remain within this mechanical system. The classical interest in defining welfare substantively, for example, had to be dropped right away, as did a labor (that is, substantive) theory of value (which has already been mentioned). And, later on it became apparent that production and reproduction had to be dropped, and that it was no longer clear whether firms even fit into the picture.⁹

These difficulties aside, however, the metaphors from mechanical physics were powerful within the academic discipline of economics, given the then-dominant respect for mechanical explanations in science more generally; scientist Wilhelm Wundt was not alone when in the 1880s he proclaimed that "mechanics is the beginning and the

⁷ Philip Mirowski, *More heat than light: Economics as social physics: physics as nature's economics* (New York: Cambridge University Press, 1989) 9.

⁸ Francis Edgeworth, 1881, quoted in Mirowski 1988: 15

⁹ Mirowski, *More heat than light*, 333.

foundation for all explanatory natural science.”¹⁰ In economics, the mechanical metaphor traded upon the confidence that the economy could be productively described as if it were governed by its own universal laws of motion. In place of particles, bodies, energy, and gravity, this sphere (or machine) was populated by—and therefore economics observed—rational actors, profit, and utility. This imagery increasingly pervaded the language of economics in the nineteenth and twentieth centuries, as it emancipated itself from its less mathematical and mechanical parent discipline, political economy. In 1871, for example, Jevons (one of the three whose work initiated the marginal revolution) found a sympathetic audience for his proposal to develop political economy as “the mechanics of utility and self-interest.”¹¹

Since the nineteenth century, of course, theoretical physics has challenged, modified, and eventually discarded its early account of energy-as-substance in the process of its evolution away from Newtonian models and metaphors. It has abandoned the Laplacean determinist ideal of using the laws of classical mechanics and causation to predict the precise future movement of various bodies—down to individual atoms—

¹⁰ Quoted in Nicholas Georgescu-Roegen, 320. Interestingly, Wundt was a—the first, actually—psychologist; the love for mechanistic explanatory science was that strong. And this particular metaphor of ‘world as a machine’ replaced the medieval metaphor in which the world is a living organism.

¹¹ It is interesting to note that although bodies, energy, and laws of motion are concepts that appear more proper to the domain of physics, this process of emulation was not solely a one-way street. Instead, the metaphors flowed both ways, in what surpassed a mere case of “intellectual cross-disciplinary influences, *Zeitgeist*, or epistemes,” to become one of “reciprocal metaphorical legitimation and support.” (Mirowski, 116, 108.) That is, the emergence of energy as a synthesizing metaphor unifying physics relied on its structural resemblance to then-existing theories of the body and economic value just as much as theories of economic value relied on then-existing theories of energy and motion. As Mirowski sums up, “The overall effect is reminiscent of an archetypal Escher print, one where every pillar of an imposing edifice directly or indirectly supports every other pillar, but no pillar touches the ground. (Mirowski, 116.)

based on nothing but their current location.¹² (This is so definitively the case that physics now addresses questions about chance, chaos, uncertainty, and even “spooky” phenomena.) Economic theory, however, has not experienced this development—nor has it let go of the Laplacean dream. Mechanical metaphors continue to pervade the dominant paradigm undergirding contemporary mainstream economics, and, as we will see shortly, this paradigm has flowered into a number of influential central concepts organizing economic discourse today. The phenomenon that one prominent historian of economics has dubbed “physics envy” is still alive and well in economics—a fact which is no less the case for regularly going unremarked upon, save by those who explicitly concern themselves with methodology and history.¹³

On Mirowski’s narration, this story of physics envy is a problematic one for a number of technical reasons. The project of metaphor importation was incomplete, for example, given that economists failed to find a role for the principle of the conservation of energy, which Mirowski suggests would have been necessary to “fit together” the various

¹² This is an interesting episode in the history of science. In an 1814 essay, Pierre-Simon Laplace proposed, “We may regard the present state of the universe as the effect of its past and the cause of its future. An intellect which at a certain moment would know all forces that set nature in motion, and all positions of all items of which nature is composed, if this intellect were also vast enough to submit these data to analysis, it would embrace in a single formula the movements of the greatest bodies of the universe and those of the tiniest atom; for such an intellect nothing would be uncertain and the future just like the past would be present before its eyes.” Laplace, “A Philosophical Essay on Probabilities,” 1814. Although Laplace only used the term “an intelligence,” in later discussions of determinism and the limits of scientific knowledge, it has been referred to as “Laplace’s demon,” and sometimes “superman.” See also on this: J Barkley Rosser, *From Catastrophe to Chaos: A General Theory of Economic Discontinuities*, 10.

¹³ Margaret Schabas, “What’s So Wrong with Physics Envy?” in Neil de Marchi editor, *Non-Natural Social Science: Reflecting on the Enterprise of More Heat Than Light*, Annual Supplement to Vol 25 of *History of Political Economy* (1993): 45-53. In this, economics may not be alone. See, for example, Donald Green and Ian Shapiro, *Pathologies of Rational Choice Theory: A Critique of Applications in Political Science* (New Haven: Yale University Press, 1996).

other imported concepts.¹⁴ His overarching concern, however, is that the discipline has failed to subject its own premises to enough critical scrutiny—that is, that economics is not yet scientific *enough*.¹⁵ More robust and probing analysis of its theoretical foundations, he urges, is required to set contemporary economics on a firmer empirical footing.

The history Mirowski relays is a fascinating one, and not for nothing has his claim that the importation of Newtonian physics has led to an “impasse” in neoclassical economic theory caused a stir among historians of the discipline.¹⁶ For our purposes, his technical concerns with whether Newtonian physics becomes economic science nicely begin to reveal the contingency of the current construction of much economic knowledge, and of claims about the objectivity of the market’s mechanistic nature. It is curious that Mirowski himself does not explicitly comment on this question of objectivity—or even mention David Hume, Max Weber, or the fact-value divide, for that matter—given that *More Heat Than Light* is the story of how the discipline of economics came to sit (or, perhaps more accurately, of how its theorists came to *see* themselves as sitting) firmly on one side of this divide. As mentioned, the earliest political economists were not yet

¹⁴ This is a place I’ll be revising this to drop details on physics, and change the emphasis to speak about mechanistic metaphors describing the system as if actors had no agency—determinism.

¹⁵ It is interesting to note that wording this this way was not exactly Mirowski’s intent – as an institutionalist, he wishes to see a more careful appreciation of contingency in economic analysis, rather than further mathematicization. From the perspective of the humanities, however, this is still an argument over scientific credibility, and rigor.

¹⁶ In part because it’s an argument that basically all of mainstream economics today needs to be rethought. Only the German Historicist and the early generations of the American Institutionalists, according to Mirowski, have “resisted the siren song of a social physics” (396). Both of these are heterodox schools that differed widely from mainstream economics. The first is now only an artifact of history, and the second is all but. The fact that he is calling for an overhaul of almost every aspect of contemporary discipline may be part of why his scholarship has not yet had an impact upon the methods of the field—physics envy seems as alive now as it did when he first published this in 1989. That said, his work has started quite a bit of conversation in the field of history of economic thought: *More Heat Than Light* has over 2100 individual citations in Google Scholar (as of June 2016), and has prompted a special issue of the journal *History of Political Economy* assessing its contribution to the field.

concerned with policing a clear division between inquiries regarding facts and those regarding values, or with ensuring that economic theories avoided the murky waters of subjective value judgments. By the end of the Marginal Revolution, however, economists had successfully severed their discipline from its subjective and messy origins in moral philosophy, and, by adopting methods and metaphors from Newtonian physics, placed their science upon solidly descriptive and therefore objective ground. What Mirowski's historical investigation reveals, though, is that this ground is only *apparently* solid. Insofar as economic science claims its objectivity based on its resemblance to Newtonian physics, this objectivity is—if not actually suspect—at least not beyond questioning.

2.1 Feminist perspectives on economics as physics: the gendered nature of the fact-value divide

Although Mirowski himself does not take up the question of the fact-value divide, others have—in particular feminist economists. The term “feminist economics” describes a branch of economic theory that emerged a few decades ago, and is feminist in at least two ways: firstly, by urging study of topics that are understudied in the field and relevant to women; and secondly, by investigating links between the social construction of gender, and the social construction of the discipline of economics. As early as the 1980s, feminist scientists had pointed out the gendered nature of the mechanistic language that arose during the scientific revolution.¹⁷ The distinction between humanity and nature, for example, paralleled that between the genders: science was identified with the rational and detached (culturally) ‘masculine’ domination of nature, which was itself identified with culturally ‘feminine’ qualities, such as passivity. Around the 1990s, economists started

¹⁷ See, for example, Evelyn Fox Keller, *Reflections on Gender and Science* (New Haven, CT: Yale University Press, 1985), and Sandra Harding, *The Science Question in Feminism* (Ithaca, NY: Cornell University Press, 1986).

noting the ways their own discipline reflected this exact gender bias. They noticed, for example, that economics focuses on stereotypically ‘masculine’ and ‘hard’ topics, such as markets, individual agents, efficiency, competition, and positive concerns, to the exclusion of stereotypically ‘feminine’ issues such as families, relationships, care work, equity and power dynamics, social institutions, cooperation and the role of emotion in decision-making, and normative concerns. Some economists have argued that even the choice to focus the whole discipline on scarcity, rather than abundance, has gendered elements.¹⁸

In addition to pointing out such areas where this masculinist focus excludes socially significant areas for research, feminist economists have also found a masculinist bias in the methodological framework of their discipline, and in particular in the ideal of developing economics as a science made in the image of Newtonian physics, and the prioritization of theory over attention to empirical data that this ideal encourages.¹⁹

¹⁸ Julie Nelson, “Clocks, Creation, and Clarity: Insights on Ethics and Economics from a Feminist Perspective,” *Ethical Theory and Moral Practice* 7 (2004): 390. This general priority of ‘masculine’ concepts can be seen at all levels of economic analysis. In microeconomics, for example, standard analysis of the household and family assumes unrealistic accounts of family relationships and individual behavior that fail to attend to the complexity of intra-household bargaining, and interpersonal power dynamics (England, 34). In macroeconomics, likewise, traditional economic tools of analysis fail to disaggregate statistics by gender, to attend to unpaid, care, and informal work, and to take into account the ways that social accounts of gender lead to persistent inequalities. Moreover, this gendered prioritization of masculine concepts—and, occasionally, heteronormative social ideals—can be seen in economic policy, such as current tax structures in the U.S (the fact that current tax structures in the U.S. favor the single earner household, for example, does not appear unless one disaggregates household income by party, and considers the value of non-market labor—both moves which feminist economists regularly make, but which are unusual in standard economic approaches. See, for example, “Feminist Theory and the Income Tax,” in Nelson, *Feminism, Objectivity, and Economics*, 97-117.).

¹⁹ “Only if one accepts that economies are essentially abstract Walrasian auctions; that all theory must conform [sic] to the formal dictates of such a model; and that all empirical knowledge about the economy must come via formal tests of hypotheses rigorously derived from such a model, does the New Classical theory score a coup. To put it in gender-oriented terms, it is only if one believes that the culturally “masculine” notions of rational individual choice and rigorous formal analysis are definitive of science, that one has to play on the New Classical playground. The feminist analysis... in arguing that emotions and institutions, and rich metaphorical analysis and concrete observation, are equally valid in defining quality

Theorists have pointed out that prioritizing “rigorous” theory over practical research both requires, and in turn itself contributes to, the central organizing assumption that the economy can be understood as if it were a sophisticated machine.

By pointing out the gendered psychological appeal of the Newtonian physics-ization of economics, feminist economists have added a layer of the story that helps explain the durability of physics envy in the face of its empirical faults and failures. In the words of economist Julie Nelson,

The project of making and keeping economics “masculine” can... be seen as part of a larger historical project of keeping “rational man” in charge—while keeping real bodies, needs, dependencies, and emotions carefully neutralized by labeling them “feminine” and thus easy to set aside. The mechanical metaphor fits the bill beautifully, keeping in economics only those characteristics that seem “tough” and rejecting all those that seem effeminate.²⁰

Although reference to the social appeal of masculine gendered ideals may seem obvious, the gendered component of the history of economic thought is rarely mentioned in most histories of the field, including Mirowski’s.²¹ On the reading of feminist theorists, this fact

economic practice, should help steer macroeconomics back to a more useful path” (Nelson, *Feminism, Objectivity, and Economics*, 121)

²⁰ Julie Nelson, *Economics For Humans* (Chicago, IL: University of Chicago Press, 2006) 48.

²¹ In fact, most histories of the field are vague or silent on questions of causation in the history of economic thought altogether. Mirowski, for example, generally gives the impression that the body-motion-value triad, and its accompanying need for a theory of conservation of energy, lies at the root of Western perceptions of reality, and that this predetermined the course of economics. Pushing back against this idea-driven theory of history, Theodore M. Porter suggests that Mirowski’s story ought to be narrated instead as a cultural history of economic practice (although Porter as well fails to mention the gendered elements of this cultural history). From this perspective, the marginal revolution was as much about the shape of the discipline it enabled (and perhaps even more so) as it was about theory:

“For obvious reasons, having to do above all with the politically charged character of their subject matter, political economists faced grave obstacles to the formation of a research community. A total faith in mathematics and quantification has gone a long way toward overcoming divisions about practical matters. The understanding I am proposing is, in a way, the obverse of George Stigler’s argument about the sociological factors that aided the triumph of marginalism. He emphasized the usefulness of mathematics in excluding amateurs from economic science. I am suggesting that a rigidly mathematical research methodology facilitated the solidification of a research tradition within the economic profession. This understanding is not inconsistent with

itself can be explained with reference to the ongoing hold of masculinist biases in the field; it is difficult, they suggest, for economists to see what they are tacitly trained not to see.

Among the things that they were trained not to see—or not to see as relevant to the hard, rigorous science of economics—were any issues that did not accord with a prioritization of the “masculine” predictability and simplicity of determinist systems over the messy (and “feminine”) reality of biological organisms. Examples of such femininely gendered and “messy” issues include questions of needs,²² for example, and of justice in distribution and provisioning—both of which not only conflict with a mechanistic account of markets, but with the presumption that economics studies observable and uncontestable facts, rather than values.²³ (Some feminists have pointed out that the fact-value distinction itself, moreover, is a dichotomy that draws legitimacy from—and in turn legitimizes—a distinction between masculinity and femininity implicit in Western thought.) Whether in the late nineteenth century or now, most economists, of course,

Mirowski’s argument that economists have characteristically entertained an excessive reverence for the achievements of physics, or even with his claim that they copied much of their mathematics from physics. But I prefer to see their unyielding commitment to mathematical theory as something other than evidence of timeless beliefs and deep metaphysical commitments. Mathematics might also be seen as an alternative to belief, a set of conventions that work because they constrain and obscure debate about those issues which, to outsiders, clearly matter most.” (63)

Theodore M. Porter, “Interpreting the Triumph of Mathematical Economics,” the special issue of the journal *History of Political Economy: Annual Supplement to Volume 25*, Durham: Duke University Press, 1993. As should already be apparent, I find Porter’s cultural approach more plausible account of the *why* of *More Heat Than Light*—and for more cultural reasons than even Porter mentions.

²² needs, which are hidden and lumped in with wants by the claim that we can’t make interpersonal utility comparisons in economic modeling.... Paula England, “Separative and Soluble Selves: Dichotomous Thinking in Economics,” in *Feminist Economics Today: Beyond Economic Man*, University of Chicago, 2003, 33-5.

²³ Versus choice, for example, which appears less contestable (and value laden), and therefore more mathematically tractable. See, for example, (*Engendering Economics: Conversations with Women Economists in the United States*, edited by Paulette Olson and Emami Zohreh, New York: Routledge, 2002).

would not suggest that they are against inquiry regarding needs, provisioning, or ethics, and many intend their work to be useful for policy (and therefore, value-centric) purposes. That said, they are also likely to suggest that ethics is not, strictly speaking, *internal* to what they observe, in precisely the way that ethics is not internal to any other hard science.

Feminist economic research indicates that this was not a necessary or inevitable development within the field; economics could just as well have developed so as to attend more carefully to questions of need and justice. However, it did not. Instead, the discipline's period of professionalization was deeply influenced by the ideal of mechanical physics, and formed by cultural conceptions of gender. As a result, economic discourse today continues to prioritize methods and subjects that can be considered masculine, and to avoid those considered feminine, such as questions of ethics, culture, and contingency. It is in this light that we should see the quest within academic economics today to uncover determinist forces and universal laws that can be extrapolated from incontrovertible facts: as itself a culturally formed orientation to economic knowledge that reflects the contingent history of the field as much as—if not more than—it does the reality of markets themselves.

I now turn to consider two specific case studies where the influence of this history is evident—where we may see the physics envy in action, as it were—so as to give this picture some more particulars.

3. Case study 1: General Equilibrium Theory

I begin with the theoretical enshrinement of a mechanistic picture of how markets work, in the theory of general equilibrium, and the use of equilibrium analysis. Although

the influence of mechanical physics can be found in multiple areas in economic discourse today, from overarching theories of value to more specific investigations of production and consumption, general equilibrium provides an ideal example for a number of reasons. Firstly, the theory is just general enough to be accessible and comprehensible to an audience in the humanities, while also being specific enough to give a sense of the content and use of economic discourse. Secondly, it offers an unusually illustrative case of physics envy; as Mirowski notes, “The very term ‘equilibrium’ unabashedly reveals the heritage of physical analogy.”²⁴ Finally, as the following chapter will demonstrate, its cultural influence can hardly be overstated. The mechanical assumptions undergirding general equilibrium analysis can be found in our common cultural characterization of markets as deterministic arenas of depersonalized and single-minded rational activity where values and ethics are irrelevant.²⁵ Although there may be multiple historical factors that led to widespread public acceptance of this account of markets, this picture is sustained and legitimized in no small part by its coincidence with the picture of markets assumed by the core analytical framework of economics today: general equilibrium theory.

As far back as Smith political economists had used the term equilibrium to describe the way that prices for a given commodity in a given market seemed to gravitate over time toward a stable set point, which was its equilibrium price.²⁶ The first theorist to attempt to show how an entire economy (comprised of multiple markets with multiple commodities) could reach an equilibrium, however, was Leon Walras, in the 1870s. Walras was instrumental in marrying political economy with mathematics; he attempted to work

²⁴ Mirowski, 238.

²⁵ As feminist economists have pointed out, this characterization of markets is often implicitly contrasted with its negative: the home, construed as a warm, emotional, and private space of nurturing behavior where values *are* relevant.

²⁶ According to Smith, this is the “natural” or “central price, to which the prices of all commodities are continually gravitating.” WN I.vii.15, 75.

out how such a state might be reached using a series of equations that took into account an increasing number of variables.²⁷ In the 1950s, Kenneth Arrow, Gerard Debreu, and Lionel McKenzie developed Walras' original work into the model now in use.²⁸

The term “general equilibrium theory” refers to the use of their elaboration of the concept of equilibrium to organize reflection on the entire economy: it is used to describe the behavior of markets in general—and the movements of supply, demand, and prices in particular—with reference to a set of prices that will result in a general “equilibrium” over all the markets that make up an economy. (In this, it is distinct from partial equilibrium analyses, which only assess a single market at a given time.) An equilibrium state is one in which supply and demand are balanced (that is, the markets are cleared), no agent has an incentive to change his or her behavior (and therefore the state is Pareto optimal), all prices accurately convey the information about scarcity, the marginal return rate on all capital is equal, and everything is stable, and not likely to change absent any external shocks.

This state of affairs is, of course, purely hypothetical—no real economy is ever in equilibrium for any discernible period of time. The concept of general equilibrium remains a useful one, however, and is now the focus of a main research program within mainstream economics, and a foundational feature of welfare economics, the branch of economics that addresses aggregate welfare using microeconomic analyses, and which is

²⁷ And proposed a theory of *tâtonnement* (or dynamic ‘groping’ process of trial and error, in which buyers and sellers respond to changing prices for various goods by shifting the amounts they are ready to buy and sell) to explain how the economy may reach equilibrium. Henry William Spiegel, *The Growth of Economic Thought*, third edition (Durham: Duke University Press, 1991) 552.

²⁸ For a fuller account of the development of this “central dogma,” see Till Duppe and E. Roy Weintraub’s *Finding Equilibrium: Arrow, Debreu, McKenzie and the Problem of Scientific Credit* (Princeton University Press, 2014), also Bruna Ingrao and Giorgio Israel, *The Invisible Hand: Economic Equilibrium in the History of Science* (Cambridge, MA: MIT Press, 1990).

particularly used within public policy discussions.²⁹ In these it functions both as an object of inquiry, as in when research seeks to determine the conditions leading to various equilibria, and as a methodological approach. Market failure theory, for example, uses the lens of general equilibrium to assess markets by reasoning from hypothetical market behavior in a state of general equilibrium to real life examples, and finding in the discrepancies areas in which markets can be made more efficient (by, for example, making competition more perfect).

Equilibrium theory's roots in the mechanistic metaphors of physics are clear, above all in the orderliness of how the behavior of the whole can be reliably ascertained by attending to the behavior of the parts.³⁰ As Alan Kirman, a proponent of complexity economics, explains,

Whether we are talking about models of financial markets or of the real economy, our models are based on the same fundamental building blocks. The most important of these is the idea that individuals act in isolation and that only interaction between them is through the price system. All that we have to do, to deduce the behaviour of the economy at the aggregate, or macro, level is to add up the behaviour of the individuals who comprise it. In effect, the behaviour of the aggregate can be assimilated to that of an individual.³¹

This is because the individual's behavior is presumed, within this approach, to be predictable—and therefore plottable. His natural utility-maximizing response to price signals is the solid foundation upon which the equilibrium theory account of markets

²⁹ For more on the application of equilibrium models in policy, see Francisco J. Andre, M. Alejandro Cardenete, and Carlos Romero, "Economic Policy Using Applied General Equilibrium Models: An Overview," 9-32, in *Designing Public Policies: An Approach Based on Multi-Criteria Analysis and Computable General Equilibrium Modeling* (New York: Springer, 2010).

³⁰ The "bottom-up" picture of economies it suggests originally contrasted with the "top-down" approach of macroeconomics developed by Keynesian economists. Given that much of macroeconomics now emphasizes the microeconomic foundations of macroeconomics outcomes, however, this original clash between (Keynesian) macro and (neoclassical) general equilibrium approaches is no longer so clear.

³¹ Alan Kirman, *Complex Economics: Individual and Collective Rationality* (New York: Routledge, 2010) 2.

rests, and which can be relied upon to give them their machine-like operation. This mechanistic, natural tone can be found in most descriptions of “the” market today, from the plainest of neoclassical formulations which assume that a market is a “price-setting mechanism” in which individuals possessing relevant information make decisions with reference to prices (such that eventually demands are satisfied and supplies are depleted, and equilibrium conditions are achieved),³² to variants of this such as the description of the market as a “mode of coordination” that contrasts with those of hierarchies and networks (which operate by means of rules or trust, e.g.), in which the operative coordinating “mechanism” is price competition.³³ Whether we recognize it or not, this mechanistic/deterministic thread is woven into the most dominant pictures of markets that we work with today.

3.1 Problems with general equilibrium

Its central place in economics today notwithstanding, general equilibrium analysis has received various criticisms, ranging from the claim that equilibrium modeling regularly devolves into simple mathematical exercises (undertaken apparently successfully without any substantial reference to existing markets) to the claim it is not just irrelevant but actually *wrong*—that is, that the analyses it produces fail to correspond to data about

³² See, for example, Alfred Marshall, *Principles of Economics*, 1936 (London: Macmillan) 270; or Gary Becker, *The Economic Approach to Human Behavior* (Chicago, IL: University of Chicago Press 1976) 8.

³³ See, for example, Ronald Coase, “The Nature of the Firm,” *Economica* 4.16 (1937): 386–405; Jennifer Frances et al., “Introduction,” in *Markets, Hierarchies and Networks: The Coordination of Social Life*, edited by Grahame Thompson et al., (London: Sage, 1991) 15. Another, third, account of markets exists, of course—and that is the embedded model, in which economic transactions take place within social, political, and cultural contexts. (See, for example, Mark Granovetter, “Economic Action and Social Structure: The Problem of Embeddedness,” *American Journal of Sociology* 91:3 (Nov 1985): 481–510.) This model, which is rather less naturalistic and mechanistic, will be discussed shortly.

markets in ways that it purports to.³⁴ Some suggest that this is because general equilibrium analysis abstracts away from too many constitutive elements of real markets, such as the existence of firms (it assumes only single agents), the passage of time, and technological innovation.³⁵

These criticisms have become more common in the wake of the 2008 global financial crisis, which seemed to reveal a number of flaws in standard economic theory. Many pointed out that in particular, the fact that the emergence of the crisis was unforeseen is partly the result of the dominance of an equilibrium-centered approach to understanding markets, given its fundamental assumption that markets tend toward stable equilibria (or stable equilibrium growth). A variant of this claim is made by proponents of complex systems theory: that a general equilibrium analysis fails to adequately describe how change emerges, as a result of its incorrect assumptions about how individual actors in the economy interact and make decisions. (Complex systems theorists point out, for example, that it is not the case that individuals only interact with each other through the price system.) They suggest that the economy be understood as a “complex interactive system” in which “the whole is more than the sum of the parts.”³⁶ More specifically, they propose that just as aggregate behavior in other complex

³⁴ See, for example, Nicholas Georgescu-Roegen, “Methods in Economic Science,” *Journal of Economic Issues* 13.2 (1979): 317–328. Georgescu-Roegen opens with the claim, “There are endeavors that now pass for the most desirable kind of economic contributions although they are just plain mathematical exercises, not only without any economic substance but also without any mathematical value,” and lamented what he saw then as a disciplinary “concern with symbolism rather than with an adequate representation of the facts” (317, 318). Georgescu-Roegen also points to an infatuation with mechanical models drawn from physics—and more specifically, the Laplacean dream of extrapolating from current data using mechanical laws to predict the future—as a causal factor leading to the distortion of the field of economics.

³⁵ Frank Ackerman, “Still Dead After All These Years: Interpreting the Failure of General Equilibrium Theory,” *Journal of Economic Methodology* 9.2 (2001): 119–139.

³⁶ Kirman, 33. Where he suggests that the “whole is more than the sum,” Kirman is quoting Herbert Simon.

interactive systems, such as bee hives or ant colonies, cannot be explained by adding up the behavior of an average, representative individual agent, so market outcomes (such as the emergence of crises) cannot be deduced from the aggregation of choices predicted by millions of *Homo economicuses*.

Whether or not complex systems theorists are correct to suggest that markets are more like beehives than like machines, what their objections to an equilibrium focus usefully highlights is that equilibrium theory is not only a contingent approach to understanding markets, but also one that (to the extent that it is adopted within mainstream theory) in turn influences the kinds of analyses that are possible. As complex systems theorists bring up, this approach to economic research keeps out of view the question about how sudden shifts in aggregate outcomes can emerge. It also does not allow assessment of the roles that various institutions play in shaping the evolution of an economy, for example—a concern shared by institutionalists such as Mirowski.³⁷

We will leave further questions about how the worldview assumed within general equilibrium theory has had influence *outside* of the discipline for the next chapter. It is enough at this point to observe that the case of equilibrium theory begins to demonstrate both just how deeply economic discourse is rooted in the worldview of Newtonian physics, and how this worldview has formed a Procrustean bed for the discipline's subjects and methods. Let us now explore one further instance of this: *Homo economicus*.

4. Case study 2: *Homo economicus*

³⁷ Kirman, 30. As he summarizes, "One might ask why macroeconomic models seem to do such a poor job in reproducing or fitting macroeconomic data. What I will argue is that this is because modern macro-models have stripped away much of the detail of economies as if the organisation and evolution of institutions, networks and even social and religious factors were outside the purview of economics. But all of these factors do have an important impact on the aggregate economy."

Another central way that the mechanical orientation has warped economic discourse can be seen in its most fundamental and extensively used model for discussing human behavior. As is now clear, the only model of behavior that could fit (and, we might say, enable, by making sense of) a discipline constructed along mechanical lines is one that is able to abstract the essence of market behavior so that it can be understood like a predictable physical input—or, so to speak, like a particle which is subject in predictable ways to the various forces and laws operative in the larger system. And, precisely a model is to be found in *Homo economicus*, the self-interested utility maximizing actor.

The phrase “economic man” was first used in the nineteenth century by critics of John Stuart Mill’s political economy. Although Mill never actually used the exact term in his own work, he had proposed that for the purposes of political economy, it would be useful to assume “an arbitrary definition of man, as a being who inevitably does that by which he may obtain the greatest amount of necessities, conveniences, and luxuries, with the smallest quantity of labour and physical self-denial with which they can be obtained in the existing state of knowledge,” and “who desires to possess wealth, and who is capable of judging the comparative efficacy of means for obtaining that end.”³⁸ Mill compared this postulation to the arbitrary definition in geometry of a line as “that which has length but not breadth,” explaining that “by the method *a priori* we mean (what has commonly been meant) reasoning from an assumed hypothesis; which is not a practice confined to mathematics, but is of the essence of all science which admits of general reasoning at all.”³⁹

³⁸ JS Mill, “On the Definition of Political Economy; and on the Method of Investigation Proper to It,” 1836, paragraphs 46 and 38, in *Essays on Some Unsettled Questions of Political Economy*, 1874, <http://www.econlib.org/library/Mill/mlUQP5.html>.

³⁹ Mill, paragraphs 45-46.

Although it abstracted out pecuniary motives from human behavior and enabled a priori reasoning, Mill's original economic man was not yet what would later become *Homo economicus*. Like other early political economists such as Smith, Mill's approach to political economy was as philosophical in nature as it was (what we now distinguish as solely) economic, both in method and subject. As a result, although he occasionally used economic man as a given in political economic theory, he was also interested in understanding the evolution of preferences in relation to various institutional contexts, as a part of his interest in "the social psychology of tastes and character" more generally.⁴⁰

Mill's interest in the impact of economic man's environment, however, was less remembered than was his fundamental methodological innovation, which proved decisive for the discipline. As an a priori assumption, economic man held out the promise of simplifying human behavior so economists could productively understand the pursuit of wealth in nations (and, later, the functioning of whole economies). Within a generation, theorists had dropped Mill's interest in preference formation, and replaced the desire "to possess wealth" (and "necessaries, conveniences, and luxuries") with the desire for "utility," and added the clarification that decisions about utility were made on the margin.

⁴⁰ Joseph Persky, "Retrospectives: The Ethology of Homo Economicus," *The Journal of Economic Perspectives* 9.2 (Spring 1995): 226. It is interesting to note how careful Mill is in specifying just how the *a priori* assumptions of economic man should and should not be used, and his particular concern that conclusions reached using it not be (over)applied to areas in which they would be meaningless (see especially Mill, "On the Definition of Political Economy," paragraphs 46-50). Moreover, Persky cites some instances in which Mill appears aware that economic man has particular social and historical origins, and notices, for example, that what appear to be laws of human nature operative in Great Britain and the US do not hold in continental Europe. Persky concludes, however, "such observations remained uncharacteristic of the creator of economic man" (228). We may take from this that, modest as Mill may have been about the representativeness and limits of his proposed abstraction, he was still convinced that it was beginning with a priori assumptions that abstracted pecuniary motives was necessary to render political economy a surer science.

This latter move in particular enabled the architects of the marginalist revolution⁴¹ to use the model to fund their increasingly mathematical analyses of market functioning. In the words of one historian of the field, it was this addition to *Homo economicus* that “reshaped economics into a modern science.”⁴²

Homo economicus reached its classic and current formulation in the early twentieth century, with Lionel Robbins’ development of rational choice theory. It was after this that the term acquired its particular valence of rationality, which specifies that *Homo economicus* optimizes its utility function given its opportunities. (It should be noted that this is considered “rational” in a limited sense; the use of the term does not indicate that a given individual’s actual goals are rational in any substantive—or disputable—sense, but solely with regard to the maximization of personal utility.) At present, the model indicates that individuals can be assumed to act rationally and with full knowledge, so as to maximize their own utility (described by their personal “utility function”).⁴³

⁴¹ Including Vilfredo Pareto, who may have been the first to use the Latin form of the term, *Homo economicus*, in 1906. Persky, 222.

⁴² E. Roy Weintraub, *How Economics Became a Mathematical Science* (Durham: Duke University Press, 2002) 9.

⁴³ It is interesting to note that current and recent economic literature often gives the strong sense that economists think the kernel of this elegant construct was implicit within all earlier economic thought, just waiting for theorists to arrive at Robbins’ formulation, which quite naturally gets at a timeless truth about human behavior in markets. (George Stigler finds it as far back as Adam Smith, for example; as he grandly explains, “Smith was successful where he deserved to be successful—above all in providing a theorem of almost unlimited power on the behavior of man. His construct of the self-interest-seeking individual in a competitive environment is Newtonian in its universality.” (George Stigler, *The Economist as Preacher* (Chicago: The University of Chicago, 1982) 158.) The actual history of the *Homo economicus* model (or theorem, or construct) should militate against this sort of Whig historiography, and against the naturalization of its current form. Before the transmutation of wealth (in Mill’s formulation) into utility as the model’s desideratum, for example—or before the abandonment of any interest in the structural formation of the model’s preferences, or before the introduction of the rationality specification—it was not obvious that human economic behavior could (and, moreover, should only) be discussed according to the presuppositions of the current model.

At this stage in its development, as in those prior, *Homo economicus* provided exactly what was necessary for the refinement, simplification, and extension of economic analysis more generally. In particular, its parsimony has enabled economic analysis to “scale up” from the microeconomic level to the macroeconomic level and make sense of markets as entities resulting from individual behavior. This parsimony has also enabled the application of economic analysis to apparently non-economic arenas of human behavior, such as religion, law, politics, and crime, and even marriage and addiction. This is the power to which Stigler refers, in his claim that Smith’s construct offers “unlimited power on the behavior of man”: its capacity to explain human behavior. The use of “explain,” it should be noted, is used here solely to indicate that *Homo economicus* enables predictive and descriptive modeling of behavior; it should not be confused with attempts to explain causation. The assumptions that make up *Homo economicus* do not purport to explain *why* people do what they do. It is for this reason that economists argue that it does not matter whether these assumptions resemble real life, or the complexity of human motivation—they do not need to in order to be scientifically useful. (Recall Milton Friedman’s example of the skilled billiard player, which is illustrative of this traditional epistemic modesty: the billiard player is not, in fact, a math genius, but if he can be productively described *as if* he were computing all the angles to successfully make a shot, the mismatch between the model of his behavior and his actual behavior is irrelevant.) In short, the use of *Homo economicus* is based on the confidence that, whether individuals agree or not, their behavior in many arenas may be fruitfully assessed as if it were responsive to price signals, and as if it were aimed at the rational maximization of a utility function.

4.1 Problems with *Homo economicus*

Of course, not all economists are as keen on Smith's "construct" as was Stigler (or, it should be noted, even agreed with Stigler regarding the nature of the construct that Smith offered in the first place⁴⁴). In more recent years, *Homo economicus* has come under fire concerning its accuracy as a descriptive and predictive model. Behaviorists, for example, have called into question the reliability of the assumption of rationality. As has been noted, this assumption is a fairly minimal one, and involves a fair bit of circular reasoning; it refers not to any substantial standard of rationality, but to the assumption that individual agents are consistent in their actions to maximize their personal utility functions.⁴⁵ Research in behavioral economics has found, however, that individuals regularly fail to meet even this minimal account of rationality in their economic decision-making.⁴⁶ Moreover, cross-cultural experiments indicate that "preferences over economic choices are not exogenous as the canonical model would have it, but rather are shaped by the economic and social interactions of everyday life."⁴⁷ Others have pointed out that *Homo economicus* does not provide a good microeconomic foundation for understanding

⁴⁴ For a survey of disagreement, in economics and more broadly, over how to read Smith's moral anthropology, see, for example, Christina McRorie, "Adam Smith, Ethicist: A Case for Reading Political Economy as Moral Anthropology," *Journal of Religious Ethics* 43.4 (2015): 674-696.

⁴⁵ Amartya Sen was one of the first to point this out, in "Rational Fools: A Critique of the Behavioral Foundations of Economic Theory," *Philosophy and Public Affairs* 6.4 (Summer 1977) 317-344.

⁴⁶ For a review of both the original and more recent literature supporting this finding, see Daniel Kahneman, *Thinking Fast and Slow* (New York: Farrar, Straus, and Giroux, 2011).

⁴⁷ Joseph Henrich et al., "In Search of *Homo Economicus*: Behavioral Experiments in Fifteen Small Scale Societies," *American Economic Review* 91.2 (May 2001): 77. This was one of the first experiments to engage subjects other than university students. It was not the first, however, to have "uncovered large, consistent deviations from the predictions of the textbook representation of *Homo economicus*" (73). See Colin Camerer et al., editors, *Advances in Behavioral Economics* (Princeton: Princeton University Press, 2004).

what happens at the macro level because individuals are more akin to ants than they are to rational actors (or, we might say, to particles) in their economic interactions.⁴⁸

Feminist theorists have contributed to the conversation by noting that some of this dysfunction can be seen in the gendered influence of the Newtonian ideal shaping economics more generally. Consider, for example, Paula England's critique of the way *Homo economicus* instantiates what she calls "dichotomous thinking" about selves, in which selves are gendered as either "separative" or "soluble."⁴⁹ England draws the language of separative and soluble from Catherine Keller, who commented on this permeable/impermeable dimension of the core dichotomy at the heart of Western thought about selves and gender.⁵⁰ In its most simple formulation, it stereotypes male selves as individuated and individuating, autonomous, and dominating, and female selves as inherently "soluble, yielding, connected, and dominated."⁵¹ Woven into the current *Homo economicus*, England points out, are three assumptions that "imply a separative notion of the self... that interpersonal utility comparisons are impossible, that tastes are exogenous to economic models and unchanging, and that actors are selfish (have independent utilities)."⁵² That is, *Homo economicus* is the perfectly caricatured embodiment of the Western ideal of masculine independence and rationality.

⁴⁸ On this, see, for example, Alan Kirman, *Complex Economics*.

⁴⁹ Paula England, "Separative and Soluble Selves: Dichotomous Thinking in Economics," in *Feminist Economics Today: Beyond Economic Man* (Chicago: The University of Chicago Press, 2003).

⁵⁰ Catherine Keller, *From a Broken Web: Separation, Sexism, and Self* (Boston: Beacon Press, 1986).

⁵¹ England, "Separative and Soluble Selves," 37.

⁵² England, "Separative and Soluble Selves," 34. "While each assumption is occasionally challenged, most mainstream economists accept them without much consideration. I argue that they are grounded in a general tendency in Western thought to posit and valorize the separative self."

Like previous critics, England argues that these unrealistic dimensions render *Homo economicus* an inadequate tool of inquiry, particularly in macroeconomic studies of households. (This is especially true if and when it is used alongside its polar opposite, the soluble self, in economic analyses of intra-familial, ‘non-market’ activity; as England argues, “economists exaggerate the connective empathy and altruism within families.”⁵³) This is because its fundamental suppositions are simply inaccurate. Individual tastes are not in fact given or unchanging; they are often adaptive, and formed by context. Likewise, utility functions are not wholly independent; individuals’ happiness and wellbeing frequently matter to each other. And finally, interpersonal utility comparison is indeed possible, given that (although it may be difficult and contested) we can in fact compare welfare. As England sums up, “We need to reject the false dichotomy of individual versus relationship. In its place, we need empirical study of how individuation and connection combine in all spheres, and ethical theories that show the value of each.”⁵⁴

The shared point of these is that *Homo economicus* does not work for its intended purposes, because the various assumptions on which it rests do not accurately describe human behavior. On a certain level, knowledge to this effect has existed in economics for some time: it is obviously an abstraction. As Friedman’s classic example of the billiard player illustrated, economic assumptions may serve their strictly delimited intended purpose without having any resemblance to reality. The problem arises only when the unrealistic nature of the assumptions prevent them from achieving these intended purposes—which is precisely the case (or, so a growing number of theorists argue) with *Homo economicus*.

⁵³ Ibid., 34.

⁵⁴ Ibid., 39.

4.2 *Why does Homo economicus remain? A note on the discipline of economics*

The question remains, then, why should *Homo economicus* retain its pride of place within the field? This is a question that even economists have asked. Consider Kirman's reflection on the issue:

skepticism about the bases of the utility theory on which the theory of demand is based is long-standing among highly reputable economists. It is thus well understood that these axioms are the result of introspection by economists and worse, some of us suspect, are there for mathematical convenience rather than as a valid description of what constitutes rationality. If this is so why should we be so attached to our model of rationality and why should we wish to base economic analysis on it? Part of the explanation is inertia. We have become familiar with the use of this model and know how to manipulate it correctly. Another part is due to a lack of alternatives. What constitutes good theory if it is not to be based directly on the optimising individual?⁵⁵

Kirman's references to inertia and lack of alternatives cut to the heart of the issue.

Whatever the flaws of the assumptions and models currently undergirding mainstream economics, those assumptions are in place because of their capacity to usefully structure academic economic inquiry. That is, they are in place because they are useful. In turn, they are useful to the extent that they are already in place; as in all disciplines, economics is more than a little path dependent.

Given this, the theoretical changes England and others urge are not inconsiderable; most would require considerably rewriting mainstream economics, both in method and in subject. Making interpersonal utility comparisons, for example, would require entirely rethinking contemporary utility theory and redesigning *Homo economicus*, and also making messy value decisions about measuring utility—either as pleasure or as well-being, for example. A desire to avoid just this difficulty is, no doubt, part of why economists assume that interpersonal comparisons are impossible in the first

⁵⁵ Kirman, *Complex Economics*, 20.

place.⁵⁶ Similar difficulties would arise in the cases of the other two assumptions England addresses, as well: setting aside the tidy assumption that tastes are fixed and exogenous would lead to perhaps irresolvable debates over how to model and account for the formation of preferences.⁵⁷

It may be the case that it would not even be possible to amend *Homo economicus* and other staples of mainstream economics, such as equilibrium theory, without a shift away from mathematical modeling altogether, which may simply be inappropriate to the phenomena to which it is applied. As Peter Spiegler argues, “The internal logic of mathematical economic modeling... entails a commitment to the view that the phenomena under investigation are mechanical in the manner that Mill suggested. Yet there is no *ex ante* reason to suppose that that is the case—and crucially, any mathematical model will itself be *inherently* incapable of proving the situation either way.”⁵⁸ That is, the path dependent reliance in economic discourse upon a mechanistic worldview may extend beyond specific models all the way to the very use of mathematics, which both presumes and in turn suggests that economic phenomena are akin to physical

⁵⁶ Indeed, according to Mirowski, “The neoclassicals’ ambivalence concerning the measurability of utility/energy caused them to deny that any interpersonal comparisons of utility were needed in their theory.” Mirowski, *More Heat Than Light*, 237.

⁵⁷ Some theorists are starting to take steps toward this sort of economics, and from a humanistic perspective these are welcome developments that hold out the promise of a more culturally grounded economics, and of economic knowledge that is more accurate, and therefore more useful. See, for example, George A. Akerlof and Rachel E. Kranton, *Identity Economics: How Our Identities Shape our Work, Wages, and Well-Being* (Princeton: Princeton University Press, 2010.) Most mainstream economics has not yet corrected for the ways that it has been warped, however. It is hard not to sympathize with the reasons why.

⁵⁸ Spiegler continues, “If we have independent reasons to believe that the phenomena under investigation are mechanical in Mill’s sense, well and good: mathematical modeling will prove an apt mode of representation (though this does not imply, of course, that any *given* model will be a *good* representation of the subject matter). But if we have independent reasons to believe that there is more going on in the phenomena under investigation than a mathematical model can suggest--that is, that the phenomena in question are *not* in fact mechanical in the required sense--then mathematical modeling will prove misleading.” Peter Spiegler, *Behind the Model: A Constructive Critique of Economic Modeling* (Cambridge: Cambridge University Press, 2015), 9–10, emphases in original.

phenomena.⁵⁹ (In this, Kirman's reference to "mathematical convenience" is telling.) In short, the very language of the discipline itself appears to support the view that markets are natural and amoral realms of forces and laws. Upon closer investigation, however, this view cannot be sustained.

Conclusion: the ethics of inarticulacy

As this chapter's introduction noted, the specific academic discourse analyzed here—the historical origin and two case studies of the bias toward viewing the market as a mechanical reality—is certainly not the only aspect of contemporary, mainstream economic theory that deserves challenging. There are other areas of economic discourse today that are likewise not as warranted, reliable, or productive as they appear, and are accordingly contested, either within heterodox theory or the mainstream literature itself.

The goal of this chapter's immanent critique, then, has not been to reveal the problems with mainstream economics wholesale. Rather, it has been to uncover the unreliability of one particular kind of discourse about markets—a discourse that, as the next chapter will demonstrate, has had a wide and influential life outside of the rarified world of academic theory (even although it should have come loaded with stipulations and caveats). This has laid the foundation for the argument in following chapters that economic outcomes that have been influenced by claims grounded in this discourse are contingent—that is, that such outcomes could have been, and still could be, otherwise. Markets and economic activity (and with them, capitalism more generally) are *not* in fact

⁵⁹ Or, as Weintraub puts it, the belief that one can "translate" economics into mathematics is "based on an implicit realist epistemology that suggests the economy exists autonomously." Weintraub, *How Economics Became a Mathematical Science*, 155.

naturalistic, or mechanistic phenomena. Even within economics itself, we find grounds to reject this view of things.

Alongside this larger argument, this chapter has also indirectly begun to explore how naturalistic economic discourse sets us up to be inarticulate about our own lives. Insofar as we use them—or, what is more likely, a generic picture of markets that roughly corresponds to them—the metaphors and models engaged here obscure what is actually happening in markets. Above all, they obscure the variable role of human agency within markets. They make it difficult, for example, to inquire into the role that culture plays in the formation of certain market outcomes. In so doing, they make it difficult more generally to engage market processes and outcomes normatively, as social facts susceptible to change, and therefore judgment. As a result, a mechanistic picture of markets hinders our ability to talk about moral goods (and evils) in economic life.

If Charles Taylor is right, this may be the fate of all modern attempts to craft discourses with which to discuss human life that prescind from normativity. When it comes to human social life, he suggests, “Our language of deliberation is continuous with our language of assessment, and this with the language in which we explain what people do and feel.”⁶⁰ That is, it is impossible to separate discussion of *what is* from discussion of *what ought to be*—the fact/value distinction simply does not work in society the way it might in the realm of physics. As a result, those human sciences that try to model themselves on physics are doomed to provide us with languages that are ill-suited to their subjects. (Although Taylor does not appear to be speaking directly about economics, his concerns are especially relevant to economics.) We can admit, he writes,

that good and right are not part of the world as studied by natural science. But

⁶⁰ Charles Taylor, *Sources of the Self: The Making of Modern Identity* (New York: Cambridge University Press, 1989) 57.

from there, it is an unjustified leap to say that they therefore are not as real, objective, and non-relative as any other part of the natural world. The temptation to make this leap comes partly from the great hold of natural science models on our entire enterprise of self-understanding in the sciences of human life. But the ascendancy of these models is one of the great sources of illusion and error in these sciences.⁶¹

This error has led to what he refers to as a kind of “inarticulacy,” in which we lack terms that, if we had them, would be “indispensable to (what now appears to me to be) the clearest, most insightful statement of the issues.”⁶² That is, where Willis Jenkins pointed out how some ethical inarticulacy is to be expected during times of social transformation; Taylor reminds us that not all inarticulacy is natural, or the normal course of things; some is, rather, the consequence of applying methods of inquiry in the natural sciences to realms in which they don’t belong.

Taylor’s concern is certainly justified in the case of contemporary economics. The narrative of this chapter is precisely one in which the attempt to render a social science more scientific has led to metaphors and modes of inquiry that are unjustified, and that obfuscate significant aspects of the social activity they purport to describe. In addition, the representation of the world they suggest to those who are outside the discipline of economics now hinders our ability to talk about what matters. This is one of the reasons conversations in recent decades have not fully dealt with the kind of context that markets present for moral agency. The next chapter now turns to consider what this means for how we understand both capitalism in general, and the specific capitalist conditions we now inhabit.

⁶¹ Taylor, *Sources of the Self*, 56.

⁶² Ibid., 57.

CHAPTER 4

CAPITALISM TODAY, CONTINUED: SO WHAT IS IT, REALLY?

The ideas of economists and political philosophers, both when they are right and when they are wrong, are more powerful than is commonly understood. Indeed the world is ruled by little else. Practical men, who believe themselves to be exempt from any intellectual influences, are usually the slaves of some defunct economist.¹

Man is a creature who makes pictures of himself, and then comes to resemble the picture.²

Introduction

At this point, the reader might be asking: Why is all this so important? The previous chapter used an immanent critique to argue that specific elements of mainstream economics suggest a picture of markets that inadequately represents the role of human agency in economic life. But what does it matter that some economic discourse is misleading? What does this mean for how we describe capitalism, and in particular how we understand it as a context for the moral life?

In answering these, this chapter returns to the question of how to describe capitalism today. Its overall argument is that capitalism in general is a plastic yet path dependent social phenomenon, both culturally and structurally. It develops this by examining how the particular capitalism we inhabit today bears the marks of the theory just discussed; it argues that economic knowledge based in this theory has permeated public discourse in recent decades, and has been used to shape economic practices and conditions, and to cloud and complicate discussions of moral action in markets.

¹ John Maynard Keynes, *The General Theory of Employment, Interest and Money*.

² Iris Murdoch, quoted in Peter Conradi, *Iris Murdoch: A Life* (New York: W. W. Norton, 2001), 272.

The last chapter explained that the academic models and methodology it discussed suggest a generally naturalistic and mechanistic picture of markets, and that this is unwarranted. This chapter now explains how this unwarranted representation has informed both explicit claims and implicit assumptions about how the economy works in public discourse. Thus used, this representation has served as a kind of knowledge that implied that human agents face limited options when acting in markets and, moreover, that market processes and outcomes themselves are largely unalterable, and not appropriate subjects of moral reflection.

The account of knowledge this chapter employs is generally Foucauldian, in that statements and propositions need not necessarily be factually true in order to qualify as “knowledge,” as long as they are used in a discourse.³ (And indeed, the claims about the economy that this chapter examines, as the last chapter has argued, are not in the strictest sense factually true.) In this view, knowledge claims are always already formed by social power, and in turn function to mediate power and further shape society (hence Foucault’s conjunction, knowledge/power). This is not necessarily, or even usually, a conscious process; individuals who develop, propagate, and are shaped themselves by various claims

³ As Barry Allen puts it, this aspect of Foucault’s account of knowledge can be summed up as “prestigious discourse”: it is a status of statements, whose social prestige predisposes their hearers to take them seriously as representations of the world. Barry Allen, “Foucault’s Theory of Knowledge,” in *Foucault and Philosophy*, edited by Timothy O’Leary and Christopher Falzon (Malden, MA: Wiley-Blackwell, 2010) 155. Foucault also uses knowledge to refer to the set of rules that structure what can and cannot be meaningfully deemed as first order claims of knowledge, referring to these as *connaissance* and *savoir*. This thicker and extended account of knowledge, *savoir*, is also compatible with the usage of the concept in this chapter; the implicit pictures of markets based in academic theory both inform the content of the first order claims about markets discussed here, and structure what it makes sense to suggest, claim, or assume about markets in the first place. Michel Foucault, “The Archaeology of Science,” in *The Archaeology of Knowledge* (1972).

about the world do not need to be aware of this.⁴ With this in mind, this chapter does not assume intentionality on the part of various agents who act upon and further legitimize the specific economic knowledge discussed here. In many of the instances it discusses, economic knowledge constitutes a rather indirect, diffuse, and implicit factor in our performative production and reproduction of market situations. That said, there are a few cases where agents have been conscious of their role in advancing a certain worldview, and of its ideological elements; the cases discussed here vary.

In each one, this chapter emphasizes how capitalism is malleable and susceptible to change, and yet also that the malleability of each new moment is to a great extent shaped by previous moments. The cases also emphasize that this plasticity and path dependency is the case both with regards to capitalism as a culture—as a constellation of individual dispositions, actions, and moral imaginations—and at the structural level, with regard to institutions, distributions of resources, and so forth. Economic knowledge has been used to shape conditions at both of these levels. Somewhat ironically, it has been used to make capitalism more closely resemble its naturalistic representation, and to become more hostile to the exercise of individual agency; the plasticity of our social order has allowed us to make it more rigid.

As noted earlier, economists are wont to lament that the general public is sorely lacking in economic training, and as a result might object that the kinds of transformations to which this chapter points cannot be traced back to their discipline;

⁴ Moreover, this chapter also follows Foucault in assuming that even if knowledge does always mediate social power, its function is not necessarily ideological as a result. On this, see “Two Lectures” and “Truth and Power” in Michel Foucault, *Power/Knowledge: Selected Interviews and Other Writings 1972-1977*, edited by Colin Gordon (New York: Pantheon, 1980).

that academic economics is simply nowhere near powerful enough to shape capitalism.⁵ This chapter argues otherwise, although it does acknowledge that academic theory does not directly translate into reality. In explaining how economic knowledge *has* been used to shape our reality, this chapter not only aims to describe capitalism in general (as plastic yet path dependent) and capitalism today in particular (as formed by specific economic knowledge), but also to answer the question of why it matters that some economic theory is misleading.

In so doing, it aims to address a gap in theological scholarship around the role of economic discourse and theory in economic life. As Chapter Two noted, although current scholarship capably addresses questions regarding both individual subjectivity and institutions and policies, the apparent naturalness of mainstream economics has vexed attempts to broaden this with attention to the role of economics. In sketching how specific economic knowledge has been used to form the capitalism we now inhabit, this chapter addresses this, and aims to convince the reader that understanding the content and use of economic discourse is critical for understanding what it is to live in our specific—although perhaps any other, as well—capitalist moment.

1. *The direct appeal of ideals: moral values within economics itself*

I begin with the most obvious cultural and moral influence that economic discourse can have: the direct influence of its own normative ideals. Academic economics can be interpreted as containing a set of normative ideals that we could find directly

⁵ They might also object that, as the previous chapter noted, the hypothetical models used in economic theory are stipulations, and as such not intended to constitute or provide such knowledge claims about how the economy works. As this chapter explains, however, in popular usage these stipulated models suggest a world picture that takes on a life of its own, free of such theoretical encumbrances.

compelling. Strictly speaking, economic models and postulates are value-neutral; to interpret them as normative ideals is to deviate from their intended use within economics. Yet it is not impossible—or even difficult—to interpret various elements of economic theory as normative. For example, *Homo economicus* offers a picture of human behavior that could shape our moral sensibilities, insofar as we believed it to represent a worthy moral ideal. Although this may seem farfetched, we should not count out this kind of cultural influence. A fair amount of evidence indicates that exposure to (mainstream, neoclassical) economic theory is in fact associated with more individualistic, and sometimes also more selfish (such as cheating) behavior. Individuals are less likely to engage in altruistic, cooperative, and other-regarding behavior after receiving training in economics and business theory. Debate exists over whether this is the result of indoctrination or due to a selection effect, given that students may opt to study a field because its cultural associations resonate with their preexisting preferences and dispositions. Evidence currently supports both claims.⁶

That said, this direct form of influence does not seem to me the most threatening or significant way that economic discourse shapes economic life today. This is true for at least three reasons. I have already mentioned the first: technically, the various models

⁶ Although, it should also be noted that some researchers disagree entirely about the existence, permanence, and/or importance of said “debasing effect.” For initial studies indicating the presence of such an effect, see Gerald Marwell and Ruth Ames, “Economists Free Ride, Does Anyone Else?” *Journal of Public Economics* 15.3 (1981):295-310; and Robert Frank, Thomas Gilovich and Dennis Regan “Does Studying Economics Inhibit Cooperation?” *The Journal of Economic Perspectives* 7.2 (1993): 159-171. For research indicating quite the opposite, see Anthony Yezer, Robert Goldfarb, and Paul J. Poppen, “Does Studying Economics Discourage Cooperation? Watch What We Do, Not What We Say or How We Play,” *The Journal of Economic Perspectives* 10.1 (1996): 177-186. For an overview of the literature, see Amitai Etzioni, “The Moral Effects of Economic Teaching,” *Sociological Forum* 30.1 (March 2015): 228-233, also Bauman, Yoram and Elaina Rose, “Selection or Indoctrination: Why do Economics Students Donate Less than the Rest?” *Journal of Economic Behavior and Organization* 79.3 (August 2011): 318-327.

found within economic theory are not intended to be normative in nature. Neither *Homo economicus* nor Pareto optimality, for example, are intended to present a normative ideal; they are merely concepts that are used insofar as they aid economic inquiry. Presumably, those in a position to be exposed to them as lenses for viewing economic life are aware of their hypothetical and instrumental nature. The second reason is related to the first, and it is simply that very few of us are in such a position. That is, formal exposure to economics is fairly marginal; very few of us remember our introductory economic courses in high school, and even fewer become career economists. As a result, apart from overly enthusiastic graduate students of economics, it is probably not the case that many North Americans have consciously accepted the economic rationality taught in their high school economics course as either an attractive or binding ideal—or even as descriptively accurate. Likewise, it is doubtful that the average person knows much about Pareto optimality, or that even a seasoned politician could define the term. Given this, it is unlikely that a significant portion of the public has found consciously within Pareto optimality a compelling moral ideal. Finally, insofar as the ideals that one might find within economic theory are apparent as normative options, individuals have the capacity to recognize them as such and reject them. Upon reflection, for example, the average person would probably not agree that he or she ought to resemble the moral dimensions of *Homo economicus*, the self-interested rational utility maximizer. Given this, in what follows I assume that we are unlikely to find the (or much of the) operation of economic knowledge by looking for clear correlations between academic postulations interpreted normatively and individual agents' explicit moral commitments.

2. *The indirect influence of fact claims: the moral background*

Although it is probably rare that economic theory directly influences our moral imaginations by suggesting compelling normative commitments, these theories routinely influence our moral imagination indirectly, by shaping our sense of reality. The following examples make this apparent.

Consider first the ‘the debasing effect’ seen in students of economics. Some have suggested that this moral impact can be explained as the indirect influence of the factual worldview of economics. As philosopher Michael Boylan explains,

when students learn economics, they are presented with views of human nature that are opinion *as if they were* facts: people are only rational machines (as opposed to those who blend reason with emotion—especially love), who are selfish egoists (because that is the only way to solve the assumed zero-sum characterization of nature), who only believe in negative duties, and create explanatory models of explanation that are reverse engineered to create boundary conditions that guarantee success.⁷

Boylan is concerned that the very sort of unwarranted assumptions and postulations the previous chapter introduced can morally deform those who learn economics by distorting their view of human nature. Enough exposure to the hypothetical postulates of *Homo economicus* (what Boylan calls incorrect “opinions”) eventually may lead students to accept them unconsciously as facts—and what is worse, to act accordingly.

Boylan’s concerns are primarily focused on the anthropological picture implicit within economic theory, and the data on students of economics indicates his concern is well founded. However, the mechanism of impact he describes may operate much more broadly. In addition to the anthropological claims that interest Boylan, economic theory also contains a set of claims about markets (and hypothetical stipulations and models that all too easily can *look* like claims about markets) that may more generally shape our account of how the world works. These claims, when accepted as knowledge,

⁷ Michael Boylan, “Learning Economics: A Cautionary Tale,” *Sociological Forum* 30.1 (March 2015): 239, emphasis in original.

unobtrusively shape the arenas within which we think moral action is possible (and *not* possible), and therefore necessary (and *not* necessary). (This is especially true when this knowledge is mediated through various institutions and cultural norms—an issue that we will come to shortly.)

What I intend by this is similar to what sociologist Gabriel Abend has called a “moral background,” which he uses to describe “the second-order, enabling, and constraining moral background” that defines and limits “what can and cannot be evaluated from a moral point of view” in a given social milieu.⁸ Abend proposes that the background must be found by asking a set of questions, which include, “What counts as a moral problem and as an important moral problem?” and “What objects can and cannot be morally evaluated?”⁹ Such questions probe the conditions of possibility of moral action implicit within a particular cultural moment. One of my main goals in this chapter will be to point out ways that economic discourse (and the claims and knowledge that it generates, whether intentionally or not) contributes to precisely such a moral background, and to bring elements of this to the foreground for the purposes of contesting their legitimacy (and therefore the necessity of the realities they support).¹⁰

⁸ Gabriel Abend, *The Moral Background: An Inquiry into the History of Business Ethics* (Princeton: Princeton University Press, 2014) 31.

⁹ Abend, *The Moral Background*, 32.

¹⁰ More specifically, this chapter makes the case that the background, or moral horizons, created by our culturally dominant but implicit account of how markets work is one that inappropriately truncates the realm of moral action. The circumscribed space that the background I uncover leaves open moral action is primarily the realm of business ethics. I do not wish to imply that this branch of ethics is not important—as new technologies, business practices, and networks of relationships emerge, they in turn give rise to new challenges in need of philosophical scrutiny; this is important literature. And individuals who can choose better and worse options have a lot of power, over all areas of life, including markets—this will be true in any social-economic situation. We certainly ought to be about encouraging as much ethically educative material as we can, insofar as that material helps (although some data seems to indicate that it doesn’t, which is interesting). Business ethics generally exists after the moment of configuring our situations, however, and is downstream from the kind of larger

2.1 *Explicit arguments over facts: the publicly contested case of sweatshops*

Sometimes the pathways by which economic theory influences our sense of the morally possible are quite explicit, because economic claims are brought from the background into the moral foreground. This is true, for example, when economic knowledge is employed in public conversations about how to pursue the good within capitalism. Economic knowledge is supposed to contribute to these conversations by providing reliable and empirical information about the way markets work—and accordingly about the moral affordances provided by a given situation. In so doing, economic knowledge (where it is accepted as reliable) forms the stage upon which normative decisions must take place.

Consider, for example, the contested issue of sweatshop labor.¹¹ Social activists argue that the oppressive nature of sweatshop employment is morally unacceptable, and that as a result consumers in developed nations ought to refrain from purchasing products made in sweatshop conditions, and advocate for governmental and business policies that prevent the use of sweatshop labor. The standard reply from “pro-market” economists is that these concerns have laudable foundations in visceral and affective sympathies, but are misguided. Sweatshop defenders usually proceed by trying to educate their noneconomic audience in the basics of “how markets work,” in order to explain why moral concern for

moral reflection that this project wishes to take up. The fact that it takes for granted the worldview of economic theory is not surprising, given its tight linkages with economics, and the apparent desire on the part of the guild to become as scientific as possible.

¹¹ Following the literature (both in defense of sweatshops and against them), in what follows I assume that the term sweatshop applies to “any workplace in which workers are typically subject to two or more of the following conditions: systematic forced overtime; systematic health and safety risks that stem from negligence or the willful disregard of employee welfare; coercion; systematic deception that places workers at risk; underpayment of earnings; and income for a 48-hour work week less than the overall poverty rate for that country (one who suffers from overall poverty lacks the income necessary to satisfy one’s basic non-food needs such as shelter and basic health care).” (Arnold and Hartman, “Moral Imagination,” 253.) Powell uses a similar definition.

impoverished laborers in developing nations ought to lead in fact to support *for* sweatshops.

The argument goes something like this. Poor nations can improve and expand their economies by developing natural resources, and engaging in international trade markets where they have a comparative advantage. Often, the first such national resource that can be feasibly exploited is that of labor. Developing nations that can make available competitively priced labor will benefit from the increased foreign investment, both with regard to wages and infrastructure. Moreover, the presence of jobs provides a number of positive externalities for the host nation, in excess of the contractual exchange between individual laborer and employer. Finally, the training and workforce development that initial jobs provide is itself one of the most effective ways to improve the competitiveness of a developing economy. Sweatshops, then, bring economic growth precisely *because of* the low price of the labor they employ.

As a result, tampering with this price threatens the prospect of growth. As one recent defense of low sweatshop wages explains,

‘Either you believe labor demand curves are downward sloping, or you don’t... Of course, not to believe that demand curves are negatively sloped would be tantamount to declaring yourself an economic illiterate.’ In other words, if economic agents demand less of a good the more that good costs, then any policies that raise the cost of sweatshop labor will result in less labor being demanded, i.e. unemployment.¹²

Any attempt to interrupt market labor pricing with legislated mandates (regarding either working conditions or compensation) would deny the developing nation its shot at the economic growth that sweatshops provide.

¹² Benjamin Powell and Matt Zwolinski, “The Ethical and Economic Case Against Sweatshop Labor: A Critical Assessment,” *Journal of Business Ethics* 107.4 (2012): 450.

This argument contains two dimensions: a moral dimension, and an empirical one.

The first of these can be mapped as follows:

We have a moral obligation to perform actions that best enhance the preference satisfaction of the most possible people. Creating and maintaining sweatshops best enhances the preference satisfaction of those affected by sweatshops (sweatshop employees, via higher wages than they would otherwise receive; consumers, via lower prices for sweatshop goods; and MNCs [multinational corporations] and their shareholders, through lower labor costs). Therefore, as many sweatshops as possible should be created and maintained.¹³

A version of this argument was offered by Lawrence Summers, then president of Harvard, when he was invited to lead morning prayer at Harvard University's Memorial Church in 2003. Summers selected what "economics can contribute to thinking about moral questions" as his theme, and argued for a utilitarian account of the common good as the "aggregation of many individuals' assessments of their own well-being." He illustrated this by turning to the case of sweatshops:

We all deplore the conditions in which so many on this planet work and the paltry compensation they receive. And yet there is surely some moral force to the concern that as long as the workers are voluntarily employed, they have chosen to work because they are working to their best alternative. Is narrowing an individual's set of choices an act of respect, or charity, even of concern?¹⁴

The answer to Summers' rhetorical question is, of course, "no": if sweatshops are a good that the poor choose, to take away that good is to harm them. This moral argument¹⁵ enjoys wide assent among economists; even as liberal an economist as Paul Krugman has

¹³ Denis Arnold and Laura P. Hartman, "Beyond Sweatshops: Positive Deviancy and Global Labor Practices," *Business Ethics: A European Review* 14.3 (2005): 206-222.

¹⁴ Michael Sandel, *What Money Can't Buy*, 128 – see citations there.

¹⁵ Which can be summed up in four statements: firstly, that workers in sweatshops have freely chosen to enter their jobs; secondly, that this fact by itself indicates that this was the best alternative available to them; and thirdly, that we ought to respect such autonomous choices made by persons; fourthly, and therefore not prevent them from selecting the best option available to them, or harm them by removing this option altogether. This argument thus prioritizes negative, procedural freedom (freedom *from*), above concern for positive, substantial freedom (or freedom *for*).

admitted, “The overwhelming mainstream view among economists is that growth of this kind of employment is tremendous good news for the world’s poor.”¹⁶

This moral claim of Summers’ argument clearly rests on the argument’s second (and implicit) empirical dimension, which is comprised of taken-for-granted economic knowledge. This knowledge asserts that poorly compensated labor is a natural stage of how poor nations develop their economies, a stage that simply cannot be skipped. This knowledge clearly describes the economy in naturalistic terms, as a given and fixed phenomenon obeying its own set laws. It is this mechanical fixedness that leads to Summer’s assumption that mandating higher wages would invariably narrow the set of choices individuals face.

Moreover, this implicit account of markets has been used to argue that social or regulatory action against sweatshops is not only ethically counterproductive (given that it threatens to harm the very populations it purports to help), but also infeasible, and ultimately useless. It is infeasible from the perspective of the contracting entity, which must seek the highest possible return on its capital in order to stay competitive. (As one journal article considering the issue asks, “What can businesses do to appease anti-globalization protestors?” The answer: “not very much.”¹⁷) And finally, standard economic common sense suggests that action against any one particular factory or contracting business is useless in the long run because other sweatshops would emerge elsewhere, to meet market demand (or, in the case of import bans, the same factories simply would sell their goods to other countries). In sum, standard economic knowledge indicates simply

¹⁶ Quoted in Allen Myerson, “In Principle, a Case for More ‘Sweatshops,’” *New York Times*, 22 June 1997, <http://www.nytimes.com/1997/06/22/weekinreview/in-principle-a-case-for-more-sweatshops.html>.

¹⁷ Joel Oestreich, “What Can Businesses Do to Appease Anti-Globalization Protestors?” *Business and Society Review* 107.2 (2002): 207-220.

that no viable alternative exists to this state of affairs. Within this fixed and given frame, then, sweatshop labor is not only the *best* alternative for global labor, but the *only* alternative: it is how the economy works.¹⁸

Fortunately, the issue is not this straightforward. The presuppositions supporting (and determining) this conclusion are not as stable as they appear: the market is not as mechanistic as both Summers and Krugman assume. Indeed, a great deal of literature in business ethics makes exactly this case, calling into question the premises and assumptions woven into defenses of sweatshop conditions. Some of these question the implicit empirical certainties upon which pro-sweatshop arguments rest: that the historical record shows that market-led development (as opposed to governmental regulation or social movements) will itself phase out sweatshop conditions in developing economies; that multinational corporations *must* seek the highest return rate on their capital investment possible within legal limits (i.e., will not survive if they do not); that demands for better working conditions will harm sweatshop workers and frustrate poverty alleviation efforts.¹⁹ Others point toward the existence of “positive deviancy” from the norm of exploitative conditions which prove that “MNCs are capable of voluntarily

¹⁸ For a survey of recent literature that employs these arguments (and for the further argument that “sweatshops are justified in violating certain local labor laws”) see Benjamin Powell and Matt Zwolinski, “The Ethical and Economic Case Against Sweatshop Labor: A Critical Assessment,” *Journal of Business Ethics* 107.4 (2012): 449-472. The most significant defenses of sweatshops in popular media (and which employ all of the arguments just listed) appear to be Nicholas D. Kristof, “Where sweatshops are a dream,” *The New York Times* (January 14 2009); Nicholas D. Kristof, and Sheryl WuDunn, “Two cheers for sweatshops,” *The New York Times* (September 24, 2000); and Paul Krugman, “In praise of cheap labor,” *Slate* (March 21, 1997). In academic literature, see Matt Zwolinski, “Sweatshops, choice, and exploitation,” *Business Ethics Quarterly*, 17.4: 689–727, and Benjamin Powell, *Out of Poverty: Sweatshops in the Global Economy* (New York, NY: Cambridge University Press, 2014).

¹⁹ See, e.g., Denis G. Arnold and Noman E. Bowie, “Sweatshops and Respect for Persons,” *Business Ethics Quarterly* 13.2 (2003): 221-242; John Miller, “Why Economists Are Wrong about Sweatshops and the Anti-Sweatshop Movement,” *Challenge* 46.1 (Jan/Feb 2003): 93-122; and Denis Arnold, “Working Conditions: Safety and Sweatshops,” in *The Oxford Handbook of Business Ethics*, eds. George Brenkert and Tom Beauchamp (New York, NY: Oxford University Press, 2010).

respecting the basic rights of workers while remaining economically competitive,” and “can serve as models for other MNCs that wish to respect human rights while taking advantage of the economic benefits of a global workforce.”²⁰

We might add to this list also the possible alternative choices that exist upstream from the fact of sweatshops, as it were, and that must be conceptually excluded in order for Summers and Krugman’s account of necessity to ring true: not only on the part of the multinational contracting corporation which could in fact require higher worker safety standards or wages (even if this results in a slightly lower profit margin) but also on the part of consumers, who might learn to desire ethically sourced commodities rather than goods at the cheapest price possible; or on the part of international governance structures or multilateral trade agreements, which might set minimum safety and compensation standards for labor; or on the part of local governance structures in developing nations, which may decide to raise their safety standards (or enforce existing ones). To proceed, the defense of sweatshops must set these aside, and presume that these are all impossible events—and, moreover, it must do so as a matter of fact about *markets*. (It is not clear, however, why assuming that developing nations should often be lax in enforcing local labor laws is a necessary part of capitalism itself.) Further, it must assume that *all* market actors—whether shareholders in the Global North, executives acting on their behalf, consumers who purchase their products, or managers overseas—are motivated purely by a gravitational pull toward the highest profit margin (or lowest product price) possible. Only with these assumptions—each of which could, and perhaps should, be contested—in

²⁰ Arnold and Hartman, “Beyond Sweatshops,” 206. See also Denis Arnold and Laura Hartman, “Moral Imagination and the Future of Sweatshops,” *Business and Society Review* 108.4 (2003): 425-461, which reviews two such case studies (Nike and Adidas) that the authors suggest indicate “a diminishing future for sweatshops” (450).

place does an account of international production markets in which the incontrovertible laws of supply and demand *will* lead to the existence of sweatshops make sense.

The very terms of this debate nicely illustrate the threat to moral imagination posed by ill-founded economic knowledge: if pro-sweatshop economists are correct, then the laws of capitalism itself are such that little can be done by any party to help the world's desperately poor who labor long hours in deplorable conditions. This is not an arena for moral action or analysis, any more than is gravity. And indeed, the fact that so prominent a person as Summers, and in such a prominent position as Harvard University's Memorial Church, would articulate such arguments appears to dramatize precisely how threatening and pervasive such a constructed—and constricting—worldview really is.

Precisely because this argument over sweatshops is one in which the background of economic claims is brought regularly into the foreground, however, it does not present the most insidious or influential operation of unwarranted economic knowledge. (Although this should not lead to the conclusion that this knowledge is totally benign—thousands of persons currently employed in degrading conditions in clothing and technology factories would certainly beg to differ.) Public contestation limits the power that economic claims have to legitimize certain economic outcomes; to the extent that Summers articulated his premises—or that his audience had the capacity to ascertain them—for example, they could be challenged. That is, the fact of debate itself renders economic discourse visible, and in so doing places its functions up for dispute.

2.2 The moral background as uncontested and implicit—and mediated

Economic knowledge is not regularly so contested, however; the case of sweatshops is an unusual one. Usually, the moral background stays in the background,

and the legitimizing function of economic knowledge is accordingly implicit and uncontested. This is largely the case with the mechanical account of markets introduced in the last chapter, which—at least in recent decades—has largely been taken for granted in public discourse, for all the reasons already discussed.

This process of taking this picture for granted accelerates—that is, the moral background sinks more deeply into the background—as this picture of life in markets has been used to construct various institutions (which have then in turn reproduced markets in their, and its, image). In what follows, I attend to the ways that this mechanical account of markets functions by paying particular attention to the ways that it legitimizes and in turn is legitimized by both institutions and subjectivities—that is, to the ways that knowledge is made effective when it is implicitly mediated through social, legal, economic, and political situations in which it makes sense (and of which it makes sense). This attention to institutions and practical structures is intentional; although in this chapter I do not propose a single account of how economic theory transforms into content populating our moral background—or of how it affects our moral agency more broadly—I do rule out an idealist account of causation in which capitalism is influenced simply by the sheer fact of developments within academic economics. Even the most straightforward of cases of influence (such as that when students of economics adopt the normative values they find within academic theory) cannot be fully explained with this sort of magical thinking. Economic knowledge is not itself an all-powerful causal factor; it is always in a mutually reinforcing relationship with both existing institutional structures and culture itself (and individual subjectivities). In light of this, in what follows I will discuss both the particular content within the moral background provided by economic claims, and the concrete ways that this content is made effective.

2.3 Public policy

One of the most obvious ways that economic discourse shapes our world is through the supporting role it plays in public policy decisions that shape the institutions framing our economic lives.²¹ Economic knowledge and theory can influence policy in at least two distinct ways: firstly, by describing markets in such a way as to render apparently possible only a given set of practical actions, whether explicitly or implicitly; and secondly, by providing a kind of lens that precludes from view certain normative issues and questions, such that those who adopt it have a distorted view of economic situations. This section discusses these in turn.

Where it has this first kind of influence, economic knowledge plays much the same role as that just described in the case of sweatshops: it actively suggests a picture of the world, and sets the stage upon which policy choices must be made. Consider the case of the mechanical picture of markets suggested within general equilibrium theory. It implies that the economy simply “works a certain way,” and is a complex system governed by its own rules that are not to be messed with lightly. This picture hardly encourages boldness or experimentation at a policy level; rather, it predisposes policy actors to accept certain economic outcomes—even and especially undesirable ones—as the inevitable workings of a machine. Or, at best, it suggest that we have available to us only a limited set of technocratic interventions, and that we still have to accept certain undesirable outcomes as the predictable responses to our meddling inputs.

²¹ See, e.g., Christina D. Romer and David H. Romer, “Choosing the Federal Reserve Chair: Lessons from History,” *Journal of Economic Perspectives* 18.1 (Winter 2004) 129-162, for a discussion of the role that beliefs about the economy play in U.S. monetary policy, offered in support of the argument that “the key determinants of policy success have been policymakers’ views about how the economy works” (129).

Consider, for example, fears regarding deviance from the Federal Reserve's 6.5% target for unemployment (in place until as late as March 2014), which was developed based on the apparent reliability of a calculable trade-off between unemployment and inflation.²² Technically, the Phillips curve has been debunked now, and theorists are still scrambling to figure out how to plot the relationship between these two variables—and whether it is even plottable at all. Now-defunct or not, however, the knowledge contained within the Phillips curve has continued to influence policy decisions—even until mid 2014, the Fed planned to suppress interest rates as long as unemployment was above 6.5% (the theory being that if unemployment fell past that, and if interest rates aren't raised, inflation will happen). This is an unusually clear example of the way that economic knowledge can indicate that we must simply cope with apparently tragic market outcomes—in this case, a remainder of ineliminable unemployment.²³

Although economic theory and data is intended to be descriptive and neutral, this is not its function if, instead of providing neutral description, it presents a misleading picture of the economy. Where it does, it unfortunately leads us to believe that policy options are more limited than they are. The federal target for unemployment may or may not be a case of this; the exact relationship between unemployment and inflation is not yet fully certain (although it is increasingly clear that previous accounts of this relationships were incorrect—and that therefore previous margins of acceptable unemployment were perhaps too high). More generally, the last chapter has introduced reason to suspect that wherever policy relies upon a mechanical view of markets, it may be

²² Great review of this here: http://www.huffingtonpost.com/jared-bernstein/the-tradeoff-between-infl_1_b_5626857.html

²³ Perhaps it would be helpful to include some background here on the history of thinking about full employment in classical economics, and the emergence of a “natural” rate of unemployment in the twentieth century, and NAIRU...

relying upon a misleading picture that unnecessarily constricts the realm of the possible.²⁴

As Julie Nelson laments, “The hold of the clockwork metaphor has been one important factor blocking dialogue and useful action.”²⁵

Another way that economic knowledge may influence policy decisions is not by actively suggesting an account of how the world already is, but through the lens it offers for analyzing the world in the first place. That is, economic discourse is itself a framing approach that can obscure, *ex ante*, features of the issues purports to illuminate. This is especially true given that economics is often defined not as a set of phenomena or a field to be studied but as a *method* for studying phenomena more generally²⁶; given this, its very methodological presuppositions can easily become blind spots. As feminist economists Drucilla Barker and Edith Kuiper explain,

since neoclassical or mainstream economics is defined by its method of analysis rather than by its domain of study—conventional economics generally admits only explanations based on self-interested exchange between rational economics agents—it fails adequately to account for a wide variety of factors germane to women’s (and men’s) lives).²⁷

Barker and Kuiper provide a considerable list of examples, which includes the way mainstream economics explains the gendered and racial differences in labor in terms of

²⁴ And then of course there is also the fact of the direct use of economic theory in banking...; “it is not sufficient for economists to claim that they have no responsibility for the evolution of the economy. Modern macroeconomic models are widely used by central banks and governmental authorities, and the authors of such models must have some responsibility for the use to which they are put” (Kirman, 32).

²⁵ Nelson, *Economics for Humans*, 61. For an interesting case study in which economic theory regarding gender, social reproduction and the household “has filtered into development policy-making,” see Suzanne Bergeron, “Economics, Performativity, and Social Reproduction Global Development,” *Globalizations* 8.2 (2011): 151-161.

²⁶ See, e.g., Paul Heyne, *The Economic Way of Thinking*, tenth edition (Prentice Hall, 2002) and Heyne, “Economics is a Way of Thinking,” in “*Are Economists Basically Immoral?*” *And Other Essays on Economics, Ethics, and Religion*, Geoffrey Brennan and AMC Waterman, editors (Indianapolis: Liberty Fund, 2008), among many other introductions to this classic distinction.

²⁷ Drucilla K. Barker and Edith Kuiper, *Toward a Feminist Philosophy of Economics: Economics as Social Theory* (New York, NY: Routledge, 2003) 2-3.

rational agents' individual choices, the way the provision of nonmarket and caring labor is ignored or analyzed in the terms used for paid work, and the way the gendered and racial effects of globalization "are explained as the natural consequences of differing endowments of skills, technology, and resources."²⁸ In each of these cases, the focus of economic theory on individuals, rationality, and voluntary exchange precludes from view larger cultural and systemic issues impacting persons in situations of systemic disadvantage. Where economic theory is used to study such issues for the purposes of making policy decisions, bringing the facts that economics cannot account for into view becomes much more difficult.

Occasionally, the blind spots economics offers do more than simply hide a problem; they can also facilitate policy decisions that are actually damaging. This sort of claim is at the heart of economist Steven Marglin's recent and polemical argument in *The Dismal Science*. Marglin is concerned that because economics focuses on individualistic behavior and economic rationality, its use in public policy promotes these very things, to the detriment of what he calls "community"²⁹:

economics relies on value judgments implicit in foundational assumptions about the self-interested individual, about rational calculation, about unlimited wants and about the nation-state, and it is these assumptions that make community invisible. ... [it accordingly] legitimizes the destruction of community and thus helps to construct a world in which community struggles for survival.³⁰

²⁸ Barker and Kuiper, *Toward a Feminist Philosophy of Economics*, 3.

²⁹ Stephen A Marglin, *The Dismal Science: How Thinking Like an Economist Undermines Community* (Cambridge: Harvard University Press, 2008). see p.20-27 for Marglin's definition of this.

³⁰ Marglin, *The Dismal Science*, 4. Marglin occasionally makes claims that come somewhat close to the magical thinking I wish to avoid regarding ways that economic theory has cultural and practical influence, and is rightly criticized by his reviewers for this. Here, however, his emphasis on the blindspots it creates when used in public policy usefully grounds his claim.

Marglin's claim is that economics³¹ has a pro-market bias, and that because it presumes that "markets are good for people," its use encourages the expansion of markets and economic calculation to multiple arenas of life.³² Economics is accordingly the "accomplice" to markets, which themselves are what is corrosive to community.³³

Marglin's claim that markets and community are inescapably caught in an agonistic and zero-sum relationship betrays precisely the kind of unnecessarily totalizing account of markets that I wish to suggest is funded by a misconception of economic processes, and an unwarranted reification of "the market" more generally (more on this in this dissertation's third part). (That is, one fault of Marglin's project is that it does not go quite far enough in questioning the contingent nature of economic theory.) Marglin's central argument about the function of presuppositions embedded within economics is essentially right, however. The presuppositions built into economic theory (even those that are simply theoretical stipulations) can render certain subjects invisible for those seeing the world through that theory. Where those that are using the theory are engaging in deliberations over public policy, this can be problematic.

Consider a more specific example of a conceptual blind spot that may adversely impact policy decisions: the presumption that interpersonal utility comparisons are impossible. Ever since the 1930s, utility has been understood as the satisfaction of an individual agent's subjective desires. It lacks any objective dimensions that might enable comparison between individuals. "As a result, neoclassical theory tells us that we cannot know which of two persons gained more from a given exchange, because the relevant

³¹ At least, as its taught; Marglin wants to avoid a mainstream v. fringe distinctions in favor of that between what is taught to most newcomers and more esoteric and cutting edge research, because it is what is contained in most textbooks that is culturally influential.

³² Marglin, *The Dismal Science*, 3.

³³ *Ibid.*, 9.

“currency” in which gain or advantage is measured is utility, and utility is conceived as being radically subjective.”³⁴

This non-comparability is the result of the now standard approach of measuring utility on an ordinal (that is, comparative), rather than cardinal scale, which would involve objective measurements of utility. This ordinal theory of utility was proposed in 1906 by economist Vilfredo Pareto. Pareto was the first to suggest that utility could be preference-ordering, and that it was not necessary to discover how much a given person valued or needed a given good, but only to discover which good they preferred to which. With this realization, Pareto effectively severed the connection between economics and utilitarian philosophy, which had attempted to measure economic welfare in terms of the greatest good. He suggested instead the notion of “optimality” (now known as “Pareto optimality”), which describes a state in which no parties can be made better off without making some parties worse off. This condition is met after a series of Pareto-superior distributional exchanges, in which, likewise, “at least one party gains utility and no one loses any.”³⁵ The ideal of general equilibrium describes exactly such a state.

It is not hard to understand why Pareto optimality would be an attractive ideal for economic policy, given the obvious political desirability of policies that make some parties better off without harming others. The fact that this ideal prevents comparison of utility across persons—and, moreover, across groups, such as race or gender—is problematic, however. England explains this well:

The tendency to eschew interpersonal utility comparisons is part of why positive neoclassical theories harmonize so well with conservative normative positions on distributional issues. The paradigm denies one the possibility of recognizing that those at the bottom of hierarchies average less utility than others, which would

³⁴ Paula England, “Separative and Soluble Selves: Dichotomous Thinking in Economics,” in *Feminist Economics Today: Beyond Economic Man* (University of Chicago, 2003), 40.

³⁵ England, “Separative and Soluble Selves,” 40.

provide a basis for questioning the justice of initial unequal distribution of endowments and its consequences.³⁶

Likewise, it is worth adding, the ideal of Pareto optimality excludes collective redistribution, which, by nature of taxation or limits on property rights, invariably benefits some parties at the expense of others. For these reasons and others, England suggests that economists should “view such comparisons between individuals’ utility levels as practical measurement problems that we should try to surmount rather than considering them impossible a priori.”³⁷

Whether or not changing the dominant theory of utility is a laudable (or even possible) goal, the case of interpersonal utility comparison is one that illustrates how economics provides a language in which it is nearly impossible to articulate certain normative dimensions of economic situations. Its use in policy conversations accordingly facilitates (and perhaps even encourages) the creation of institutions, programs, regulation, and taxes that fail to address these normative dimensions. Where the economic assumptions and methods are ones that preclude issues relevant to social justice, such failures may be serious.

2.4 Business, and the case of shareholder value theory

Just as economic knowledge and discourse has come to form contemporary capitalism through the supporting role it plays in shaping public governance decisions, it has also formed our world through the influence it has upon private decisions about resources, in the world of business. Here, as in policy, economic theory may provide a lens that distorts perceptions of reality, as well as offer misleading claims about market

³⁶ England, “Separative and Soluble Selves,” 41.

³⁷ Ibid.

realities. The legitimating and sense-making role it plays may be an explicit or an implicit one—and in some cases, both.

Consider, for example, a case in which the mechanical view of markets discussed in the last chapter provided both explicit and implicit support for a certain approach to decision-making in business: the case of shareholder value theory. In a now famous 1970 *New York Times* article, Milton Friedman made the normative claim that the only responsibility of a business was to increase its profits, and in so doing maximize shareholder value.³⁸ Friedman argued that any action that reduces potential profits—and therefore reduces returns on shareholder investment—is essentially theft by means of unwelcome and unlicensed taxation. Moreover, he claimed, it comprises a kind of socialist social planning that, through “undemocratic procedures,” attempts to engineer society toward certain unelected ends, with others’ money. Business leaders who agree that businesses do indeed have social responsibilities are working, he charged, to “harm the foundations of a free society,” and jeopardize “the possible survival of business in general.”³⁹

Friedman rested this set of normative claims upon a descriptive account of markets as mechanistic and determinist arenas governed by what he repeatedly references as “the market mechanism.” According to him, this mechanism functions at its best in the absence of tampering regulations; he excoriates the “shortsightedness” of businesspeople that call for wage and price legislation by explaining, “there is nothing that could do more in a brief period to destroy a market system.”⁴⁰ It is worth noting that this mechanical

³⁸ Milton Friedman, “The Social Responsibility of Business is to Increase its Profits,” *New York Times Magazine*, 13 September 1970. Friedman also makes this claim in *Capitalism and Freedom*, but this article is by far the more remarked-upon of the two publications.

³⁹ Friedman, “The Social Responsibility of Business.”

⁴⁰ Ibid.

worldview is not the only unstated assumption operative in Friedman's argument; his conclusions are only sensible after one accepts as axiomatic a set of presuppositions about the unimportant legal nature of the firm, and about the scope of customer and shareholder ownership over the firm's finances and product prices.⁴¹ That said, his mechanical view of how things work clearly carries most of the weight for his argument that businesses *simply do not have* social responsibilities. This conclusion rests on his assumption that anything less than the total pursuit of profit is to let "political mechanisms, not market mechanisms... determine the allocation of scarce resources to alternative uses." The natural essence of the market mechanism, which is apparently amoral (that is, not morally significant), is the maximization of profit—and therefore to discourage businesses from this activity, Friedman thought, was to discourage businesses from being *businesses* at all. Others have elaborated this argument to claim that firms that fail to maximize shareholder value will simply be run out of business; that is, that the market itself will discipline such nonsensical behavior.⁴²

⁴¹ As Steve Denning pointedly asks,

How did the corporation's money somehow become the shareholder's money? Simple. That is the article's starting assumption. By assuming away the existence of the corporation as a mere "legal fiction", hey presto! the corporation's money magically becomes the stockholders' money.

But the conceptual sleight of hand doesn't stop there. The article goes on: "Insofar as his actions raise the price to customers, he is spending the customers' money." One moment ago, the organization's money was the stockholder's money. But suddenly in this phantasmagorical world, the organization's money has become the customer's money. With another wave of Professor Friedman's conceptual wand, the customers have acquired a notional "right" to a product at a certain price and any money over and above that price has magically become "theirs".

But even then the intellectual fantasy isn't finished. The article continued: "Insofar as [the executives'] actions lower the wages of some employees, he is spending their money." Now suddenly, the organization's money has become, not the stockholder's money or the customers' money, but the employees' money.

Steve Denning, "The Origin of the World's Dumbest Idea," *Forbes*, June 26, 2013.

⁴² See, e.g., Bengt Holstrom and Steven Kaplan, "Corporate Governance and Merger Activity in the United States," *Journal of Economic Perspectives* 15 (2001): 121-144. For a feminist analysis of this theory—and articulation of its empirical assumptions about "market forces"—see Julie

Of course, Friedman's claims have not been met with unanimous assent, either in 1970 or today.⁴³ That said, his account of the (non)responsibility of business quickly "became the conventional wisdom."⁴⁴ This was no doubt helped by the emergence a few years later of an article that translated his implicit theory of the firm and the principal-agent relationship of fiduciary responsibility into a sophisticated econometric model. This article has become one of the most widely cited academic business articles of all time (it is currently cited in over 50 thousand other articles), and was instrumental in the ascent of the shareholder value approach in the field of management.⁴⁵ This ascent was further aided by the passage of regulation that seems to support shareholder primacy, such as SEC regulations that demand that public companies report business performance in terms of shareholders' short-term returns (although, technically U.S. corporations have never been legally required to maximize shareholder returns).⁴⁶ From the perspective of this approach, managing agents (in businesses or corporations) should not engage in socially responsible actions that diminish an overall corporation's profit margins for reasons both moral (having to do with the fiduciary obligations of their position) and

Nelson, "Separative and Soluble Firms: Androcentric Bias and Business Ethics," in *Feminist Economics Today: Beyond Economic Man*, 81-99.

⁴³ The then CEO of Quaker Oats, for example, replied to Friedman in a *Business Week* article, in which he called Friedman's approach "a dreary and demeaning view of the role of business and business leaders in our society... Making a profit is no more the purpose of a corporation than getting enough to eat is the purpose of life. Getting enough to eat is a requirement of life; life's purpose, one would hope, is somewhat broader and more challenging. Likewise with business and profit." Kenneth Mason, *BusinessWeek*, 1979, cited in Denning, "The Origin of the World's Dumbest Idea."

⁴⁴ Denning, "The Origin of the World's Dumbest Idea."

⁴⁵ Michael Jensen and Dean William Meckling, "Theory of the Firm: Managerial Behavior, Agency Costs and Ownership Structure," *Journal of Financial Economics* 3.4 (1976): 305-360. Google Scholar records that this one essay has an astonishing number of citations: over 57,000 as of May 2016.

⁴⁶ See Justin Fox, "How Shareholders are Ruining American Business," *The Atlantic*, July/August 2013; and Lynn Stout, *The Shareholder Value Myth: How Putting Shareholders First Harms Investors, Corporations, and the Public* (Berrett-Koehler Publishers, 2012).

practical, given that to fail to maximize shareholder value is self-defeating, given market laws.

In recent years management theory has seen a shift away from the shareholder value approach to managing firms, perhaps due to emerging empirical research that refutes the idea that firms cannot survive without single mindedly maximizing shareholder value.⁴⁷ A growing body of literature now actively debates which theory ought to replace the shareholder value approach in business schools and firms. As a result, although the institutional structures that it helped legitimize (both in individual firms and in various business schools, for example) have not yet disappeared, the case of shareholder value theory no longer counts as an ongoing instance of a kind of economic knowledge (namely, a picture of markets as determinist arenas in which all bodies naturally seek the highest legal return rate on capital investment) provides the uncontested moral background for an arena of economic life. It remains nonetheless an interesting and illustrative example of the influence that economic theory—and theorists—can have (and have had) upon our moral imaginations.

3. The constructive influence of theory: unconscious performance of economic knowledge

⁴⁷ In an essay estimating when the ideal of shareholder value will disappear from business practice and education, business journalist Steve Denning cites over a dozen recent volumes that “articulate and embrace the paradigm shift” occurring in management today to a more rounded stakeholder approach. It is interesting to note, however, that his reference to ongoing opposition to this shift seems to indicate that the stakes of this debate are rather higher than one would suspect that a dispute over the correct theory of business strategy would warrant:

“They recite the propositions of the shareholder value ideology as though communicating absolute truth and are puzzled, even furious, as to why anyone might think differently. It is clear that their whole understanding about how the world works is embedded in that ideology. Views held so deeply are not going to disappear rapidly.” This case of contestation nicely encapsulates precisely how varying theories of moral obligation stem directly from theories of how markets function—and how actors within those markets function. Steve Denning, “When Will ‘The World’s Dumbest Idea’ Die?” *Forbes*, July 5, 2013.

Up until now, this chapter has surveyed observable ways in which an unjustifiably mechanical picture of markets and market actors has been drawn upon and used to legitimize economic behavior, and the construction and maintenance of public and private economic institutions. I now turn to an emerging body of literature that explores the rather less observable ways that economic knowledge and theory has come to influence markets today: the study of “performativity” in economics.

The term performativity originates with the philosopher of language J. L. Austin, who developed a theory of “performative utterances” to describe how certain speech acts—such as “I name this ship the *Queen Elizabeth*” and “I bet you sixpence it will rain tomorrow”—themselves perform their content.⁴⁸ Attention to such utterances reveals that in addition to reflecting and representing existing reality, language also has the capacity to bring about that reality.

Although Austin’s concept was originally intended to explain language as an act, the notion of performativity has since been invoked in social scientific literature to describe a wide range of practices, and in particular to point toward the power that repeated descriptions of the identifying features of a phenomenon have to “perform” the identity of that phenomenon. Sociologist Michel Callon was the first to apply the lens of performativity to economics. In his 1998 *The Laws of the Markets*, he claims,

Saying that economics has failed by neglecting to develop a theory of real markets and their multiple modes of functioning, amounts to admitting that there does exist a thing—the economy—which a science—economics—has taken as its object analysis. The point of view that I have adopted in this introduction, and which the book strives to defend, is radically different. It consists in maintaining that economics, in the broad sense of the term, performs, shapes and formats the economy, rather than observing how it functions.⁴⁹

⁴⁸ J.L. Austin, *How to Do Things With Words*, second edition (Oxford: Oxford University Press, 1975), 5, 6.

⁴⁹ Michel Callon, “Introduction: the Embeddedness of Economic Markets in Economics,” in Michel Callon, ed., *The Laws of the Markets* (Malden: Blackwell Publishers, 1998) 2.

From this point of view, economics is not so much a “form of knowledge that depicts an already existing state of affairs but... a set of instruments and practices that contribute to the construction of economic settings, actors, and institutions.”⁵⁰ That is, economic theories function to construct the reality they purport to observe: “To claim that economics is performative is to argue that it *does* things, rather than simply describing (with greater or lesser degrees of accuracy) an external reality that is not affected by economics.”⁵¹

To say that economics itself *does* things might seem to imply that economic theory works in precisely the one way I have suggested it cannot: by a kind of mysterious power to enact a self-fulfilling prophecy. This was the substance of sociologist Pierre Bourdieu’s critique of Austin’s original theory: Bourdieu pointed out that analyzing performative utterances (or in this case, theory) solely using the philosophy of language can encourage magical thinking.⁵² Bourdieu argued that in order for a performative utterance to be successful, certain social conditions, which he called “conditions of felicity,” must be present.⁵³ (It is the absence of such conditions that prevent any attempt I essay to rename the *Queen Elizabeth* as the *Queen Christina Gail* from being successfully performative.) Research on the performativity of economics has largely heeded Bourdieu’s insight, and accordingly focuses on both economic discourse and on the various conditions (both cultural and structural) that enable this discourse to shape behavior.⁵⁴ In the case of

⁵⁰ Donald MacKenzie, Fabian Muniesa, and Lucia Siu, “Introduction,” in *Do Economists Make Markets?*, 4.

⁵¹ Donald Mackenzie, “Is Economics Performative?” 54. Emphasis in original.

⁵² See Donald Mackenzie, “Is Economics Performative?”

⁵³ Pierre Bourdieu, *Language and Symbolic Power* (Cambridge: Polity, 1991), 73

⁵⁴ In the case of development economics, for example, “The ability of an economics-based conceptual framework to be disciplining of human behavior and decision-making rests upon a broad acceptance of its discursive and calculative tools across connected sites that, in the case of development, would include academic conferences, policy discourses, techniques for

markets, the conditions of felicity include (at the very least) factors such as the structure of firms, the nature of the products and goods exchanged, the character of the regulatory environment, and standard sales and accounting practices, as well as the norms and expectations given to various actors through their socialization into their roles, whether as individual consumers or as business managers and professional financial traders.

Callon's original application of performativity to economics has led to what can be called "something of a theoretical boom industry."⁵⁵ Researchers have now identified performative functions of economics in fields as diverse as accounting,⁵⁶ environmental politics,⁵⁷ and urban redevelopment.⁵⁸ Some studies focus on how theories combine with explicit institutional demands and structures to create the reality they anticipate,⁵⁹ while others emphasize the influence that theory has upon influential market actors.⁶⁰ Studies

documenting outcomes by agencies such as the World Bank, political rationalities, governmental technologies, and so forth." Suzanne Bergeron, "Economics, Performativity, and Social Reproduction in Global Development," *Globalizations* 8.2 (2011): 155.

⁵⁵ David Graeber, "The Sword, the Sponge, and the Paradox of Performativity: Some Observations on Fate, Luck, Financial Chicanery, and the Limits of Human Knowledge," *Social Analysis* 56.1 (Spring 2012): 27.

⁵⁶ Ed Vosselman, "The 'performativity thesis' and its critics: Towards a relational ontology of management accounting," *Accounting and Business Research*, 44.2 (2014): 181-203. See also Bruce Carruthers and Wendy Nelson Espeland, "Accounting for Rationality: Double-Entry Bookkeeping and the Rhetoric of Economic Rationality," *The American Journal of Sociology* 97.1 (1991): 31-69.

⁵⁷ Anders Blok, "Articulating social science in the wild of global natures? On economics and anthropology in transnational environmental politics," *Environment and Planning* 46.9 (2014): 2125-2142.

⁵⁸ See Brett Christophers, "Wild Dragons in the City: Urban Political Economy, Affordable Housing Development and the Performative World-making of Economic Models," *International Journal of Urban and Regional Research* 38.1 (2014): 79-97.

⁵⁹ As does Suzanne Bergeron's focus on models of the household used in global development economics, for example. See Bergeron, "Economics, Performativity, and Social Reproduction in Global Development." Bergeron also, as was noted earlier, presents a case in which economic theory has come to shape policy action; as she concludes, the power of a given theory is not found in its (original, or even eventual) descriptive accuracy; instead, its "power lies at least in part with how well a model, description, or set of statistics form a part of the equipment for neoliberal governance" (159).

⁶⁰ E.g., see Donald MacKenzie, "An Equation and Its Worlds: Bricolage, Exemplars, Disunity and Performativity in Financial Economics," *Social Studies of Science* 33 (2003): 831-868; and

vary in scale as well, ranging from the dynamics of specific and local commodity markets (such as a strawberry market in France⁶¹) to more general cultural analyses of fundamental economic concepts (such as a recent analysis of “capital” in the last century⁶²).

Others have pointed out the performative element of background cultural concepts and logics in enabling any theory to be performative in the first place, and the way that “those who create and maintain such constructs [such as markets] cannot themselves rely on a theory of performativity.”⁶³ (For example, for a trader to perform a given logic regarding the natural behavior of financial markets, she must believe in the reality of fundamental social institutions such as money, and specific conceptual specifications of that institution such as capital.) That is, just as studies range in scope, so there are range of levels upon which performativity may be studied—from the level of a given theory of financial trading activity in a specific locale, to the institution of money itself as it is promised value by governments which themselves rely for efficacy on public assent and belief, to the more basic presence of specific theories of risk, chance, and the mathematicization of probability in a given culture.⁶⁴

Donald MacKenzie, *An Engine, Not a Camera: How Financial Models Shape Markets*, Cambridge: MIT Press, 2006.

⁶¹ Marie-France Garcia-Parpet, “The Social Construction of a Perfect Market: The Strawberry Auction at Fontaines-en-Sologne,” in *Do Economists Make Markets?*, 20-53.

⁶² Rob Aitken, *Performing Capital: Toward a Cultural Economy of Popular and Global Finance* (New York: Palgrave MacMillan, 2007).

⁶³ Graeber, 32. In fact, Graeber thinks the “central flaw” of much performativity studies is their tendency to avoid noticing this, and therefore to miss the role of institutions such as money and governments

⁶⁴ See, e.g., Graeber’s other work. On this larger level, culture may involve what he notes is “magnificent circularity” (31). As an aside, the more such studies attend to cultural change, and the wider the lens they use for assessing the influence that economic theory has, the less they looks solely like a specific study of performativity in economics, and the more they look like history, anthropology, sociology, or some other critical theory-adjacent field that studies cultural change. That is, it is worth noting that the concepts undergirding the study of performativity are not entirely novel in these fields; analysis using the lens of performativity shares much with the method of genealogical critique, for example. What the language of performativity adds to such studies is an emphasis upon the conditions of felicity (that is,

3.1 *The case of the financial crisis; and the ironic persistence of capitalism as ‘natural’*

One productive site for such study has been the global financial crisis of 2008, which research now indicates was in no small part performed, both in its construction and buildup, and even afterward, in its management. Chapter One noted how concepts grounded in a naturalistic picture of markets such as the Efficient Markets Hypothesis contributed to the crisis. These were especially employed as justification for deregulation (or, as Stiglitz and others remind us is more accurate, the presence of supposedly market-friendly regulation under the guise of deregulation). This is perhaps one of the most obvious ways that naturalistic economic knowledge has shaped capitalism lately, given that figures leading public institutions and banks directly relied upon (misleading) economic theory when designing policies, practices, and institutional arrangements. It is now fairly well known that the bubble of speculative finance, and the ensuing crash, was enabled in part by regulation designed to let markets “run themselves,” as it were.⁶⁵

Scholarship on performativity adds to this insight into ways that a naturalistic picture of markets informed market actors, as well. Much of this centers on the role of financial economics in shaping the accounting practices, and on the function of the field of accounting more generally as “an integral part of the symbolic universe of neo-

institutions and structures) required for governmentality and common sense to function effectively. (In the other direction, it likewise augments non-critical theoretical historical investigations of changes in economic practice by highlighting the contribution that economic theory and knowledge itself makes to historical processes.)

⁶⁵ A considerable portion of the still-popular histories of the financial crisis at least mention this aspect of its emergence. See, for example, John Quiggin, *Zombie Economics: How Dead Ideas Still Walk Among Us* (Princeton: Princeton University Press, 2012); Justin Fox, *The Myth of the Rational Market: A History of Risk, Reward, and Delusion on Wall Street* (New York: HarperBusiness, 2009).

liberalism.”⁶⁶ Donald MacKenzie has pointed out, for example, how the construction and valuation of complex and novel financial instruments such as collateralized debt obligations and mortgage-backed securities actually created the opportunities for arbitrage (risk-free profit earned due to differential evaluation of a product by different actors) that accumulated risk over time.⁶⁷ Others have argued that compensation practices within financial institutions helped to create “the calculative mindset” assumed to guide industry actors.⁶⁸

What is more surprising is the way that a naturalistic picture of markets continues to inform public policy and market practices, even after the crisis. As John Quiggin memorably argues in *Zombie Economics*, although the crisis seems to have killed a set of ideas he groups under the heading “market liberalism,” these “still walk among us,” through responses to the crisis centered on austerity and privatization, for example.⁶⁹ Paul Langley argues that the bailout response used to manage the crisis (which, using a Foucauldian analysis, he suggests rendered the crisis governable as much as it responded to it) was symbolically dependent upon, and in turn enacted, “conceptions of economy as a natural domain which tends to equilibrium.”⁷⁰ Other researchers have argued that

⁶⁶ Christine Cooper, “Accounting for the Fictitious: A Marxist Contribution to Understanding Accounting’s Role in the Financial Crisis,” *Critical Perspectives on Accounting* 30 (July 2015): 653–82, 65.

⁶⁷ Donald MacKenzie, “The Credit Crisis as a Problem in the Sociology of Knowledge” *American Journal of Sociology* 116.6 (May 2011): 1778–1841. As MacKenzie explains, “evaluation practices give rise to, and are informed by, distinctive ontologies: distinctive presuppositions about the nature and properties of the feature and processes of the economic world.” (1783)

⁶⁸ John Roberts and Wilson Ng, “Against Economic (Mis)conceptions of the Individual: Constructing Financial Agency in the Credit Crisis,” *Culture and Organization* 18.2 (March 2012): 103.

⁶⁹ John Quiggin, *Zombie Economics*, 2.

⁷⁰ “As the bailout apparatus rendered and acted on the crisis as a problem of solvency, the performative power of the balance sheet was at work... What was notable about the generic performativity of the balance sheet in this respect was how the spatial materiality of the device—which ‘balances’ assets against liabilities—served to symbolically represent orthodox

(otherwise promising developments in behavioral finance notwithstanding) the field of finance “continues to resist” diversification of research paradigms.⁷¹

Public calls for revisions in economic theory, the finance industry, and public oversight of financial markets more generally lend credence to claims that we have passed (as du Gay and Morgan claim) a “tipping point” for neoliberalism, at least as regards finance. And it is indeed possible that we will collectively see the recent crisis as a wake up call to attend more carefully to our modes of thought, and to recognize that markets can never conform to expectations that the mechanistic and naturalistic worldview of mainstream economics might seem to encourage. The persistence of naturalistic ways of thinking in post-crisis public life, however, indicates that is also very possible that we will not.

This is one of the potentially ironic lessons of scholarship on performativity. On the one hand, it indicates just how malleable capitalism is, and how all economic activity is, to a certain extent, a culturally contingent performance. On the other hand, it also indicates out the limits of this plasticity, above all in how all performances are necessarily path dependent.⁷² Economic performances do not straightforwardly translate theory into

conceptions of economy as a natural domain which tends to equilibrium. The financial economy, diagrammed through banks’ balance sheets, appeared as momentarily out of kilter and in danger of collapse.” Paul Langley, *Liquidity Lost: The Governance of the Global Financial Crisis* (Oxford: Oxford University Press, 2015) 87-88. In *Liquidity Lost*, “crisis governance is not explored as a set of institutional interventions taken in the face of materially evident crisis circumstances. Rather, [it explains] how the crisis was rendered governable [by paying] careful attention to the contingent manner in which it was made up and managed, as a number of relatively discrete technical problems”—namely, liquidity, toxicity, solvency, risk, regulation, and debt (5-6).

⁷¹ Yves Gendron and Jean-Hubert Smith-Lacroix, “The Global Financial Crisis: Essay on the Possibility of Substantive Change in the Discipline of Finance,” *Critical Perspectives on Accounting* (2015): 83-101.

⁷² If economics were performative because reality were fully manipulable, for example, a crash in the real estate and derivatives trading markets would have never happened; it would make no sense to say that the stability and security of various financial products (and the market

practice⁷³; instead, each works within the institutions, incentive structures, and culture (or, the conditions of felicity) generated by previous performances. It is difficult to change conceptual and behavioral paradigms when another one is not immediately available, and when there are not only institutional barriers to change, but incentives to *not* change (as is arguably the case with now established and profitable financial practices).⁷⁴

The complexity of performativity processes provides some explanation for the continued acceptance of a mechanistic picture of markets as if it were real and on firm ontological footing, despite some public knowledge of its inadequacy. It is because, to a

itself) was misrepresented if representation is all that there *is* to the market. As anthropologist David Graeber explains, “After all, if value is simply a performance, if it is just whatever people think it is, then obviously there can be no bubbles, since there is no basis on which one can say that a certain stock or plot of land is overvalued.” David Graeber, “The Sword, the Sponge, and the Paradox of Performativity: Some Observations on Fate, Luck, Financial Chicanery, and the Limits of Human Knowledge” *Social Analysis* 56.1 (Spring 2012): 28.

⁷³ This is occasionally an argument used against performativity, although it is based on a misconstrual of the performativity thesis. See e.g. “What if We Had Been in Charge? The Sociologist as Builder of Rational Institutions,” by Ezra Zuckerman, 359–378, in *Markets On Trial: The Economic Sociology of the U.S. Financial Crisis*, Michael Lounsbury and Paul M. Hirsch, editors (Bingley, Emerald Group Publishing, 2010). Zuckerman mistakenly attributes to theorists such as MacKenzie et al. a “pure” social constructionist view of performativity, and then objects using the case of the financial crisis. For a related anti-performativity argument, see Philip Mirowski and Edward Nik-Khah, “Markets made flesh: Performativity, and a problem in science studies, augmented with consideration of the FCC auctions,” in *Do Economists Make Markets? On the Performativity of Economics*, eds Donald MacKenzie et al. (Princeton, NJ: Princeton University Press, 2007) 190–224. Mirowski and Nik-Khah claim that neoclassical economics is so flawed that it cannot possibly make markets in its image.

Mirowski and Nik-Khah’s objection is related to a third major criticism of performativity studies in economics, which is that the concept distracts from more rigorous sociological analysis of the economy by mistaking an ideological account of how markets *ought* to work for how they actually *do*. Daniel Miller is among those who voice this concern. (See, Daniel Miller, “Turning Callon the Right Way Up,” *Economy and Society* 31.2 (2002): 218–233.) Theory more likely, he suggests, to be used ideologically to (mis)read markets than to make them, and in so doing to divert academic attention from the contingent social norms according to which they actually operate. His concern to not reify markets and to not obscure the deeply social nature of all economic behavior is a valid one, and ought to be kept in mind when using the lens of performativity to assess how it is that we have made and continue to perform certain economic conditions.

⁷⁴ As Roberts and Ng conclude in their analysis of the construction of financial industry actors’ sense of agency, for example, despite known shortcomings of finance theory as a form of knowledge, “its usefulness was far more important than its accuracy.” Roberts and Ng, “Against Economic (Mis)conceptions of the Individual,” 103.

certain extent, it has come to have, and still retains, a certain reality in our lives. What we must do is find a way to recognize this reality without losing sight of the fact that the limits within which we work and think are of our own making—and that therefore so are the institutions and situations in which we find ourselves.

Conclusion

This chapter has discussed some of the roles that economic knowledge has played in the production of market institutions, social norms, and conditions and outcomes—that is, in the shaping of contemporary capitalism. A naturalistic picture of market processes has been drawn upon to make sense of and legitimize action that presumes that markets are in fact amoral arenas in which human agents do not have moral agency. In cases, this knowledge has facilitated the transformation of markets and economic culture so as to more closely resemble this picture. We have, in places, made capitalism more like its (mis)representation. In so doing, ironically, we have rendered more plausible and attractive—and to a certain extent perhaps, more accurate—the two ideal typical moral accounts of capitalism introduced earlier.

The picture of capitalism developed here is a complex one. At a broader level, it is a plastic social phenomenon, subject to shaping by human agency. The forms capitalism takes, and various conditions we call “economic outcomes” are culturally contingent. Within any given moment, however, its negative aspects, such as economic injustices, and undesirable cultural dynamics, cannot be easily altered. Capitalism’s plasticity is path dependent, such that the institutions, social norms, and structures put into place in the past confront individual agents as real constraints upon their action. Capitalism today is,

in short, a system of our own making, that then comes to constrain us. And, through our own faulty knowledge, we have made it recently so as to constrain us even more.

CHAPTER 5

A THEOLOGICAL READING OF CAPITALISM AS A MORAL CONTEXT

Introduction

Chapter Three explained how a mechanistic and naturalistic representation of economic processes obscures the role of human agency in markets. Chapter Four complemented this by introducing ways that knowledge based on this picture has been used to shape the kind of capitalism we now inhabit. In doing so, it also argued that capitalism in general is a plastic, yet path dependent social order; that is, it is a product of human agency that then comes to constrain that agency. In light of these discussions, this chapter now returns to the question of how to understand capitalism as a moral context.

This chapter's first argument is that accurately describing capitalism as a moral context requires attending to the story told in Chapters Three and Four. This story explains some of the ethical inarticulacy present in both wider public conversations and in theological scholarship. Moral analysis of capitalism, and of economic issues, has been hindered by the prevalence of misrepresentations of economic processes. This misrepresentation, moreover, hides the contingent ways that economic knowledge has been used to shape capitalist markets lately. Insofar as this remains hidden, it cripples our attempts not just to morally analyze specific ethical issues, but to even describe capitalism as it really is in the first place. To move past this, we must pay attention to the way that capitalism in general is a plastic and yet path dependent social order, and the way that lately it has been shaped by naturalistic economic knowledge.

Having argued this, this chapter then begins to model one way that Christian theological reflection may engage capitalism as it really is, and order moral reflection on

economic themes. It does so by resetting discussion of it as a moral context within the wider frame of claims about the ultimate and most fundamental context of human action: God's creation, and humanity's fall, both experienced in light of God's offer of redemption in Christ; these add up to a kind of grammar of theological-social analysis that rules out certain conclusions. Within this reframing, capitalism's ambiguity as a moral context can be described as related to the tension between the goodness of creation and the way "the world" reflects and is marred by human sin. This reading suggests that capitalism expresses and is marked by humanity's fallen agency (as a part of which, it in turn compounds the limits of that agency), but that it also participates in creation's intrinsic goodness (which this chapter argues entails the empowerment of humanity's moral agency). Moreover, it is also a site of the Word's salvific and redemptive activity in human history.

Finally, this chapter considers what this theological reading adds to non-theological conversations. It argues that some kind of moral description of capitalism is necessary in order to answer the questions with which this dissertation began. Even non-theological treatment of economic issues cannot avoid resorting to moral descriptions and claims; both the ideal typical representations of capitalism, for example, hail from (and in turn propose, even if tacitly) what can be considered normative traditions. Given that these were formed in polemical relationship to modern capitalism, the normative frameworks they propose are not capacious enough to adequately encompass capitalism in its full complexity; neither ideal typical representation is susceptible to rehabilitation in light of the analysis of Chapters Three and Four. In their place, this chapter proposes a reading of capitalism from within the Christian tradition, in the hopes that the reader finds it a more compelling, and plausible, moral interpretation of capitalism today.

1. The need to overcome ethical inarticulacy by attending to capitalism as it really is, and to the role of economic knowledge/theory

The story that Chapters Three and Four just told about misleading economic knowledge and the uses to which it has been put begins to explain some of the ethical inarticulacy regarding capitalism as a moral context evident in theology and elsewhere. Some (although to be sure, not all) of this inarticulacy stems from our unconscious reliance upon a mistaken account of economic processes as natural. This is certainly the case with the two ideal typical interpretations of capitalism Chapter One discussed, which both tend to presume that economic processes are natural phenomena governed by laws of the market. As such, these representations do not portray capitalism as it really is: a culturally contingent product of human agency. Neither do they provide moral interpretations that can encompass capitalism as it is really experienced, in its full ambiguity.

Previous chapters indirectly made this case; this one now makes this claim directly: moral analysis of capitalism is likely to founder if it is not based upon attention to capitalism's plasticity, yet path dependent nature. It is also likely to be incomplete if it begins from premises that cannot contain or engage its ambiguity and complexity as a context—that is, how it may be experienced as just and empowering on some margins and for some agents, while simultaneously unjust and constraining on and for others. Finally, moral analysis of specific issues is likely to be incomplete to the extent that it fails to attend to the role that economic knowledge has played in the formation of the conditions analyzed: certain policies, for example, or business practices, which are unnecessarily legitimized and lent support by naturalistic assumptions about markets.

This may be an unwieldy account of capitalism. It is certainly nowhere near as easy to grasp or as morally satisfying as “capitalism is liberating,” for example. However, the argument of Part I of this dissertation is that projects of moral description in general, and Christian theological reflection in particular, should address capitalism as the plastic and path dependent social order that it is. This is most likely to bring into view its ambiguity as a cultural and structural context for the moral life—or, at least, is less likely to predispose reflection to drop any aspect of its complexity from view. Moreover, moral reflection stands to be greatly improved by attention to the role that economic knowledge has played in shaping capitalism lately. This especially can aid us in the quest to get behind and move beyond unsatisfying and partial interpretations of our context.

2. One theological reading of capitalism

This chapter now turns to model one way that Christian theology could be brought to bear fruitfully on capitalism, understood as it really is, and in so doing to offer a moral interpretation of capitalism that it proposes can encompass the ambiguity and complexity of capitalism as a moral context. It does so by beginning from theological claims about the ultimate context of all human action: God’s good creation, which humanity inhabits after its fall, but experiences in light of the offer of redemption in Christ. Using these claims, it then reads capitalism in light of them as a part of the ongoing story of humanity’s relationship to God.

Creation, fall, and redemption are by no means the necessary or only frame in which to begin such a reading. Christian theological reflection could (and does) also, for example, begin from eschatology, and consider our contemporary context in light of the end of human history, or from Christology, or from Christ’s teachings about economic life

and the economy of grace in the gospels. In fact, when compared with these theological loci, beginning with creation may seem like an overly broad and vague point of departure for reflection on such a specific historical phenomenon, and moment.

It is this broadness that makes creation, fall, and redemption a particularly useful frame for recalibrating discussion of capitalism. A perennial temptation of social analysis (theological or not) is to zoom in too close to the phenomenon at hand, as it were, and engage only one or two of its aspects. As Chapter Two argued, in theological scholarship, this (compounded with the distraction of a naturalistic representation of economic processes and capitalism) has resulted in engagement of capitalism that has let various details about it set the terms of theological reflection—by say, either demonizing or becoming overly appreciative of some aspect of economic life today, and losing sight of the larger theological narrative within which specific analyses must make sense.

By turning to creation, fall, and redemption, this chapter attempts to use a wide angled lens, as it were, that will allow a more synoptic view of our moment. In nesting a moral description of capitalism within these doctrines, this chapter aims to ensure that core theological commitments fund, rather than conflict with, its description; as noted, these commitments together take off the table certain moral conclusions. That is, the moral description they generate have to hold in tension at once affirmations about the goodness of God's creation, the sinful and broken character of human existence after the fall, and yet also God's initiation and offer of redemption and grace in Christ.

2.1 Creation and fall; fundamental goodness v. sin and "the world"

The book of Genesis begins with repeated divine affirmations of creation's goodness, after each day of the creation process. Light and darkness, water and earth,

animals and vegetation; after each, it declares, “And God saw that it was good.” Later Christian theologians posited it is the divine agency undergirding reality’s emergence from nothingness (the doctrine of *creatio ex nihilo*) from whence this goodness derives, and that even now creation’s ongoing existence depends utterly on this free and loving gift of God (the complementary doctrine of *creatio continua*). This goodness undergirds not only the earthly environment, but humanity as well. After making the rest of the cosmos, Genesis reads, “then God said, ‘Let us make humankind in our image, according to our likeness.’” The Early Fathers read this passage Christologically, and this image as that of the second person of the Trinity, God’s Word become incarnate in Christ.² Having been made not only by God, but in God’s image and likeness (which theologians have read in a range of ways, from indicating human nature’s capacity for reason or relationship to an initial participation already in God’s own life through the Word³), humanity was the last of

¹ Genesis 1.1-25. This and following scriptural references are taken from the New English Translation.

² See for example Athanasius, “Against the Arians,” translated by John Henry Newman and Archibald Robertson, in *Nicene and Post-Nicene Fathers*, edited by Philip Schaff and Henry Wace, Second Series, volume IV (Grand Rapids, Eerdmans, 1987), discourse 3, 399: “For though we have been made after the Image, and called both image and glory of God, yet not on our own account still, but for that Image and true Glory of God inhabiting us, which is His Word, who was for us afterwards made flesh, have we this grace of our designation.”

³ Karl Barth, for example, held that this passage indicates that humanity has been made for relationship with God, through Christ. Also reading this Christologically, Gregory of Nyssa suggested it signified that at creation humanity already enjoyed a participation in God’s goodness: “in saying that man was made “in the image of God”: for this is the same as to say that He made human nature participant in all good; for if the Deity is the fulness of good, and this is His image, then the image finds its resemblance to the Archetype in being filled with all good.” Athanasius argued something similar: that humanity initially escaped the corruptibility of their “natural state by the grace of participation in the Word... because of the Word present in them.” Karl Barth, *Church Dogmatics* III.1. edited by G. W. Bromily and T. F. Torrance (Edinburgh: T & T Clark, 1958) 183-7; 191-200; 289-95. Gregory of Nyssa, “On the Making of Man,” translated by Henry Austin Wilson, in *Nicene and Post-Nicene Fathers*, Second Series, volume V, edited by Philip Schaff and Henry Wace (Grand Rapids: Eerdmans, 1994), 405. Athanasius, *On the Incarnation*, translated by John Behr (Yonkers: St. Vladimir’s Seminary Press, 2011) §5, 54. For an introduction to the range of interpretation of this passage as it relates to humanity’s relationship to Christ, see Kathryn Tanner, *Christ the Key* (Cambridge: Cambridge University Press, 2010), 1-25.

the creatures to be made. After making them, Genesis records, “God saw all that God had made, and it was very good.”⁴

It is not long, however, before humankind complicates this initial state of goodness—both their own, and that of creation more generally. Almost immediately, humanity chooses to use its agency to disobey God, and is expelled from its initial home in a garden paradise. With this, creation becomes host to human sin—and to some extent, also stained by that sin. The divine curse given in Genesis 3 seems to indicate that in the wake of humanity’s fall from grace, creation itself has changed in some significant way. As a result, its original goodness notwithstanding, its moral status becomes less straightforward. Interpreted maximally, this means that creation itself has fallen along with humanity, and is now but a fractured version of what God originally intended. Perhaps, for example, the violence found in nature today does not reflect divine intentions for creation, and the peaceable accord between the wolf and the lamb, and the calf and the lion mentioned in Isaiah 11.6 is not merely an eschatological promise, but presages also a restoration of an initial harmony now lost. Interpreted more minimally, creation now merely hosts human society, which is itself now corrupt. On this reading, Paul’s claim in Romans 8 that “creation itself also will be set free from its slavery to corruption,” and that “the whole of creation has been groaning as in the pains of childbirth right up to the present time” has much more to do with creation bearing the abuse of its sinful and fallen inhabitants than its own changed nature.⁵ Interpreted either way, our only experience of creation’s original goodness is now through the lens of the fall. As a result, the context in which humanity operates is a fraught one.

⁴ Genesis 1.31.

⁵ Romans 8.21-22.

Anxiety over this is especially apparent in the perennial Christian ambivalence over the status of “the world,” a heavily freighted theological trope. In its most extreme version, the world may be equated with creation itself, understood as an arena in which sin has full reign, and which will be entirely destroyed and overcome by the eventual kingdom of God. This understanding of the world can lead to a stark church-world dichotomy. A more apocalyptic reading of this dichotomy as antagonistic can be supported by scriptures such as John 15, in which Christ claims, “If the world hates you, keep in mind that it hated me first. If you belonged to the world, it would love you as its own. As it is, you do not belong to the world, but I have chosen you out of the world. That is why the world hates you.”⁶

Other uses of the world construe its opposition to the followers of God as less total. The world may, for example, be read as simply irrelevant and to be ignored, given that (as 1 John claims) “this world is passing away.”⁷ (It is possible that this has been used to argue that human treatment of the created environment itself is of no lasting importance, because its ultimate destiny is destruction.) A more common approach equates the world primarily with the sinfulness of fallen human society, rather than with creation altogether. In this view, the world is full of moral danger due to the dominion given to Satan before the return of Christ; what is worldly is not creation or even the *saeculum* itself, but the sinful pretensions of human society seen in the Tower of Babel, and in Augustine’s *civitas terrena*. (Indeed, the gospel accounts of Jesus’ life and Hebrew Scriptures are characterized by an ambivalence about cities grounded in the suspicion that

⁶ John 15.18-19. And, of course, there’s also Christ’s statement in John 17, “I am not of this world.”

⁷ 1 John 2.17.

they represent human pride, and are especially vulnerable to worldly immorality.⁸) Paul's admonition to not "conform to the pattern of this world" can be read in this light; it is difficult to reside *in* this world without being *of* it, but that is one of the aims of the Christian life.⁹

Such a careful distinction between God's good creation and the world as the realm of fallen human sociality, however, is difficult to maintain, and slippage occurs between the treatment of the two, in the form of a semi-ascetic *contemptus mundi*.¹⁰ It is this *contemptus mundi* that undergirds the deep ambivalence within Christian ethics about material possessions, ownership, and wealth that Chapter Two mentioned. At least as much as does sex (and possibly more so), wealth and ownership triggers and brings to a focus Christian anxieties about how human existence after the fall takes place within a fraught and potentially hostile environment that is full of danger, temptation, and difficulty.

These difficulties and dangers can be grouped into at least three distinct categories. The first of these concerns creation itself. Whether or not it is itself damaged in the fall, or simply host now to human fallenness, God's curse in Genesis 3 seems to

⁸ Genesis 4 describes Cain, the first murderer, as founding the first city; Exodus portrays the wandering Hebrews as ambivalent about cities, and so forth. Philip Sheldrake, *The Spiritual City: Theology, Spirituality, and the Urban* (Chichester: Wiley Blackwell, 2014) 15-18. See also Jacques Ellul, *The Meaning of the City* (Grand Rapids, MI: Eerdmans, 1970).

⁹ Romans 12.2.

¹⁰ This may be because the New Testament uses the Greek *kosmos* in three related senses: as an equivalent of the Hebrew Bible expression "the heavens and the earth" (meaning, the whole of creation); as the inhabited earth as the sphere of human activity; and as just human society. In all of these meanings, "the world is God's good creation, established by covenant, but corrupted by the Fall." As Hugh Pyper argues, these three uses tend to blur together, and "it has proved difficult for Christians not to turn rejection of the world in the more nuanced theological sense into a simplistic rejection of the created order as such." Hugh S. Pyper, "The world," in *The Oxford Companion to Christian Thought: Intellectual, Spiritual, and Moral Horizons of Christianity*, edited by Adrian Hastings, Alistair Mason and Hugh S. Pyper (New York: Oxford University Press, 2000), 761.

indicate that creation now presents certain impediments to human flourishing that were not divinely intended:

To the woman he said, "I will surely multiply your pain in childbearing; in pain you shall bring forth children. Your desire shall be for your husband, and he shall rule over you." And to Adam he said, "Because you have listened to the voice of your wife and have eaten of the tree of which I commanded you, 'You shall not eat of it,' cursed is the ground because of you; in pain you shall eat of it all the days of your life; thorns and thistles it shall bring forth for you; and you shall eat the plants of the field. By the sweat of your face you shall eat bread, till you return to the ground."¹¹

Read literally, this curse saddles humanity with the pain of reproduction, gender power struggles, and the hard labor and perpetual insecurity of agricultural labor.¹² Read more expansively, this may be taken to indicate that life in creation is now full of difficulty, of all sorts. These appear, at least theoretically, unnecessary, given that God's original intent was for creation to provide a more genial and compliant context for human life. However, that intent was thwarted by human sin (which, depending on one's read of the situation, itself marred creation's original goodness, or prompted God to do so, as punishment to humanity). In either case, humanity's physical context now offers a complicated terrain for action that resists bending to human wishes in any simple and straightforward way.

The second difficulty that a fallen world presents to human agency is found not within physical creation, but in human nature itself. In the Christian reading of the Genesis story, east of Eden and yet before the eschaton, as the result of its sin humanity's original nature has been corrupted. This corruption has both a voluntarist and an epistemic/noetic dimension (both of which are taken up further in Chapter Six). This first aspect is easily summarized: our wills are sinfully misdirected toward lesser goods. We

¹¹ Genesis 3.17-19.

¹² As Gerhard von Rad puts it, the relationship between humanity and the earth has been broken, "resulting in an estrangement which is expressed in a silent combat between man and the soil." Gerhard von Rad, *Theology of the Old Testament, Volume I* (Louisville: Westminster John Knox Press, 2001) 159

willfully choose evil because our wills themselves are bent. The second aspect of this condition adds to these misshapen wills our epistemic limits—or, perhaps more accurately, our distorted moral vision. That is, in addition to being prone to desire the wrong ends, humans also regularly misidentify and misunderstand these ends, often overvaluing lesser goods. We may sense this, and lament it, and yet we may not; this damage is ultimately only fully recognizable for what it is, and repairable, through the action of divine grace. Left to their own devices, humans are predisposed to want lesser goods, and may not even have the capacity to identify them as such—and, moreover, we often lack the capacity to even know this about ourselves.

Finally, in light of our location in a creation that resists us in ways we intuit it should not, and of the damage to our moral agency done by sin and the fall, it should come as no surprise that we may discern within the tradition a third distinct source of difficulty besetting human moral action within the world: social orders designed by humans. In humanity's fallen state, any product of human agency must inevitably bear the marks of both their pervasively misdirected wills and their clouded moral judgment. (On this latter obstacle to moral action, Augustine laments, "social life is surrounded by such darkness... [although moral judgments must still be made,] ignorance is unavoidable"; this is, he writes, an aspect of "the wretchedness of man's condition."¹³) No human creation can avoid being deformed by the sinful condition of fallen humanity. In the case of social orders, this deformation naturally is of the sort that hinders moral action, and conduces to sin (again, think of the role of cities in the Hebrew Bible as sites of wickedness, and corruption of even those chosen by God).

¹³ Augustine, *The City of God against the Pagans*, XIX, 6; 927, 928.

On at least three distinct levels, then, before the ultimate redemption of humanity (and creation along with it, perhaps), human agency is not fully free, or fully efficacious to the good ends humans desire. It cannot be, due to the results of sin, and the effects of the fall, which have made our agential fit within our context an uneasy one, at best.

2.2 Persistence of responsibility as indirect acknowledgement of agency

This introduction of creation as a context has jumped quickly from creation to fall (and introduced them without reference yet to redemption, or Christ, which this chapter will introduce shortly). It is worth briefly returning to the theme of creation's essential goodness, and that of humanity within it. Although sin has marred this goodness, it does not eradicate it. And one aspect of this goodness that it does not destroy is creation's role as a functional context for moral agency, within which even fallen humans are still responsible moral agents.

True, postlapsarian humanity faces exhausting labor, and its actions are vexed and stymied. However, they are not told that these difficulties remove their moral capacities or responsibilities. Instead, they are reminded that they now know "good and evil," and, if anything, have a heightened moral responsibility as a result. (It is especially worth reiterating this in this discussion, given that one of the arguments thus far has been that part of capitalism's unique fallen nature is that it makes it hard to know how to act, and how to judge actions.)

The very first biblical description of human action after the fall underscores the persistence of moral responsibility. Cain, the son of the first human couple, fails to please God, perhaps in part due to an interlocking set of difficulties he already faces, both epistemic and material. Does he know that God prefers animal to vegetable sacrifices?

Does he have the opportunity to offer an animal sacrifice, or were the “fruits of the soil” all that he could bring? The text does not make it clear why Abel should be chosen, or whether Cain knows why; it is, as one biblical scholar comments, “reticent.”¹⁴ Whatever the reason, however, the text does clearly show God reminding Cain of his moral responsibilities, well in advance of his murderous actions: “sin is crouching at your door; it desires to have you, but you must rule over it.”¹⁵ Human life after the fall appears to begin with strife, mistakes, regret, violence, and even a certain amount of confusion. Genesis notes this with a strong condemnation of human moral failure, and an unambiguous assessment of this failure as both predictable, and yet preventable.

This chapter proposes that within precisely this condemnation and lament, the scriptural picture of the genesis of human life within creation and after the fall also begins with an unambiguous acknowledgement of the existence, and persistence, of human moral capacities, despite the travails of life in creation as a result of the fall. Finding this affirmation requires working backward, to be sure, from the usual reading of scriptural treatments of human agency, which are often negative in nature. We are informed of our capacities often by being called account for a failure to use them appropriately.

This affirmation of human moral agency can also be found by reading backward (or perhaps, put differently, looking at the edges of) classic theological treatments of moral agency, which generally begin and end with the priority of divine agency. From Augustine and Thomas Aquinas to Karl Barth, Christian thought contains a consistent legacy of beginning and grounding discussion of created agency with its source in divine agency, based on the concern that to do otherwise would give too much theological

¹⁴ Joel N. Lohr, “Righteous Abel, Wicked Cain: Genesis 4:1-16 in the Masoretic Text, the Septuagint, and the New Testament,” *The Catholic Biblical Quarterly* 71 (2009) 486.

¹⁵ Genesis 4.

license to human aspirations to total freedom, and to risk developing overly appreciative (and perhaps Pelagian) account of our capacities. It is only by acknowledging that God as the source of all being is also the source of all human freedom for action that we can begin to talk of human freedom rightly. As Kathryn Tanner explains,

The theologian should talk of created efficacy as immediately and entirely grounded in the creative agency of God. If a theologian's discourse conforms to our rule for talk of God's agency, he or she should say that divine agency is required for any power, operation and efficacy of created beings; conversely, created beings should be said to have power, to operate and produce created effects only as God's agency extends to them in those respects.¹⁶

Tanner's point in emphasizing this in is to counter what she sees as an overemphasis in contemporary theology upon creaturely independence and power, which are "distortions of talk about the creature's capacities that a modern cultural climate promotes."¹⁷ Such distortions muddle theological conversations about the relationship between divine sovereignty and creaturely agency, and lead to incoherent talk about God.

The momentum of such statements might seem to direct attention away from human moral capacities, and to make all talk about human agency theologically improper. It is more accurate to say that such statements should be understood to (dramatically) redefine "capacities" so as to no longer mean anything like "independent powers"; it is the suggestion of independence that is the theological problem with beginning with human agency, not the affirmation of agency itself. It is theologically significant that at no point in the Christian tradition has a concern to avoid speaking improperly of creaturely agency led to the erasure of talk about such agency altogether. Nestled within even the most cautious qualifications and clarifications of the priority of divine agency always remains an acknowledgement of the existence of human agency—albeit on the new terms required by

¹⁶ Kathryn Tanner, *God and Creation in Christian Theology: Tyranny or Empowerment?* (Minneapolis: Augsburg Fortress Press, 1988) 91.

¹⁷ Tanner, *God and Creation*, 162.

the recognition that it only exists as a result of the gracious gift of being, and never exists in competition with divine agency. (For example, Part II will explore how this is the case in Lutheran thought, broadly construed.)

In this chapter, my purpose in referencing these qualifications of creaturely agency within creation, then, is to let them serve as a reminder of the existence of what they qualify. In this, my intention is something of the inverse of Tanner's: to use an affirmation of the divine grounding of all creaturely agency to counter tendencies to *undervalue* human capacities for agency—tendencies which likewise lead to a certain kind of incoherent theological discourse, this time about human capacities to respond to the divine gift of being.¹⁸ As Tanner explicates this core insight, it goes something like the following: insofar as creatures are free to act, they are so out of the divine gift of being. What I propose we recognize is that this claim entails also something like the following: insofar as we enjoy the divine gift of being, we can affirm we are free to act. Theologically, we know of our moral capacities (and therefore also responsibility) because we affirm that existence itself is divine gift, and that a central dimension of that gift is human moral agency.

2.3 *Redemption, and the Word as underwriting creation's original goodness*

¹⁸ In adopting this sort of theological affirmation-as-a-strategic-move approach, this chapter engages in a Tannerian kind of pragmatism:

“Theologians form statements about the creature’s capacities then, to head off illicit implications of talk about divine sovereignty. Theologians form statements about divine sovereignty to counter improper inferences from talk about the creature’s capacities. In doing so, they further their own practical agendas while ensuring that talk of God and the world conform to our rules for coherence. A number of factors may enter into the theologian’s determination of which sort of statement poses the greater danger for a Christian form of life. ... Which sort of statement is that audience more likely to misconstrue?” Tanner, *God and Creation*, 115; see also 117.

This remainder of agency, however, is not enough, and in fact fallen human moral agency does more to damn humanity than it does to empower it. Despite its remainder of agency, humanity cannot save itself, either by perfecting its moral powers or by earning and accomplishing communion with God. With this in mind, then, we might say that what matters most in the story of creation and the fall so far is the bind it reveals humanity to be in: bearing a responsibility we can no longer fulfill. In this description, creation is still an appropriate arena of moral action and responsibility, but it is not an arena in which humanity can win, as it were; it is, instead, one filled with struggle and sin, damnation and confusion.

Fortunately, the fall is only half of the Christian story. The other half is redemption and restoration, offered through the person of Jesus Christ. In Christ, the Christian story proclaims that the sinful and powerless condition of fallen humanity has been resolved and ultimately transformed by divine grace. As God's own Son, and the second person of the Trinity, the incarnation of Jesus within human history marks a turning point within the theological drama this chapter is sketching. In his life, death, and resurrection, in the person of Jesus God has made possible humanity's reconciliation with Godself. The specifics of this have been narrated in various registers over the years: in some, very fact of the Incarnation itself makes possible the healing of human nature through ecclesial mediation (as in Athanasius); in others, Christ's death allows for the payment of a debt of honor due to God that humanity was otherwise incapable of paying (as in Anselm), or satisfies divine wrath over human sinfulness (as in Reformed thought).

In all of these, Christ is both fully human and fully divine, and his life presents the definitive answer to and resolution of the human agential predicament. This answer enables humanity's reconciliation with God, despite its sinful state, which without this

grace leads to death (as Paul wrote, Christ is the “final Adam,” and “as in Adam all die, so in Christ all will be made alive”¹⁹). This answer is more than just clerical, as if humanity solely needed permission to enter God’s presence, or to avoid death; it is also rehabilitative, and involves a reconstitution (or, construed differently, fulfillment²⁰) of the individual’s human nature.²¹ The risen Christ invites humanity to believe and accept that he has graciously made possible their reconciliation with God, and that through the power of his Spirit (especially mediated, Christians claim, through the church) they can slowly come to conform to the model of Christ himself. This process of sanctification, of becoming more holy, entails not simply the restoration of what humanity lost of its own nature in the fall (although it is certainly that). As Kathryn Tanner puts it, it is the gift to human nature of what is *not* natural to it, but what is essential to its flourishing: participation in the good of God’s own being.²² Christ himself is both the agent and prototype of this restoration of human nature—and above all in his agency, and his free obedience to God.²³ In theology that extends this restoration to all of creation, Christ’s redemptive activity spans out also into a broader “cosmic redemption.”²⁴ For both

¹⁹ 1 Corinthians 15.22, 45.

²⁰ For example, in contrast to Protestant construals of fallen humanity’s condition as “totally depraved,” as itself therefore needing reconstitution, Tanner, argues that sin does not mar human nature, but “damages the way divine power is present to us.” Tanner, *Christ the Key*, 67.

²¹ As Augustine puts it, “evil is removed, not by removing any nature, or part of a nature, which has been introduced by the evil, but by healing and correcting that which had been vitiated and depraved.” *City of God*, XIV, 11. 272.

²² Tanner, *Christ the Key*, 58-66. On the difference between these two states, Augustine, for example, describes prelapsarian human agency as *posse non peccare*, and post-salvation agency as *non posse peccare*. The latter of these, more closely modeling Christ’s own agency, is clearly superior. See for example *City of God*, Book XXII, chapter 30.

²³ For discussion in a Barthian register of the “agential integrity” of Christ as a human, and of the significance of his free action for the project of reconciliation and sanctification, as well as for the exercise of human agency now, for example, see Paul Dafydd Jones, *The Humanity of Christ: Christology in Karl Barth’s Church Dogmatics* (London: T&T Clark, 2011) 170; 170-184.

²⁴ See, for example, Maximus the Confessor, *On the Cosmic Mystery of Jesus Christ: Selected Writings from St Maximus the Confessor*, translated by Paul M. Blowers and Robert Louis

humanity and creation, this restoration and process of perfection has already begun in a real, even if not always straightforwardly discernible, way.

Given our temporal locations, it may be tempting to see this as a discrete moment in the story—as if Christ happened in a particular moment, and from then forward in human history, grace is available, and creation is on the rebound. However, the claim that Christ is God’s Word suggests that it is Christ who underwrites, and is the agency behind, creation’s goodness in the first place. It is not as if God just left creation and humanity with it alone for some time after the fall, to seek under its own power the remainder of goodness in some hidden or nearly demolished form. Rather, its original and remainder of goodness is itself the result of and continually affirmed by its being called into being by the second person of the Godhead, Christ. It is in the action of the Son, the word, that created reality has its being in the first place.

This affirmation nuances and slightly alters what this chapter just said about creation’s goodness being its empowerment of human response to divine agency. The incarnation revealed that this goodness is (and was) not some isolable character of creation itself, apart from God’s action. Rather, it was all along, and is now still, Christ at work in creation. Creation is good because it is the product of divine agency in the person of the Son. Humanity responds to God’s invitation within this arena because it is all along sustained lovingly by Christ, “in whom we live and move and have our being, “ and because it is the arena in which humanity responds to grace which, after the Christ event, Christians now confess as having come from Christ all along.

Wilken (Yonkers, NY: St. Vladimir’s Seminary Press, 2003); and David S. Yeago, “Jesus of Nazareth and Cosmic Redemption: The Relevance of St. Maximus the Confessor,” *Modern Theology* 12.2 (April 1996): 163-193.

3. *What this story means for capitalism as a moral context*

To start with, nesting reflection on capitalism within this broader theological vision provides immediate cause to dismiss both of the ideal typical moral interpretations of capitalism Chapter One introduced. Firstly, affirmations about the effects of sin provide reasons to find the narrative that capitalism is a perfectly natural fit for the moral life clearly problematic. This cannot be taken as a theologically accurate description of our socioeconomic moment, because it cannot accurately describe *any* moment in human history. Humanity inevitably exists in a kind of feedback loop with its environment, which we distort through sin, and in which we then suffer. As a result, creation itself is no longer a straightforwardly compliant context for human agency of all kinds, and human history is hardly a “natural” context. We are, unfortunately, stuck in a situation that is an imperfect fit. This is true regardless of the context in which we exist: political, historical, cultural, economic, and so forth.

Moreover, given humanity’s damaged moral capacities, this is *a fortiori* true in all human-made contexts, such as is capitalism today. Of course fallen humans would construct a broken and corrupt social system, which further incites them to sinfulness, and hinders their moral capacities. This is one of the insights of the Christian suspicion of the category of “the world.” Since capitalism is undeniably worldly, it will contain much to reject, and much to which we ought not conform, and against which Paul encourages Christians to be renewed.

In short, by assuring Christians that all contexts must in some way fail to support and actually render more difficult the exercise of human moral agency, theological affirmations about the effects of the fall offer a way to make sense of any “misfit” we experience between our desires and our capacities in markets. And where such a misfit is

not perceptible, such theological affirmations provide grounds on which to search for them, and to suspect claims that a given context presents no difficulty for moral action. That is, the doctrine of the fall provides an occasion to engage in careful consideration of the interaction between humanity's sinfulness and the world in which we live. How, it prompts us to ask, do we see our sin marring the world today, and its effects written large upon creation?

At the same time, however, this theological grammar also gives Christians reasons to reject accounts of capitalism that depict it as irremediably corrupting, and that accordingly imply that economic life now prevents, coopts, or disables moral agency. This is because this broader theological narrative gives us grounds to be suspicious of totalizing claims about the corruption of *any* age, or social system.

This is the case even when simply considering economic life through the lens of claims about creation and the fall, even apart from and before adding Christ into the picture. If creation remains fundamentally good, so must all social contexts which, by their very existence, participate in and exist within creation. And one aspect of its goodness—or so I have argued the tradition implicitly claims—is its empowerment of humanity's moral agency. Insofar as a social context remains within creation, it cannot entirely prevent human moral agency—this is simply not within the purview of what any aspect of creation does. As a result, locating reflection on capitalism within this theological frame licenses the affirmation that capitalism must in some ways actually support, or at the very least enable, our moral agency. And, it indicates that we ought to be about finding out what these ways are, so as to focus on them.

Now, to turn to affirmations of creation's intrinsic goodness in reflection on capitalism may seem odd; referencing creation when addressing social orders courts the

danger of reifying or blessing a given order by finding within it divine intentions for human life.²⁵ This is not the intention of this chapter. The claim that capitalism must in some way empower moral agency because it participates in the goodness of all existence in no way leads to the claim that capitalism expresses God's will in any straightforward way. It does not—at least, not any more than other social orders such as feudalism or the nation state of Canada did, or does. Despite its fundamental goodness (related to its isness) capitalism is a social order just like these, which bears the effects of the fall and human sin in its own distinct ways.

It may be easier to keep in view how capitalism is affected by and caught up in the larger dialectic of tension between creation and fall in human history by considering what the person and life of Christ adds to this—from and in whom creation has its original goodness in the first place, and apart from whom, strictly speaking, humanity does not know the truth of its fall. In uniting Godself with the materiality of creation, and with human life in particular in all of its mess and yet beauty, God affirmed again that what God had made was good. Christ's advent also, however, acknowledged and made clear humanity's utter and dire need for divine help—and simultaneously provided that help, free of charge. That is, Christ's life, death, and resurrection is at once a rejection and an affirmation: an emphatic *no* to the disorder of human sin, estrangement from God, and

²⁵ Creation theology has in fact been used at various points to do just this, and to assert that various social orders (and in particular, oppressive ones) expressed the divine will. On this, see Ernst M. Conradie, "What on Earth Did God Create? Overtures to an Ecumenical Theology of Creation," *The Ecumenical Review (World Council of Churches)*, 66. 4 (2014): 433-453.

Yet, it has to be admitted that the track record of theological reflection on what God has created has been disastrous, to say the least. Those who have claimed to know what God created have often derived oppressive consequences from it. It has been used to construct theological legitimation for domination in the name of differences of gender (and patriarchy); race, class and caste (allusions to the "children of Ham"); sexual orientation; and species (claims for human superiority). (437-8)

The trick here is to talk about capitalism as participating in creation's insofar as it enables agency, without attributing to any particular configuration divine intent, or blessing.

prideful human attempts to overlook these or to handle them ourselves; but an even more emphatic yes to God's original love for creation which through Christ has led to reconciliation and redemption. In Christ, God reveals Godself to be not only Creator, but also Reconciler and Redeemer (we might say, with Karl Barth), and that as a result the true story of creation is not only its goodness and the subsequent fall, but also redemption. As Barth puts it, in the Christian story, "the first and last word is Yes and not No."²⁶ Both this yes and no apply to economic life today, and to humanity within capitalism. Firstly, insofar as it exists, capitalism does so through the action of the Word. And yet, it is included in Christ's no to humanity and sin. Economic life today is the result of the distortions of humanity's fallen condition, and is an arena in which we continually demonstrate our sinfulness.

Finally, however, given that the Son's action in creation is salvific and redemptive, capitalism is also an arena in which this salvation and redemption occurs. Theologically, it must be—the Christian story does not permit us to conceive of a historical moment exempt from God's saving action (even those historically antecedent to the life of Christ, in most interpretations). As a result, capitalism must be an arena in which this redemption is occurring, even now. Given that redemption involves not just a new balance on some cosmic or spiritual ledger between the human and God, but also a restoration and perfection of human agency more generally, the Christian story invites us to see that the empowerment and perfection of human agency must also occur within capitalism. Moreover, it is a site of Christ's restorative activity of all of creation, in which creation,

²⁶ "The final word is never that of warning, of judgment, of punishment, of a barrier erected, of a grave opened. We cannot speak of it without mentioning all these things. The Yes cannot be heard unless the No is also heard. But the No is said for the sake of the Yes and not for its own sake. In substance, therefore, the first and last word is Yes and not No." Barth, *Church Dogmatics* II/2, 13.

along with humanity, is gradually being perfected, and made more fit for God's presence. This process of perfection no doubt includes its restoration as a context for human moral agency, and there is no reason not to extend this to capitalism.

That said, this process that has begun is not yet completed; God's kingdom is already inaugurated, but it is not yet fully realized. So too with the redemption of creation, the salvation of humanity, and the sanctification of those who already are saved by faith through grace. It is for this reason that the claim that capitalism currently hosts and accordingly participates in Christ's salvific and redemptive activity in human history can never lead to the Pollyanish sense that all will be alright. Short of God's final and full return, nothing in human history will ever be "alright." Moreover, the picture between now and then is an ambiguous one, and it is hard to point out with any precision what is going on in any one person (even the self), or any one moment. God's intervention into human history in the Incarnation did not initiate a straightforward narrative of moral progress from then onward. This is, above all, due to (again) human sin, and the room allotted for human moral agency. We are, when we want to be, left to our own fallen devices. It should come as no surprise that this is certainly the case in capitalism today, and all economic life more broadly—that is, when humans reject grace today, they can and often do so through economic means.

However, the offer of grace is there. And (or so I am arguing) Christian doctrines invite us to see, in this moment this offer comes through (among other media) the ordinary business of economic life. In markets, just as we live out our sinful and fallen condition, complete with our unbearable moral responsibility and our profound constraints, we may simultaneously stumble across the grace to be forgiven, empowered, and gradually perfected moral agents.

3.1 *Our natural desire to shirk the duty of attending to the signs of the times*

Before concluding, it is worth adding that this story offers at least one further new perspective to the conversation of Part I: it suggests that one of the appeals of engaging in dichotomous thinking about capitalism is that it helps us avoid grappling with the full complexity of this context, and what it means to live the moral life today from within the world. Triumphalism and narratives of decline trade upon parallel temptations to ignore and withdraw from this messiness, which Christians see as the inevitable messiness of living in the saeculum. If capitalism is heaven on earth, or perhaps as close as can be achieved, Christians (and perhaps others) have no need of social analysis, and *a fortiori* if the opposite is true—in this case, the church is better off withdrawing from the world than thoughtfully considering its twists and turns.

Despite what its defenders and detractors claim, however, capitalism is neither heaven nor hell on earth, and Christian thought is inconsistent with itself where it suggests that it is one or the other. Such a stance either falsely immanentizes the eschaton, or drops its possible inbreaking from view entirely. Theological reflection must avoid accepting any social narratives that prematurely conclude the saeculum, regardless of whether this foreclosure is a cheery or grim one.

Instead, the narrative introduced here urges us to attend carefully to each historical moment, and to learn to interpret, as Jesus is recorded as saying in Matthew, “the signs of the times.”²⁷ These signs surely include the specifics of every given human order, including the contingent ways that each encourages or discourages virtue and moral action, and leads to or prevents the justice that characterizes the kingdom of God.

²⁷ Matthew 16.3.

Indeed, the claim that through Christ God has already begun renewing creation and building the Kingdom now, but that this work does not progress in a linear fashion that is fully knowable yet by us, invites us to see that capitalism itself contains both signs of this divine activity, and humanity's resistance to it. Real, and perhaps even measurable, improvement and deterioration in justice and in moral conditions do exist. We may judge, for example, that the balance of justice and injustice within capitalism today presents an improvement over the balance of injustice and justices of earlier forms of (almost wholly unregulated) capitalism, and certainly over the slave run social orders of less proximate pasts.

Parts II of this dissertation now turns to take up precisely such an act of judging, specifically with regard to not just the outcome of our current capitalism moment, but for the agential predicament into which it places us. How does economic life today hinder, confuse, and complicate moral action? Then, in what ways does it open space for moral action, by say, allowing human agents to improve in virtue, extend love to and exist in relationships of justice with neighbors, and build a world in which it is easier for others to do so, as well? And how can the frame sketched here invite us to see our situation differently?

Conclusion: On the use of this moral description

This chapter proposed one reading of capitalism as a moral context for human life through the lens of theological claims regarding creation, fall and redemption. This reading, it suggests, invites us to see capitalism not as a natural or inevitable "thing" confronting human life (for either good or ill), but as an ambiguous context of our own making, accordingly both fallen and yet good: fractured and bearing the mark of sin, and

yet called to redemption through God's grace. Likewise, it invites us to see ourselves as sinful beings of dubious yet real agential powers called to salvation and redemption by God's grace, despite—indeed, *through*—our location in a capitalist corner of creation.

As the introduction argued, for those in the Christian tradition, categories such as sin and grace add up to a way of seeing and inhabiting the world. For those who view the world through them, this chapter has proposed one way to understand these at play in the world today, and in turn to read the world through them. And, it has argued that the particular reading it is more faithful both to the fundamental commitments of the Christian tradition, as well as to what we know (to the best of our abilities, currently) about capitalism today.

By way of concluding, it is worth also asking what this theological description offers for those who may not see the world through the lens of creation, fall and redemption. What might this add to wider conversations about economic life? Cannot we simply achieve the ethical articulacy this dissertation argues we need by carefully attending to social scientific scholarship, for example? What does, or can, a normative description add to this?

The first thing to be said is that it is hard to answer questions this dissertation began with—about agency, about the moral life—without recourse to some sort of normative claims about goodness, justice, moral obligation, human persons, and so forth. Perfectly neutral descriptions can't give the answers we want to questions about the possibilities and perils of living the moral life in a given context.

Moreover, there is also the difficulty of generating actually neutral descriptions in the first place. Many purportedly neutral descriptions simply aren't. This can be seen, for example, in the case of the two construals of capitalism. These ideal typical

representations do not usually appear fully articulated as the normative interpretations that they are (or even separately; we seem quite capable of thinking somewhat schizophrenically about economic life, and using these two images at once). Rather, (and as Chapter One argued) they indirectly inform the ways we think about economic and cultural issues, including in social scientific scholarship—in sociology, anthropology, economics, and so forth. With this in mind, having a normative framework explicitly in view may help us be aware of where other normative interpretations are implicitly in use, and sort through more and less plausible and desirable moral descriptions.

Finally, the advantages of considering ethical issues from within an explicitly normative framework do not stop at reflexivity. It may also be the case that, human nature being what it is, it is difficult to keep in view moral complexity and ambiguity without a narrative or framework that makes sense of that ambiguity. It is hard to hold together seemingly contradictory or paradoxical facts about something without some sort of narrative “hooks,” as it were. A Christian theological reading of capitalism provides one such set of hooks.

By attending at once to sin and goodness, and to both God’s judgment and grace, the specific hooks that this reading has used have yielded a moral description that improves in particular upon those generated by claims about property as unjust, or about market choice as the highest kind of freedom. When enriched by attention to capitalism’s complexity, that is, Christian theological reflection is capable of offering a moral description that does not downplay significant aspects of capitalism’s ambiguity, contradictions, or complexity in the attempt to render it intelligible. It is capable, that is, of providing aid in our quest to achieve better ethical articulation about our historical moment.

It is possible that the same is not true of either of the traditions generating the ideal typical representations of capitalism, as liberating, or as oppressive (for economic liberalism and Marxism are, in fact, normative traditions; much like Christianity and other traditions, these are premised upon value-laden stories about human nature, freedom, the common good, justice, and so forth). One difference, however, is that these traditions were developed in large part in reaction to modern capitalism. Given their closeness to their subject, achieving ethical articulacy with these will not be as simple as updating these in light of an immanent critique of economic theory, or by nuancing these with social scientific scholarship on the contingent nature of markets. The moral commitments, or hooks, as it were, that these normative frameworks provide themselves aim to illuminate some aspect of economic life today, at the expense of others. Their moral conclusions are accordingly incomplete.

In short, some normative frameworks may be more useful than others at developing descriptions of capitalism, and at aiding the project of becoming ethically articulate about the normative dimensions of economic life today. This chapter has argued that Christianity is one tradition that is useful in this regard (although, to be clear, it has not thereby meant to imply that it is the *only* one). It has done so by beginning to model one way that its central claims may be used to make sense of economic life today, with the hope that this exercise is both constructive for those gripped by this particular worldview, and in some way generative for those viewing the world differently.

PART II: OUR AGENTIAL PREDICAMENT WITHIN CAPITALISM

INTRODUCTION TO PART II

Summary of Part I

Part I of this dissertation took up the question of how to describe capitalism today as a moral context. Before it offered a constructive description, however, it engaged in a process of diagnosing an obstacle confronting such description. It did so firstly by turning in Chapter One to ongoing and unresolved disagreement over how to characterize capitalism more generally. In this disagreement, two representations of capitalism in particular loom large: capitalism as liberating (the interpretation suggested broadly by economic liberalism), and capitalism as oppressive (the interpretation suggested by Marxian social analysis). This chapter suggested that these are both incomplete, in part because the traditions from which they emerge were formed in polemical response to capitalism. As a result, these normative interpretations fail to encompass and render intelligible its full complexity as a moral context; while both contain key insights, both also suppress or fail to mention significant aspects of what it is like to live as a moral agent in markets today. This is in part because both of these ideal typical representations fundamentally conceptualize markets and economic activity as natural phenomena, governed by amoral and deterministic processes. Chapter One described some of the political and cultural factors contributing to the social prominence of this picture of markets, and explained how it is furthered by these two normative interpretations of capitalism. Chapter Two then argued that this construal of economic processes, and these normative interpretations, have permeated (and hindered) Christian theological and ethical engagement of economic issues, as well. That is, this scholarship shares in a more

general ethical inarticulacy in public discourse regarding capitalism as a moral context, and our place within it.

Chapter Three began to take steps towards both explaining and moving beyond this inarticulacy, by examining why a naturalistic representation of economic processes is unwarranted. It offered an immanent critique of the foundations of this representation in formal academic economic theory, and argued that this construal is mistaken. This critique further filled out Chapter One's historical sketch of the social rise of a naturalistic picture of markets with an account of its ascendance within the discipline of economics. It also engaged scholarship in diverse heterodox branches of economic thought that indicates that models and methodologies that presume—and that therefore also suggest—a mechanistic picture of markets, market processes, and the economy are based more upon gendered assumptions (and path dependent disciplinary developments) than upon the true nature of economic processes.

Chapter Four then examined how this picture of markets has been used in recent decades to shape the form of capitalism we now inhabit, both culturally and structurally. In places, action premised upon this misconception has functioned to make capitalism conform to expectations that market activity is rational, impersonal, and amoral; ironically, that is, capitalism's very plasticity and cultural variability has enabled us to make it (in part) more naturalistic and deterministic. In so doing, it argued that capitalism ought to be understood to be nearly the opposite of what is generally assumed; instead of a determinist, rational, and cold "system," (for better or worse), it is a culturally contingent, if path dependent, social phenomenon.

Finally, Chapter Five made explicit what Chapters Three and Four implicitly assumed, and argued: that the prevalence of a naturalistic picture of markets has

contributed to the ethical inarticulacy some of us now face in global capitalism. (To be sure, a certain amount of this inarticulacy is to be expected during times of rapid and far-reaching transition; this chapter argues that misleading economic knowledge has exacerbated this inarticulacy, not caused it entirely.) It has done so by suggesting that what happens in markets need not be subject to moral scrutiny, because economic processes are not at core moral or cultural in nature. Moreover, this picture of markets has facilitated our failure (arguably in public discourse, and certainly in theological scholarship) to fully recognize the plastic yet path dependent nature of capitalism (in both its cultural and material/structural aspects), and how the various forms we have given it present both morally empowering and corrupting and enervating contexts. In short, in recent decades economic knowledge has been used to complicate and stymie, rather than clarify and advance, discussions of capitalism as a context for moral agency. This chapter argued that Christian theological treatment of economic issues ought to address this fact.

Chapter Five then began to model one way theological reflection might do so, by resetting the conversation about capitalism within the frame of doctrinal claims about creation, fall, and redemption. As the fundamental context of all human action, it argued, these provide a kind of grammar for social reflection that rules out certain theologically untenable approaches. Using these, it proposed a reading of capitalism as instantiating both the essential goodness of creation and the sinful and fallen nature of “the world.” As such, it offers temptations to sin and barriers to right action, but also empowers humanity’s moral agency, and is a medium (like all other moments in human history) through which God acts to redeem the world, and invites human agents to cooperate with grace. This chapter also suggests that because this moral description does not suppress any significant aspect of the complex picture of capitalism that a broad engagement of

social scientific research reveals, this tradition-specific moral interpretation may also provide aid for and resources to the shared, public project of developing ethical articulation regarding economic issues.

The argument ahead

Part II now turns to consider how this theological description may be extended to shed new light on the situation of individual agents living within this moral context, so described. How ought we to think of the agency we exercise? How do we make sense of our moral capabilities and responsibilities in markets today? In particular, how ought we to understand and cope with feelings of conflict about these duties and capacities?

Chapter Six starts by “zooming into” the story of Chapter Five, as it were, by turning to two different descriptions of human moral agency within the context of creation, fall, and redemption: one emphasizing the role of grace (modeled by Lutheran theology and moral anthropology), the other emphasizing humanity’s natural powers (modeled by Thomistic thought). These, it suggests, can be used to make sense of, and provide critical leverage on, our agential situation in capitalism today. Although their articulations of this differ, both are structured by the basic assumption that human moral agency is deeply compromised after the fall. This picture of agency is similar to the “impure” agency assumed within philosophical treatments of moral luck, which argue that our moral responsibilities often outrun our conscious control due to the fact that our agency exists in a fuzzy relationship with our context. However, this chapter argues that a theological account of moral agency is fundamentally more tragic than this. In both theological idioms Chapter Six engages, our agency is not impure by nature; instead, it has lost an original integrity, and we may even sense this loss acutely. Moreover, rather than

exculpating us, this condition is our own fault, and the result of human sin. This theological description thus invites us to consider the extent to which we experience our agency not only as impure, but as tragically compromised, and provides a framework in which to make sense of this experience.

Chapter Seven then uses this account of our agency to describe and analyze some of the ways that capitalism today threatens to enervate and undermine the moral agency of its inhabitants. It provides a kind of anatomy of these situations, and the way that various contexts enable, constrain, and incentivize certain actions, desires, and dispositions, including how they prevent moral awareness and reasoning about culpability. This chapter concludes that capitalism today presents many situations where the freedom and agency it purportedly enables is less satisfying, because it is more procedural than substantive. Moreover, it argues that despite the fact that we experience its cultural and structural conditions as givens that confront us, capitalism's plasticity and responsiveness to human agency at the collective level indicates that we must recognize ourselves in some nontrivial way responsible for the outcomes it generates. This includes the "outcome" of having accepted and perpetuated a naturalistic representation of markets.

Finally, Chapter Eight reflects on these conclusions in light of the theological accounts of our agency introduced in Chapter Six. As will Chapter Five, it proposes a theological description of our moment: this time, of our agential predicament in capitalism as both an instantiation and result of humanity's fallen condition more generally. It suggests that insofar as economic harms are contingent, they are the result of sin, and that we may usefully describe the desire to avoid recognizing this as either culpable ignorance (when read in a Thomistic idiom), or sinful self-deception in an

attempt to evade deserved culpability (when read in a Lutheran idiom). Further, it proposes that the doctrine of original sin offers a useful way to talk about culpability for unintentional and emergent economic outcomes that are harmful. This chapter then concludes with a discussion of how the confession and endurance Christians hold is appropriate to humanity's fallen condition may provide a way to conceptually order and cope with the contradictions of our situation as moral agents in capitalism today. It also suggests that this applied reflection provides a new context within which to consider the meaning and significance of Christian theological claims about humanity's fallen condition, and need of grace.

CHAPTER 6

COMPROMISED AGENCY AS THE FALLEN HUMAN CONDITION

*--Yet know withal,
Since thy original lapse, true liberty
Is lost, which always with right reason dwells
Twinned, and from her hath no dividual being¹*

Introduction

As the introduction to this Part just noted, Part I engaged both social science and theology to redescribe capitalism as a moral context; Part II now does something similar in order to describe and reflect on the situation of the agent within this context. This chapter begins this process by turning to two quite different and ultimately complementary theological idioms available in Christian thought. Used as guides to the broad story Chapter Five outlined, these yield two distinct readings of the human condition, and of our moral agency: the one emphasizing the role of grace, the other emphasizing natural human powers of habituation. Part II argues that just as creation, fall, and redemption shed new light on capitalism itself as a context, so these two renderings of our agential situation within that story (individually, but especially when considered together) stand to shed new light on the specific predicament of moral agents within capitalism today.

As guides to these two ways of interpreting the Christian story, this chapter turns to Thomas Aquinas and Martin Luther. Why these two, specifically? To be sure, they are neither the only nor even the most important figures in the tradition to have addressed

¹ Archangel Michael, to Adam in John Milton, *Paradise Lost*, Book XII.

the issue of moral agency. Other useful guides might include John Calvin, for example, whose theological anthropology arguably contributed much to the development of modern capitalism, or earlier figures such as Augustine of Hippo and Gregory of Nyssa, who each significantly influenced later Christian thought regarding the relationship between God and creation, the fall and original sin, and human nature and virtue. What Thomistic and Lutheran theologies offer in particular is two quite different ways of thinking about the operation of human moral agency, both with regard to its capacities and substance, and regarding the significance and interaction of an agent's context with her agency.

With regard to the first of these, Thomistic and Lutheran theology can be understood as offering two different readings of the paradox of agency to which the Apostle Paul referred in Romans when he lamented, "I do not understand my own actions. For I do not do what I want, but I do the very thing I hate. ... I can will what is right, but I cannot do it."² Centuries after Paul, Augustine (whose thought was foundational for both Luther and Aquinas) described this same experience as a kind of bondage:

I sighed after such freedom, but was bound not by an iron imposed by anyone else but by the iron of my own choice. The enemy had a grip on my will and so made a chain for me to hold me a prisoner. The consequence of a distorted will is passion. By servitude to passion, habit is formed, and habit to which there is no resistance becomes necessity. By these links, as it were, connected to one another (hence my term a chain), a hash bondage held me under restraint. The new will, which was beginning to be within me a will to serve you freely and to enjoy you, God, the only sure source of pleasure, was not yet strong enough to conquer my older will, which had the strength of old habit. So my two wills, one old, the other new, one carnal, the other spiritual, were in conflict with one another, and their discord robbed my soul of all concentration.³

² Romans 7.15-20.

³ Augustine of Hippo, *Confessions*, translated by Henry Chadwick (Oxford University Press, 1998) 40.

As with Paul, Augustine's sense of his own conflicted and imperfect agency is somewhat paradoxical. He describes this with reference to an enemy that is an external agent, a division within himself between two wills, power of habit, and a metaphor of slavery. Later, both Aquinas and Luther would read Paul through Augustine. They brought to this reading different emphases, however, and so picked up on and elaborated different aspects of Augustine's description of his predicament. Focusing upon the integrity and intelligibility of nature, and its capacity for approximating flourishing (or, put differently, upon God's goodness seen in creation), Aquinas foregrounded humanity's powers of habituation, and upon rendering a division in the will intelligible. Focusing upon God's goodness in offering the free gift of grace in Christ to sinful humanity, Luther emphasized Augustine's metaphors of bondage, and the sense he expressed of helplessness, and being acted on as if by an external agency.

Thomistic and Lutheran theologies thus offer different interpretations of humanity's condition of imperfect agency, and guides to how to live with this condition. In Luther's thought, for example, we find how a strong and thoroughgoing emphasis upon the priority of grace may lead to a deep skepticism about human moral capacities, even after and in response to grace. This is a view that recommends that talk about creaturely moral agency always begin from the fundamental "bankruptcy" of that agency as a result of sin.⁴ A broadly Thomistic view, in contrast, foregrounds human powers of habituation, even before the grace of salvation (without, to be clear, suggesting that these "natural"

⁴ The term "bankruptcy" I adopt from Jennifer Herdt; it provides a not inappropriate description of Luther's account of fallen humanity's moral agency. However, as this chapter argues later (and as a more complete theological treatment of these theological perspectives would explore, perhaps in a separate section attending to empowerment), this does not necessarily threaten the coherence of a broadly Lutheran account of the moral life (as Herdt concludes). Jennifer A. Herdt, *Putting on Virtue: The Legacy of the Splendid Vices* (Chicago: The University of Chicago Press, 2008) 175.

powers themselves operate apart from grace). Aquinas thus models a rather less pessimistic reading of unredeemed human moral agency, albeit still within a framework committed to the necessity and totality of divine grace, and in which the fallen condition is inevitably one of imperfect agency.⁵

These two theological idioms also provide windows into two different ways of thinking about the significance of context for the agent's experience of her moral agency. Whereas Aquinas can be read as developing a richly contextualized account of moral agency that grants a substantial role to situational luck in the moral life, Luther's thought models how a commitment to the priority of grace can suggest a rejection of the significance of context in the moral life (any context other than human nature itself, that is).

Despite differences such as these, these idioms share as much, if not more, than they differ. The second section of this chapter turns to this agreement. It explains that Thomistic and Lutheran interpretations of the human condition are both structured by the assumptions that the fall significantly damaged humanity's powers of moral reasoning and its will, that this now presents a severe impediment to moral action, and that, at a fundamental level, this is humanity's own fault. Moreover, these interpretations both assume that grace offers an answer to this agential predicament (while differing on what this looks like), but that the process it initiates is by no means straightforward. That is,

⁵ As a note of clarification, I use "model" to foreground the aim of this chapter to use the thought of Aquinas and Luther to illustrate two fundamental approaches to questions of agency within the Christian theological tradition. These figures each stand at the head of a wide school of thought, and the work of each has been the subject of much interpretive debate. This chapter does not intend to enter these debates with claims about what either "really" proposed on sanctification, reason in its fallen state, or so forth. Instead, it operates at the level of what reasonably "can be found" within their bodies of thought, and the way this instantiates the two divergent views this chapter sketch. To a great extent, this involves reading their individual proposals in light of those who later extended, applied, and critiqued them.

without God, there is no way out of humanity's self-inflicted agential debilities, but even with grace, imperfect agency is something with which we must simply cope, at least during human history. In short, in distinct registers, these interpretations both functionally invite and encourage us to see our moral agency as deeply and unavoidably *compromised*.

This chapter proposes that this compromised agency is similar to, although ultimately distinct from, the concept of impure agency found in moral luck literature. The final section of this chapter introduces this similarity and distinction. It suggests that humanity's fallen human condition can be described as a kind of bad moral luck; it is certainly a situation in which agency is impure, and in which "responsibilities outrun control" (to quote Margaret Urban Walker).⁶ However, unlike most literature on moral luck, a theological reading of our condition (whether expressed in an idiom emphasizing nature, or one emphasizing grace) claims that neither this culpability nor our impure agency is the natural order of things. Rather, these are contingent and tragic characteristics of life after humanity's fall. Moreover, they are resolvable only through divine grace. A theological account of the human condition accordingly offers a way in which to express and make sense of (and perhaps also to see) the tragic nature of our agential predicament—at least, that is, when considered apart from grace. As the following chapters will propose, this account of moral agency will be useful for analyzing in our current situation in capitalism.

1. An interpretation of the human condition that is appreciative of natural moral agency: Thomistic thought

⁶ Margaret Urban Walker, "Moral Luck and the Virtues of Impure Agency," *Metaphilosophy* 22.1/2 (1991): 19.

This chapter begins with an interpretation of the human condition rendered in a theological idiom that is highly appreciative of natural human moral agency, and that is also attentive to context. As a guide to this, it turns to the moral theory of Thomas Aquinas. As with Aristotle (who, along with Augustine, is a major tributary contributing to Aquinas' thought⁷), Thomistic moral thought is eudaimonistic and teleological, in that it situates the moral life within the frame of humanity's end: the happiness (or beatitude) of knowing and loving God. Given this, Thomistic thought models a description of moral agency that focuses on "the God-given goodness of created nature," including human nature.⁸ However, as this section argues, even in this appreciative take on human nature, moral effort is still complicated and vexed by the effects of the fall. It demonstrates this by considering a broadly Thomistic treatment of the following specific themes: reason; the will; virtue; and the role of contingency in the moral life.

1.1 Reason after the fall

Let us begin with Aquinas' appraisal of the nature and function of reason in humanity's fallen condition. Aquinas explains that reason is comprised of two powers: the cognitive power of the intellect, which apprehends the goodness of an action or end, and the appetitive power of the will, which inclines toward and desires the good that is apprehended. Before the fall, in what Aquinas refers to as the state of innocence, the cognitive power of the soul operated perfectly: although humans were not omniscient and

⁷ For an overview of the sources of Aquinas' thought, and his use and ordering of them, see Servais-Theodore Pinckaers, O.P., "The Sources of the Ethics of St. Thomas Aquinas," translated by Mary Thomas Noble, O.P., 17-29, in *The Ethics of Thomas Aquinas*, Stephen Pope, editor (Washington D.C.: Georgetown University Press, 2002), and Pinckaers, *The Sources of Christian Ethics*, transl. by Mary Thomas Noble (Washington, DC: The Catholic University of America Press, 1995), especially "Is St. Thomas' Moral Teaching Christian?" 168-190.

⁸ Lisa Sowle Cahill, "Renegotiating Aquinas: Catholic Feminist Ethics, Postmodernism, Realism, and Faith," *Journal of Religious Ethics* 43.2 (2015): 198.

could lack knowledge, “it was impossible for the human intellect to assent to falsehood as if it were the truth.”⁹ Likewise, the appetitive powers of the soul were perfectly subject to the intellectual powers, and ordered to the good; the agent’s intellect had perfect dominion over her passions and appetites, and directed them toward ends that it judged (correctly) to be good.

In fallen humanity, however, reason is deficient in both of these aspects: in its cognitive and appetitive operation. The human agent’s intellectual powers and perception of the good now can be mistaken. Further, even where the agent’s cognitive powers are not in error, they no longer perfectly order her appetitive powers. The harmony and integrity of humanity’s original powers of reason has been lost.

While admitting this damage to reason, Aquinas does not suggest that reason was totally destroyed, or so seriously compromised as to vitiate humanity’s native moral capacity to discern right from wrong. This capacity remains, even in unredeemed individuals, through what Aquinas calls *synderesis* which, Jean Porter argues, is “the habitual knowledge of the fundamental principles of the natural law” (such as “evil must be avoided, and the good done”).¹⁰

⁹ Thomas Aquinas, *The Summa Theologica of St. Thomas Aquinas*, second and revised edition, translated by the Fathers of the English Dominican Province, 2008, newadvent.org, I.79.1; then I.94.4: “so there could be in his intellect the absence of some knowledge, but no false opinion. This is clear also from the very rectitude of the primitive state, by virtue of which, while the soul remained subject to God, the lower faculties in man were subject to the higher, and were no impediment to their action.”

¹⁰ I.79.12. Conscience is then act that follows from this habit; it judges the rightness or wrongness of a particular act. I.79.13. Jean Porter, “Contested Categories: Reason, Nature, and the Natural Order in Medieval Accounts of the Natural Law” *Journal of Religious Ethics* 24.2 (Fall 1996): 218. On Porter’s reading, this how scholastics such as Thomas understood natural law: as primarily “a capacity or power for moral discernment rather than as essentially or primarily a set of rules of right conduct.” Jean Porter, *Nature as Reason: A Thomistic Theory of the Natural Law* (Grand Rapids: Eerdmans, 2004) 4.

On Aquinas' reading, reason's persistence, even if in this damaged form, lies at the heart of human freedom and moral agency:

The root of liberty is the will as the subject thereof; but it is the reason as its cause. For the will can tend freely towards various objects, precisely because the reason can have various perceptions of good. Hence philosophers define the free-will as being "a free judgment arising from reason," implying that reason is the root of liberty.¹¹

Above all, reason is important in discerning the content and form of true happiness, which is normatively significant in Aquinas' account of the moral life, and of moral anthropology. This focus on flourishing and happiness—as Stephen Pope puts it, on “being,” rather than “doing”—sets Thomistic moral theory apart from strands of Christian thought that identify morality more with obligations, or God's command.¹²

1.2 *The will after the fall*

According to Aquinas, humanity's free will (*liberum arbitrium*) is the source of voluntary action. As David Gallagher summarizes, “the will may be understood simply as that power or faculty of the soul by which a human agent is in control of his actions.”¹³ As such, there is no sin without its involvement.¹⁴ Although referring to the will as free will when discussing it as the source of free choice, Aquinas understands the will more generally as an intellectual or rational appetite, which is inclined towards and loves that which the person judges as good.¹⁵

¹¹ I-II.17.1

¹² Stephen Pope, “Overview of the Ethics of Thomas Aquinas,” in *The Ethics of Thomas Aquinas*, Stephen Pope, editor (Washington D.C.: Georgetown University Press, 2002) 33.

¹³ I.83.3-4. David M. Gallagher, “The Will and Its Acts,” in *The Ethics of Thomas Aquinas*, Stephen Pope, editor (Washington D.C.: Georgetown University Press, 2002) 70.

¹⁴ ST I-II.74.1-3.

¹⁵ I-II.8.1. For a summary of the three levels of appetite—natural (that is, physical), sensitive, and rational—see ST I.59.1.

Before the fall, the will interacted with the agent's passions and emotions by directing and shaping them.¹⁶ As with the intellectual and appetitive powers, here too in the fallen this "gracious" ordering is lost: now, the will is no longer able to perfectly control the agent's passions and emotions.¹⁷ Instead, the will is now susceptible to being influenced by these, which are frequently produced by the agent's context (and independently of the agent's reason and will).¹⁸ Although humans are not entirely at the mercy of our sensitive appetites, this in between state in which the powers of the will are disordered is one in which agency can feel rather murky. Given their responsiveness to the agent's surroundings, the emotions and passions do now confront the individual almost as if they were external phenomena. As a result, in feeling the operation of the passions upon her will, the fallen human is likely to feel at times that she has been acted upon by some external agency.

These perceptions notwithstanding, this agency is *not* external. What Augustine described as two wills within him, Aquinas explains as a division between the appetites within the will. This is concupiscence: where the desires of the agent's lower, sensible (or sensitive) appetite oppose those of her higher, rational appetite. While acknowledging the impediment that a conflict between these presents to right action, this depiction of the agent's incapacity is not quite as dire as was Augustine's image of bondage. Instead,

¹⁶ This may be one reason Thomas treats the will and the passions in the order that he does, with the will primary: in order to indicate the priority of the former in influencing and directing the latter.

¹⁷ John Bowlin, *Contingency and Fortune in Aquinas' Ethics* (New York: Cambridge University Press, 1999) 35.

¹⁸ ST I-II.9.2: "Wherefore according as man is affected by a passion, something seems to him fitting, which does not seem so when he is not so affected: thus that seems good to a man when angered, which does not seem good when he is calm. And in this way, the sensitive appetite moves the will, on the part of the object."

Aquinas' treatment of the Pauline paradox of the will emphasizes the persistence of the agent's ability to reject the inclinations of the lower appetites:

Although the will cannot prevent the movement of concupiscence from arising, of which the Apostle says: "The evil which I will not, that I do—i.e. I desire"; yet it is in the power of the will not to will to desire or not to consent to concupiscence. And thus it does not necessarily follow the movement of concupiscence.¹⁹

In short, for Aquinas, the disordering and weakening of the will after the fall presents complications to the exercise of human moral agency. It does not, however, eradicate the power of the will.

1.3 Agency as the "natural" power of habituation; the limits of this

Aquinas's account of the moral life centers on the development and activity of virtue, which is a "good habit, productive of good works," by which the agent operates her powers in their acts.²⁰ It is virtue that helps agents resist the influence of concupiscence. According to Aquinas, the ability to build habits (and therefore virtue) through repeated action is intrinsic to human nature, and remains so even in humanity's fallen condition. As a result, even before salvation and grace, the individual can acquire virtue.²¹

Aquinas makes two key distinctions when discussing virtue: between "acquired" and "infused" virtues, and between virtues directed to the rational good and those directed to God. It is the former of these, the classical "cardinal" virtues of prudence, justice,

¹⁹ I-II.10.3. Aquinas explains one type of this conflict of the will using a distinction between assent and consent, for example: where assent is an act of the intellect that affirms a judgment that some good ought to be pursued (or evil avoided), it is not immediately directed to action. Consent is the act of the will that bridges deliberation and actual choice, and is an act of the will, as a part of the agent's reason. I-II.15.4. "Now the final decision of what is to be done is consent to the act. Therefore consent to the act belongs to the higher reason; but in that sense in which the reason includes the will."

²⁰ And "Virtue is that which makes its possessor good, and his work good likewise." ST I-II.55.3. ST I-II.56.3.

²¹ ST I-II.55.4., ST I-II.61.1.

temperance, and courage, that humans can develop (or acquire) before grace.²² These contribute to human flourishing, and are directed toward human goods that can be understood by reason.²³ As such, these virtues and the natural happiness they lead to can be achieved through the human's natural—albeit fallen—moral powers.

Natural powers are not enough to help us attain our supernatural end, however (and, to be clear, never would have been, even apart from sin); for this we need a supernatural causation. Accordingly, “it is necessary for man to receive from God some additional [virtues], whereby he may be directed to supernatural happiness.”²⁴ These are the “infused,” or theological, virtues listed by Paul: faith, hope, and love. They “are infused in us by God alone” and have God as their object; as a result, they direct human agents to their “final and perfect good,” communion with God.²⁵ This graced gift of the theological virtues is also required for the individual to perfect the cardinal virtues.²⁶ Although the infused cardinal virtues are analogous to their naturally perfected counterparts, once infused they, too, become oriented toward the attainment of beatitude, or “man's perfect happiness... [which] consists in the vision of the Divine Essence.”²⁷

The clear distinction Aquinas generally maintains between nature and grace can be read as an attempt to respect the goodness and integrity of human nature and moral agency even in its fallen state. As he writes, “grace does not destroy nature, but perfects it.”²⁸ On his reading, humanity's fallen and pre-graced nature possesses discernible and improvable moral powers, and is capable of (and responsible for) developing the kinds of

²² ST I-II.61.2

²³ ST I-II.62.2.

²⁴ ST I-II.62.1.

²⁵ *Ibid.*; ST I-II.62.3.

²⁶ ST I-II.65.2,3).

²⁷ ST I-II.5.5.

²⁸ ST I.1.8.

virtues that conduce to a happiness “proportionate to human nature.”²⁹ This moral theory accordingly offers what can be considered an optimistic picture of natural human agency.

The optimism of this picture, of course, could seem to downplay the gravity of sin, and obviate the need for God’s gracious and salvific action in Christ. Why should grace be needed, if humanity can develop certain virtues even in its natural—that is, fallen—state?³⁰ And what does grace *do*, exactly? It cannot be a mere add-on to human nature, bringing another power of a similar kind that was lacking before. Much ink has been spilled on the precise relation of the natural and supernatural within Thomistic thought specifically, and more generally over how to reconcile appreciation for the integrity of human nature with respect for both the gratuity and necessity of divine grace.³¹ The discussion is not just over how to avoid trivializing salvation or sanctification; even apart from its implication for these, calling human nature in its fallen state “natural” risks suggesting that human nature is self-enclosed and self-sufficient, and underestimating how foundational grace is for all human operations in the first place. To be sure, Aquinas never suggests that any of our operations occur *apart* from grace—and in fact claims the opposite; this said, focusing on the intelligibility of humanity’s pre-salvation agency can give the impression that this agency has an integrity of its own. That is, what this articulation of our agential predicament gains in the ability to discuss agential powers of habituation, it may lose in appreciation for how grace underwrites *all* of human agency, and of the imperfection of that agency apart from grace.

²⁹ ST I-II.62.1.

³⁰ See Kathryn Tanner, *Christ the Key* (New York: Cambridge University Press, 2010), 106-139 for a succinct introduction to this concern, and to a related set of problems that can arise from positing the existence of a “pure” human nature with integrity, before and apart from grace.

³¹ For an overview of this dispute as regards Thomistic thought, see Thomas S. Hibbs, “Interpretations of Aquinas’ Ethics Since Vatican II,” 412-425, in *The Ethics of Thomas Aquinas*, Stephen Pope, editor (Washington D.C.: Georgetown University Press, 2002); and Phillip Donnelly, “Discussion on the Supernatural Order,” *Theological Studies* 9 (1948): 213-49.

1.4 Context, and contingency

Just as Thomistic thought can be read as providing an appreciative construal of natural human moral agency, so it can be read as providing one that grants a significant role to the luck of context for the agent's moral life. Aquinas consistently urges the theologian to pay attention to circumstances and the "accidents" of human acts, or "the conditions that are outside the substance of an act, and yet in some way touch the human act."³² Attention to the features of the circumstance (including the agent's knowledge or ignorance of the circumstance), he argues, is important in discerning whether an act is fitting, and just.³³

Moreover, Aquinas' moral theory not only acknowledges the influence that accidents of circumstance can have upon the observers judgment of an action, but also the human agent's experience of her moral powers.³⁴ Ordinarily, the sensitive appetite—so, the passions and emotions—are under the general control of reason and the will, according to the patterns of the agent's habits; John Bowlin calls this "a rule of sentiment,"

³² ST I-II.7.1. "Circumstances come under the consideration of the theologian, for a threefold reason. First, because [fittingness is discerned with reference to circumstances]... Secondly, because the theologian considers human acts according as they are found to be good or evil, better or worse; and this diversity depends on circumstances, as we shall see further on. Thirdly, because the theologian considers human acts under the aspect of merit and demerit, which is proper to human acts; and for this it is requisite that they be voluntary. Now a human act is deemed to be voluntary or involuntary, according to knowledge or ignorance of circumstances, as stated above." ST I-II.7.2.

³³ ST I-II.18.3: In natural things, it is to be noted that the whole fulness of perfection due to a thing, is not from the mere substantial form, that gives it its species; since a thing derives much from supervening accidents, as man does from shape, color, and the like; and if any one of these accidents be out of due proportion, evil is the result. So it is with action. For the plenitude of its goodness does not consist wholly in its species, but also in certain additions which accrue to it by reason of certain accidents: and such are its due circumstances. Wherefore if something be wanting that is requisite as a due circumstance the action will be evil.

³⁴ For this reading of Thomistic thought, see especially Bowlin, *Contingency and Fortune*.

and argues that this “characterizes the agency of our species in the most general terms.”³⁵

As mentioned, however, in humanity’s fallen state this control is not complete, and the sensitive appetite may be moved by external circumstances. Given the contingency of these circumstances, our responses to these can feel like an external force that acts upon our agency by limiting and shaping it—even as our responses remain fully our own.³⁶

An interesting example of this can be found in what Aquinas calls *ignorantia malae electionis* (culpable ignorance), a particular species of inconstancy, or defect of the will. According to Aquinas, agents are regularly culpably ignorant of what the good requires as a result of both individual habits of attention and natural mental finitude. This happens when an individual has general knowledge of what is required in some circumstance, but cannot actually consider this knowledge due to the action of a passion, such as, for example, fear, which confronts her as an “obstacle that withdraws the will from following the reason.”³⁷ In such situations, one does not actually consider what one can and ought to consider, and as a result is temporarily and partially—and culpably—ignorant.³⁸ In Aquinas’ description of this phenomenon, the agent feels as if something external is operating on her, such that “good actions become more difficult.”³⁹ However, this apparently external agency is none other than her own will, and for this reason Aquinas ultimately judges this ignorance culpable. He does so, however, after admitting the real difficulty that the situation poses to the exercise of agency, and the paradoxical way that

³⁵ Bowlin, 36.

³⁶ Fear provides a handy illustration of this, in that it is subject to changes in intensity and object that occur independently of our conscious bidding. The experience of fear can feel out of control and alien to us, and not in accord with how we normally want to and do interact with the world. As a result, it can feel like an external influence on our action, even though it remains our own.

³⁷ ST II-II.123.3.

³⁸ See for example, ST I-II.76; 77.2.; I-II.6.8.

³⁹ ST I-II.85.3

this difficulty is both the doing of the agent, and a result of factors in her context beyond her control.

2 An interpretation of the human condition emphasizing grace: Lutheran thought

To model a rather different interpretation of the human condition, and of human moral agency, I now turn to another key figure in the history of Christian thought, whose moral theory serves as a landmark around which much of Christian theological ethics is oriented: Martin Luther. In what follows I sketch a broadly Lutheran account of human moral agency, focusing here in particular on how it suggests we understand the marring effects of sin and the fall upon human reason and the will, and the resultant need for grace and the imputation of Christ's alien righteousness for the moral life. Together these build a moral theory that is skeptical regarding the exercise human moral agency apart from grace and that, moreover, can be read as providing an ideal typically acontextual moral theory that abstracts from context. So read, Lutheran theology provides a useful contrast with and complement to the emphases on context and natural powers that can be found in Aquinas.

2.1 The corruption of reason

As noted, Luther's thought takes as central the features of Augustine's moral anthropology that foreground the marring effects of sin on all human agency. For this, Luther and his inheritors have sometimes been called "hyper-Augustinian" (although not all agree that this term accurately locates the important features of Augustine's legacy).⁴⁰

⁴⁰ Among others, Jennifer Herdt uses the term (*Putting on Virtue*, 3), as does Charles Taylor (Taylor, *Sources of the Self: The Making of the Modern Identity* (Cambridge: Cambridge University Press, 1989) 246); Charles Mathewes is among those who object.

One of Luther's most famous dictums in this regard concerns the effects of sin upon human reason: he declared it the "devil's whore." Although this may make it appear that Luther had nothing but contempt for reason and philosophy, it is more accurate to say that he thought reason of reason as a tool that could be of great use, should it play a supporting, ancillary role in the moral life, guided by faith and scripture.

If not so guided, however, reason was dangerous, given its corrupted state in fallen humanity. Although Luther references "natural law," he did not share a Thomistic optimism regarding the ability of unaided human reason to discern it, and rejected the scholastic confidence in continuity between revelation and perception. Instead, he held, that after the fall, both human nature and "natural reason" were impaired by corruption and sin, and tend toward the darkness of superstition and works righteousness.⁴¹ Now, "Although they know and daily recognize that there is a God, yet human nature, in itself and apart from grace, is so evil that it neither thanks nor worships Him. Rather, it blinds its own eyes, and falls continually into wickedness."⁴² The saving action of Jesus Christ, and the correction of Scripture together could help restore this lost moral sight; without grace, however, moral blindness presents an insurmountable impediment to right moral action.

2.2 Total bondage of the will to sin

For Luther, the fall not only damaged human reason, but (and perhaps more importantly) the will as well. Before its liberation by Christ, he held, the human will is powerless to free itself from its total bondage to sin: "free choice without the grace of God

⁴¹ LW 31:376. See also LW 26:228 on faith being necessary to "kill" reason, which naturally hates God.

⁴² Martin Luther, Preface to the Epistle of St. Paul to the Romans (1522), in John Dillenberger, *Martin Luther*, 26.

is not free at all, but immutably the captive and slave of evil, since it cannot of itself turn to the good.”⁴³ Although the law (that is, God’s commandments) demands that humans desire to please God, and act accordingly, in their unredeemed state they are utterly unable to do so. (As Bernd Wannenwetsch notes, for Luther, the law “demands a subject which is no longer there.”⁴⁴) The purpose of the law after the fall is in fact to illustrate this by accusing sinful humanity, and rendering evident how dire is its agential situation.⁴⁵

The law’s accusations begin with the very first commandment, to faith, which Luther held was the “first, highest, and most precious” good work.⁴⁶ For Luther, faith is the fundamental good work; as an orientation of the will toward God, it underwrites all human action that is pleasing to God.⁴⁷ While the will is bound to sin, however, faith is definitively out of its reach. Faith is only possible if it is given to the human, as a gift from God.

Accordingly, humanity lies in total need of the grace of divine condescension, both in order to receive salvation, and in order to act in such a way as to please God. For Luther, both of these involve the human gratefully accepting the gift of God’s action, on her behalf. Salvation is only possible through the imputation of Christ’s “alien” righteousness. The only action undertaken by the sinner in the equation of salvation is

⁴³ LW 33:67. In light of this, Luther suggested that theologians abandon the term “free will,” and apply it to God only, given that it encourages a delusion regarding human moral powers that poses “a danger to salvation.” By the logic of saying humanity has free will, “a thoroughly illiterate fellow could be called very learned because someone else might perhaps give him learning. That is just how it sounds here: Man has free choice—if, of course, God would hand over his own to him!” LW 33:69, see also 33:103.

⁴⁴ Bernd Wannenwetsch, “Luther’s Moral Theology,” in *The Cambridge Companion to Martin Luther*, edited by Donald McKim (New York: Cambridge University Press, 2003) 126.

⁴⁵ On Luther’s reading, law itself changed after the fall, from life giving “gospel and law” to “alia lex”—an alien, external code that can be misused as a means to attain righteousness and self-justification, but really which accuses the human agent.

⁴⁶ LW 44:23.

⁴⁷ Romans 3:28: “For we hold that a person is justified by faith apart from works prescribed by the law.”

that of faith, which involves acknowledging her own sinfulness, recognizing her utter dependence upon grace, and throwing herself upon the mercy of Christ, trusting that he will generously vouch for her before God the Father with his (Christ's) own righteousness. Even this, however, is itself only possible through the gift of grace; ultimately, the faith is Christ's own.⁴⁸

Just as the significant agency involved in freeing the sinner's will from bondage (and in her salvation) is Christ's, so is the significant agency in her life after redemption.⁴⁹ (The significant constructive or morally effective agency, that is; to be clear, Luther certainly ascribes to the sinner the credit for her sinful choices and will, even if in her bondage she cannot do or will otherwise.⁵⁰) Redemption does not set the Christian's will free in some neutral sense, but makes it captive to, and thereby conformed to, that of Christ.⁵¹ Although seemingly a different kind of bondage, on Luther's reading, this new bondage is itself real freedom: the freedom to finally and joyfully obey God. It is with this in mind that Luther could proclaim both that "A Christian is a perfectly free lord of all, subject to none," and, "A Christian is a perfectly dutiful servant of all, subject to all."⁵²

⁴⁸ Robert Jenson argues that the emphasis upon the fact that our faith is a result of Christ's agency, and not ours, is one of Luther's most important contributions to contemporary theology:

[W]e cannot control faith. [This] is why the faith-rhetoric of late modern Protestantism is so destructive precisely of faith. ... It is an imperative specific to our time: the church must stop promoting faith, offering self-help courses in how to grow in faith, making faith easy or hard. We must learn to abide the deepest of God's ways of hiding, in the obscurity of our own souls. Luther can teach us.

Robert Jenson, "Luther's Contemporary Theological Significance," in *The Cambridge Companion to Martin Luther*, edited by Donald McKim (New York: Cambridge University Press, 2003), 281.

⁴⁹ "All the good in us is to be ascribed to God... the mercy of God alone does everything and... our will does nothing, but rather is passive; otherwise, all is not ascribed to God." LW 33:35.

⁵⁰ See for example, Luther on "the hardening of Pharaoh" in "Bondage of the Will," 194-99 in Dillenberger.

⁵¹ Luther holds there is no "neutral" will, as such. LW 33:115, 237.

⁵² "Freedom of a Christian," (1520), LW 31:344.

While the inner, spiritual person has been justified by faith, and not works, her will is now conformed to Christ, such that the outer person now desires to serve others, in Christ.

This reorientation of the will is not automatic, however. Even in the happy situation of her salvation, the sinner remains a sinner, and her sinful nature wars against her newly oriented will. Referencing Paul's words (and taking care to point out that Paul himself is elect, and writing to those who are already redeemed), Luther warns his readers of the difficulty this presents to the Christian life: "These two captains or leaders, saith he, the flesh and the spirit, are one against another in your body, so that ye cannot do what ye would."⁵³ Coping with this, he suggests, is only possible if Christians "take hold of Christ as the head and source of our righteousness."⁵⁴ Christ, that is, is the sponsor of the redeemed agent's constructive agency. This sponsorship does not, however, eliminate, or even necessarily reduce, the internal struggle she experiences, in her attempts to act rightly; indeed, as he admits, "In fact, the godlier one is, the more aware he is of this conflict."⁵⁵

2.3 Suspicion of moral accomplishment as the result of emphasizing respect for the free gift of grace

The marked emphasis upon the totality and priority of divine grace in this theological vision makes it difficult to use it to develop a robust account of sanctification, virtue, or of moral progress or accomplishment by the human agent. In this view, making claims about an individual's capacity to develop virtue, for example, courts works righteousness, and runs the risk of denying the total necessity of grace. It might also betray an unjustifiable confidence in human moral powers.

⁵³ Luther, "Commentary on Galatians," 145 in Dillenberger.

⁵⁴ "Lectures on Galatians," 1535, LW 27:72.

⁵⁵ Ibid., LW 27:74.

Luther's original intention in developing his theology along these lines was not, at core, about denigrating human nature, but about preserving respect and appreciation for God's gift of grace. He understood his rejection of the freedom of the will as necessary to counter what he saw as the prideful and Pelagian works-righteousness of the late medieval Catholic church. The other side of this confidence in human accomplishment, Luther saw, was that it can induce anxiety, insecurity, and even despair in the individual who knows herself to be incapable of measuring up. This anxiety is entirely misplaced, he held, given that God's grace is pure gift, and cannot be merited. Even after salvation, the continued presence of sin in the life of the Christian should not be cause for fear over her salvation, given that first, that she could not do otherwise, and second, that God's grace could be trusted. This was the point of Luther's famous equation, *simul justus et peccator*: the fully saved Christian lives at once both sinner and redeemed, or justified. Free from worries over the worth of their moral accomplishment, Luther hoped, Christians would be emboldened to serve God and neighbor, grateful for and trusting in God's grace—such that they could even, if it seemed necessary, “sin boldly.”⁵⁶

The doctrine of justification by faith, and not by good works, then, was not meant to banish good works from the moral life, or to urge their abandonment. It aimed instead to displace them from pride of place in the story: moral accomplishment does not cause our salvation; it results from it. As Robert Jenson argues, in Luther's theology, faith itself is what makes us righteous, such that eventually, “When God looks at a believer and says, ‘You are righteous for Christ's sake,’ this is not fiction or even an exercise of clemency, but a statement of fact.”⁵⁷ It is for this reason that Luther's reputation for not having any “ethics” as such, or for letting Christians off the moral hook with his (much maligned)

⁵⁶ LW 48:277-282.

⁵⁷ Jenson, “Luther's Contemporary Theological Significance,” 283.

Two Kingdoms theology, is inaccurate. His emphasis upon *sola fide* and *sola gratia* did not, strictly speaking, lead Luther to dismiss the importance of obeying divine commands.⁵⁸

This all said, Luther's emphasis upon the priority and total efficacy of divine agency for the moral life (and on grace primarily as justification, rather than sanctification) did leave him with little to say that was positive about the exercise of human moral agency, or about the possibility of moral accomplishment or growth.⁵⁹ It is with this in mind that Jennifer Herdt charges that Luther's theology "threatens the coherence of any account of Christian moral agency" by making acknowledgement of the "bankruptcy of human agency" the starting point for moral growth.⁶⁰ A defense of a Lutheran approach might point out that beginning talk of creaturely moral agency from frank confession of humanity's sinful inadequacy need not prevent the conversation entirely; rather, it pegs it to discussion of Christ's action for and within the human agent, and simply prevents speaking of moral action in isolation from the agency of Christ.

⁵⁸ Although it is true that Luther held that God's commands do not propose or contain anything like an "ethic," because they simply are not achievable by humans; the primary purpose of the moral law found in scripture is to indict humanity, and to reveal its need for the grace of the gospel. (For example, see "Commentary on Galatians," in Dillenberger, 144.)

⁵⁹ It may have been with this in mind that Calvin treated justification *after* sanctification in Book Three of his *Institutes*, in order to emphasize that union with Christ involves the "double grace" (or "twofold benefit") of both justification and sanctification, and that justification by faith need not provide cause for theological hesitation regarding the exercise of moral agency. As he explained, "a man is justified freely by faith alone, and yet that holiness of life, real holiness, as it is called, is inseparable from the free imputation of righteousness." John Calvin, *Institutes of the Christian Religion*, translated by Henry Beveridge (Peabody: Hendrickson Publishers, 2007) 3.1.1, 386; see also 3.11.1, 475.

⁶⁰ Herdt's larger concern here is that this also "undermines the possibility of a differentiated critique of the social practices in which Christians are formed." Herdt, *Putting on Virtue*, 175. Herdt also finds that Luther had a "tendency to conceive of divine and human agency in competitive terms" (195). This is perhaps an uncharitable reading, and at odds with Jenson's account of how, in Luther's thought, the gift of faith at once frees the agent's will and initiates growth in righteousness. However, it succinctly encapsulates the concern that a high regard for grace may paradoxically lead to limiting grace by positing a nature (that is, humanity's fallen nature) void of that grace.

However, this view does run the risk of collapsing the Christian's agency entirely into that of Christ; the most that might be said for the Christian is that their moral agency is exercised always in response to, and empowered by divine agency (although it is possible that even this risks giving human agency too much credit, if this response is understood as entirely free).

Where a broadly Thomistic approach illustrates the distinct advantages and disadvantages of emphasizing the dignity and intelligibility of humanity's natural moral agency, this approach illustrates the advantages and disadvantages of the opposite emphasis, upon the totality and efficacy of divine grace. Although a commitment to granting a larger role to grace in the moral life aims to empower Christians for faith and discipleship, it can have the effect of encouraging a deep and thoroughgoing pessimism (or, at the very least, skepticism) regarding humanity's own moral capacities, and of suggesting that our agency, even in concert with that of Christ, is so feeble as to be hardly worth mentioning.

2.4 Is human moral agency even real apart from grace? An a-contextual view

Within this view, it may even be possible to claim that humans are not properly moral *agents* at all—at least, not before and apart from the gift of justification. Such a claim need not be falsified by the fact that humans are capable of acting in ways that are just, or correct; Luther admits that even unredeemed sinners can *seem* to do good works, when seen from the outside—and, moreover, that these apparent good works may and frequently do function to maintain order, and preserve justice in the world. However, without the gift of faith, the human will is still held in inescapable bondage to sin. As a result, the true essence of the unredeemed agent's action (however apparently good

externally) is neither free, nor valuable where it counts: before God. Human moral action only becomes truly free—and *real*, we might even say—in the freedom of the will we experience after grace. And even then in the life of the redeemed Christian, to speak of her own moral agency too boldly, or to be confident about its reliability—is to court works righteousness, and to fail to pay grace and divine agency its due. In this picture, the truly significant moral agency within the Christian’s life is not hers, but Christ’s.

With Luther, then, it may be possible to argue that humanity’s fundamental mode of moral agency lies not in human action or striving, but in the recognition of the need for and reception of the gift of Christ’s agency, imputed to the sinner. Indeed, as Bernd Wannenwetsch proposes, if there were a single “grammar” that governed Luther’s thought, and held together his various paradoxes—law and gospel, *justus et peccator*, and so forth—it would be what Luther called “*vita passiva*,” or the concept of “living a receptive life.”⁶¹ Even this is a kind of paradox, of course, because to passively accept and appropriate Christ’s agency in the Christian life requires that the individual actively *live* the Christian life. Her own action, however, is rooted in Christ’s in an important way; given that she remains *peccatrix*, her agency as *justa* is at once her own, and yet only Christ’s lent to her by faith through grace.

As just seen, a Lutheran concern that theology appropriately respect the priority and totality of divine agency encourages positing a significant disjuncture between the apparent and external features of an act, and its true moral merit as a choice, with this latter being determined entirely by whether the agent’s will is in bondage to sin, or liberated by Christ.⁶² This emphasis upon the importance of the will can also be read as a

⁶¹ Wannenwetsch, “Luther’s Moral Theology,” 133.

⁶² And conversely, “sin” for Luther is generally an internal state. “The word sin in the Bible means something more than the external works done by our bodily action. It means... the

denial of the importance of context in the moral life and, concomitantly, of the possibility of moral luck—or, at least of *good* moral luck. As Luther argues, if a given context restrains the sinner from sin somehow (through, for example, the law⁶³), so much the better for society, but this is decidedly *not* to the credit of the sinner, whose action (and will) remains unrighteous. Likewise, if a context incites the agent to sin, this does not at all reduce her guilt before God, which was already total. Indeed, human acts may externally perform justice (or its approximation), but they are not acts of true moral worth or agency apart from the free orientation of the will toward God, which itself only comes from God. As a result, if a broadly Lutheran moral theology leaves any room for luck, it is only the “bad” moral luck of being a fallen human, or the “good” moral luck of being saved by divine grace, and having God liberate one’s will.

3. *What these views share: compromised agency*

Clearly, the interpretations of the human condition these two figures model differ significantly. Luther places great emphasis upon the inescapable bondage of the agent’s will in its unredeemed state, as well as upon the inevitability of her continued life as sinner, even after the gift of faith and the imputation of Christ’s alien righteousness. Without denying the necessity of grace for salvation, Aquinas instead focuses upon the agent’s cooperation with grace in developing virtue, and acting rightly. In so doing, he comfortably uses the language of free will, which Luther eschews as a dangerous fiction. A broadly Thomistic articulation of our agential predicament is characterized by a confidence regarding the reality of moral agency, even before the grace of salvation. In

impulses operating in the depths of our hearts. ...Even where nothing is done outwardly, a man may still fall into complete destruction of body and soul.” Luther, “Preface to Romans,” in Dillenberger, 22.

⁶³ See, for example, LW 26:308.

contrast, it is perhaps possible to say that in a Lutheran theological perspective, unredeemed agents do not properly exercise moral agency, and that after grace, the moral agency we do finally enjoy is actually Christ's, lent to us. Finally, we may find within their thought two rather different pictures of the role of context in the moral life. Whereas Lutheran thought can be read as offering an ideal typically decontextualized account of agency, in which all that matters for moral achievement centers on the will, Aquinas is attentive to the ways that context may complicate an agent's attempt to act morally, and accordingly may indirectly leave room for moral luck.

Given these considerable differences, it is all the more remarkable that the moral theories Aquinas and Luther developed should share so much. And they do so nowhere more than in their fundamental assumptions regarding the compromised and fraught exercise of human moral agency. They share, firstly, a conviction that in the fall, human powers of moral reasoning were significantly damaged. Although they differ on the nature of this damage, Aquinas and Luther both assume that the fall has had epistemological and noetic effects upon human nature, such that the fallen human is likely to engage in deficient moral reasoning and—unaided, at least—know her obligations only imperfectly. Both assume that outside aid, from Scripture, faith, and (for Aquinas) tradition are necessary in order to correct this distorted sight.

Aquinas and Luther also assume that the complications to moral action presented by humanity's damaged powers of moral reasoning are further compounded by the damage that the fall has done to the human will. They both begin from the presupposition that in God's original design, humanity had the power to orient its will toward God, and the capacity to obey the moral law of God's commandments. Humanity's choice to sin,

however, corrupted this original integrity of the human will. As a result, humanity is now incapable of even desiring to please God—much less of fulfilling the law.

The idiom these views use to describe this damage differs: in a Lutheran perspective, the problem is one of bondage to sin; in Thomistic thought, it is that of the will and reason now only controlling the passions and emotions deficiently. Both, however, suggest that our wills are no longer properly oriented, and no longer fully responsive to our control. Instead, it confronts us as an alien thing that constrains, hinders, and binds us, such that even agents who are aware of the malformation of their will and wish to mend it cannot. Even by a reckoning in which this incapacitation is less severe, the total liberation and restoration of our agency is impossible without the supernatural aid of grace. In short, both suggest we view our moral agency as in many ways deeply *compromised*. They assume that we feel a sense of misfit with our moral powers, and that we feel some original integrity, or power, has been lost. They assume, also, that we aspire to more.

3.1 Why compromised? The difference between this and the account of agency used to explain moral luck

This description of our agential situation is very similar to that developed within philosophical literature recommending the concept of moral luck. Ultimately, however, the two accounts of agency differ, with regard to the agent's experience of this agency, and with regard to the moral valence, or nature, of this predicament: described theologically, our agency is not merely impure as a matter of course, but compromised, and tragically so. Explaining these differences will further sketch out this picture of agency.

Philosophical discussion of moral luck begins from the fact that, as Thomas Nagel explains, humans are generally committed to the principle that “people cannot be morally

assessed for what is not their fault, or for what is due to factors beyond their control.”⁶⁴

Intuitively holding this principle, we assume that luck does not and should not influence the extent to which an agent is morally blameworthy or praiseworthy for an action.⁶⁵

However, in practice, Nagel and others point out, we regularly *do* morally assess individuals based on factors outside of their control.

To illustrate this, he uses the now standard example of an accident in which a truck driver accidentally kills a child who runs into the street. Most people intuitively find this driver more morally to blame than one who made identical choices (negligent or not; in some scenarios the driver is speeding, or has failed to perform required maintenance on his brakes, in others he is not), but does not end up killing the child. Here arises the “problem,” or paradox, of moral luck: in the recognition, as Margaret Urban Walker puts it, that “*responsibilities outrun control*.”⁶⁶ The traffic accident is an example of what Nagel calls “resultant” moral luck; luck dependent upon the outcomes of a circumstance. Another variant, “constitutive” luck, describes the luck of how an agent’s context and upbringing have formed their “inclinations, capacities, and temperament,” factors which are also outside their direct control, but for which we also regularly consider individuals responsible.⁶⁷

⁶⁴ Thomas Nagel, “Moral Luck,” in *Mortal Questions* (New York: Cambridge University Press, 1979) 25.

⁶⁵ As Bernard Williams puts this principle, “Anything which is the product of happy or unhappy contingency is no proper object of moral assessment and no proper determinant of it, either.” Bernard Williams, *Moral Luck* (New York: Cambridge University Press, 1982), 20.

⁶⁶ Margaret Urban Walker, “Moral Luck and the Virtues of Impure Agency,” *Metaphilosophy* 22.1/2 (1991): 19, emphasis in original. Some find this fact (or sense) more problematic than others; Darren Domsky, for example, finds that it “jeopardizes the very possibility of making evaluative moral judgments” (“There is No Door: Finally Solving the Problem of Moral Luck,” *Journal of Philosophy* 101 (2004): 445.

⁶⁷ Nagel, “Moral Luck,” 28.

To think of moral accounting in this way presents a paradox and, as Walker writes, “a paradox requires a remedy which restores consistency.”⁶⁸ Some philosophers have responded by acknowledging the reality of moral luck, but proposing resolutions to the paradox it seems to present.⁶⁹ Others have proposed ways to dissolve the paradox in the first place by revealing moral luck to be simply an illusion.⁷⁰ A third approach is to accept moral luck as real, and also as a real paradox that does not admit of a tidy resolution.⁷¹

Insofar as we take either the first or third of these approaches and recognize the existence of moral luck (and therefore the inconsistency of traditional moral accounting), philosophers such as Nagel and Walker argue, we must also recognize the implausibility of the account of moral agency undergirding traditional moral accounting. They point specifically to the “pure” view that assumes an unconditioned will found within, for example, Kantian ethics. In this voluntarist view, the agent is capable of moral action qua her status as an agent, and without regard to her social or physical context. As a result, she is also responsible without reference to context; the only morally salient features of any

⁶⁸ Margaret Urban Walker, “Moral Luck,” *Metaphilosophy* 15.

⁶⁹ Walker declares herself in this camp, and argues that moral luck only presents an insoluble problem from the perspective of a “pure” view of agency, which she rejects as mistaken. See Walker, “Moral Luck.” Likewise, Judith Andre argues that Kantian influences predispose us to find moral luck troubling, and that an Aristotelian perspective resolves this. See Judith Andre, “Nagel, Williams and Moral Luck,” 123-29, in *Moral Luck*, edited by Daniel Statman (Albany: State University of New York Press, 1993). See also Keith Hankins, “Adam Smith’s Intriguing Solution to the Problem of Moral Luck,” *Ethics* 126.3 (April 2016): 711-746. To my mind, each of these further describe, rather than truly explain or resolve, the paradox that moral luck presents, and could just as easily be described as instances of the third approach, which admits that the paradox may not be soluble. Walker, for example, compounds it by suggesting that agency is more complicated than we can generally articulate.

⁷⁰ For example, see Henning Jensen, “Morality and Luck,” *Philosophy* 59 (1984): 323-30; Norvin Richards, “Luck and Desert,” 167-180, in *Moral Luck*, edited by Daniel Statman (Albany: State University of New York Press, 1993); and Michael Zimmerman, “Luck and Moral Responsibility,” *Ethics* 97 (1987): 374-86.

⁷¹ This is the approach taken by Williams, Nagel, and Martha Nussbaum. Martha Nussbaum, *The Fragility of Goodness: Luck and Ethics in Greek Tragedy and Philosophy*, updated edition (New York: Cambridge University Press, 2001).

given situation in which her agential efforts or capacities are to be examined include her intentions and willed efforts vis-à-vis the universal law.

The persistence of moral luck in our everyday moral accounting indicates the inadequacy of this description of moral agency. As Bernard Williams explains,

One's history as an agent is a web in which anything that is the product of the will is surrounded and held up and partly formed by things that are not, in such a way that reflection can go only in one of two directions: either in the direction of saying that responsible agency is a fairly superficial concept, which has a limited use in harmonizing what happens, or else that it is not a superficial concept, but that it cannot ultimately be purified.⁷²

Williams' claim is that it is difficult to isolate the will from other factors in an agent's life.

If the luck of circumstance can influence the likelihood that an agent will make a particular choice, for example, how ought we to morally assess her will? Further, what are we to make of the fact that the luck of biology and socio-cultural context plays a significant role in determining an agent's character, and therefore will, in the first place?

Questions such as these frustrate attempts to speak intelligibly about moral responsibility, choice, and action without reference to context. Instead, they each indicate that moral agency is regularly, if not always, what Walker calls "impure":

Moral luck is part of a picture of impure agency: agency situated within the causal order in such ways as to be variably conditioned by and conditioning parts of that order, without our being able to draw for all purposes a unitary boundary to its exercise at either end, nor always for particular purposes a sharp one. Such agents' accountabilities don't align precisely with their conscious or deliberate choices or undertakings, and are not necessarily limited by them.⁷³

⁷² Bernard Williams, *Moral Luck*, 29.

⁷³ Margaret Urban Walker, *Moral Contexts* (Feminist Constructions) (New York: Rowman & Littlefield Publishers, 2003) 28. On Walker's reading, moral luck is

a fact of our moral situation and our human kind of agency. The fact is our perfectly predictable entanglement in a causally complex world, with imperfectly predictable results. Part of the normal and required self-understanding of human agents is a grasp of that fact, of the loose and chancy fit between undertakings and impacts, and between where we'd choose to find ourselves, and where we actually do. (26)

This is remarkably similar to the view of compromised agency this chapter has just argued undergirds both a Thomistic and Lutheran interpretation of the human condition, with the addition of a focus upon the agent's context, or the "causal order."

3.2 Humanity's fallen condition as a kind of bad moral luck; but new and improved, now with more (and different) tragedy

Given this, the theological interpretation of our human condition that both perspectives considered here produce can be described as involving a kind of bad moral luck. Firstly, as noted, a theological account of compromised agency shares much with what Walker describes as impure agency, although extending the extent of its impurity, as it were. It does so by suggesting that the causal order in question includes not only the agent's external context, but also the context of human nature itself, in its damaged fallen condition. It is the agent's very self that inescapably forms her action, and it does so in ways that can feel like an external agency acting upon her; recall Lutheran recourse to metaphors of bondage, and Aquinas' admission that our passions, while ours, may confront us as external forces. Although this is not necessarily incompatible with Walker's account of impure agency, it is certainly not entailed by it; Walker nowhere suggests that the fuzzy borders of an individual's agency are experienced as a kind of bondage, for example.

Secondly, a theological account of the human condition shares with moral luck literature the assumption that an agent's responsibilities extend beyond her control. Here, however, the differences between the two paradigms become more obvious. Moral luck, if it is real, indicates that agents are responsible for outcomes not under their conscious control, due to the way their contexts interact with their agency. It does not necessarily follow that agents are accordingly responsible for those contexts in the first place. Both

theological perspectives considered here, however, conclude that human agents are responsible not only for the outcomes of resultant from acting in a given context (their fallen condition), but also for that context itself, given that compromised agency is both the punishment and result of sin. This is, we might say, some bad moral luck indeed. And, it is certainly a situation in which responsibility outruns control. On this reading, agents are not only accountable for right action that they can no longer achieve (in Wannenwetch's words, the law demands a subject that is no longer there), but they are culpable for a condition they have never consciously willed in the first place.

If our fallen condition can be described as a kind of moral luck, then, extends the concept rather beyond its normal usage. It puts moral luck to rather more accusatory ends than is usually the case in philosophical literature, where the concept is generally used to encourage frankness regarding the complexity of the human situation, not to pile on demerits and guilt to agents who already cannot meet the obligations of existing moral theories. Moreover, in a theological reading of our fallen condition, this bad moral luck, and our compromised agency, are not just neutral features of our existence as agents. Rather, they constitute a dire *problem*. This problem is, firstly, that we are in an unanswerable position of culpability. Secondly, as a result of this, we are caught in the undesirable condition of compromised agency. As the language of bondage evocatively suggests, this condition is an unhappy one—one which we may feel acutely, and from which we both need and want saving. And we do so out of a profound sense that our condition is not at all the normal course of things; that perhaps instead we were meant for, and somehow lost, a rather different experience of our own agency.

Moral luck literature does not generally characterize either moral luck or impure agency as tragic in exactly these terms. As Williams and Nussbaum both explore through

conversation with Greek tragedies, agents may experience their impure agency, and the role of moral luck in their lives, as tragic. Even so, these agents are not necessarily in an agential predicament, and as such in need of (or susceptible to) salvation. (They are also not in any shared predicament; although the condition of impure agency is common to humanity, this is not something for which agents are communally responsible, and moral luck visits each differently.) As noted, most approaches to the “problem” of moral luck conceive of both this problem and its resolution as conceptual. To the extent that they are facts about our existence, moral luck and impure agency appear simply the natural course of things, no matter how unready most of us are to accept the alternative moral reckoning and picture of agency they require.

A theological account of the human condition proposes, however, that our agency is not merely impure, but compromised, and contingently so. What philosophers such as Walker take to be the normal course of things, theologians such as Aquinas and Luther suggest we see as the result of sin, and in need of urgent remedy from outside. They also, of course, invite us to see how God has already and is still offering this remedy, through Christ. That is, if a theological reading our agential predicament is that it is deeply tragic, it also suggests that it is one that admits of a resolution. The following chapters, however, remain in the register of tragedy, and consider how the descriptions of our agency developed here may help us identify and make sense of specific negative aspects of our agential predicament in capitalism. They will suggest that, to the extent that we are unhappy with our experience of our own agency, figures such as Aquinas and Luther invite us to consider that this is because we were not meant to live this way in the first place, with such deeply compromised agency, but that the fact that we do is our own fault.

Conclusion

This chapter has argued that, when described in both a Thomistic and Lutheran theological idiom, the agential predicament of fallen humanity is a dire one. The experience of responsibilities outstripping control and of compromised agency that they assume is rather similar to the phenomenon of moral luck, with the difference that, in their own ways, both theological interpretations find our bad moral luck, and our compromised agency, to be fundamentally tragic. However, this chapter has only told half the story. As Chapter Five explained, the arc of the theological narrative about humanity's nature and destiny begins with creation and the fall, but does not end there.

This chapter has focused on creation and fall, and has not touched upon the place of God's offer of redemption in the moral life. A full introduction to Christian ways of understanding and speaking about our agential predicament would do so, and address the fact that our condition is one about which God cares deeply—so much so that God has already addressed it, in the person of Jesus Christ who, the Gospel of John records, entered human history to offer the gift of “life, and life abundantly.”⁷⁴ It might do so, again, with Lutheran and Thomistic thought as guides to how different theological idioms suggest we understand this life abundant, and its bearing upon the remediation of humanity's helpless culpability, and upon the restoration and rehabilitation of its moral agency. Here, too, the diverse theological emphases animating these visions result in different pictures of how restoration occurs within this life: in Lutheran thought, this rehabilitation is primarily found in the liberation of the will from its bondage to sin, and the freedom of the Christian for the gospel (and from law), and only secondarily in moral progress; in Thomistic thought, the rehabilitation of the agent begins in a noticeable way in this life,

⁷⁴ John 10.10.

through the slow perfecting of humanity's natural moral powers through the *donum superadditum* of the infused virtues, which make a human fit for the supernatural end of communion with God. In both, however, the gift of grace makes possible the restoration of un-compromised moral agency, and the somewhat bleak picture sketched here is most emphatically not the final word when it comes to our moral agency.

The hope and promise of grace, and its operation in our lives, however, does not immediately eradicate or undo our fallen condition. While both of our guides share the conviction that God's action in our lives begins to address our compromised agency, neither suggests it fully resolves or heals it within this lifetime. Compromised moral agency is an unavoidable feature of human existence. Indeed, in the theological perspectives introduced here, part of receiving grace is learning to acknowledge and confess this, and to humbly accept the sinfulness and frailty of our humanity. These perspectives accordingly recommend that admission of our imperfect and sinful nature is an important foundation for all conversations, practical and theoretical, about the exercise of our moral agency. This admission can function to prevent self-confident moral laziness, to chasten claims to virtue, and to unsettle overly tidy moral theories.

Moreover, the argument of this dissertation is that claims such as these can also enable a kind of moral honesty in the way that they provide a narrative frame through which to understand our lives. In particular, the accounts of compromised agency and culpability offered here offer a lens, as it were, that can bring into focus the full complexity and ambiguity of our experience of the world—and of ourselves, even—as a moral context. They do so by providing a narrative within which that complexity may make sense. With the theological narrative of this chapter in mind, then, the following chapters now ask

how it may help make sense of, and what it may have to say about, our specific situation within capitalism today.

CHAPTER 7 HINDRANCES TO MORAL AGENCY IN CAPITALISM TODAY

“Men make their own history, but they do not make it as they please; they do not make it under self-selected circumstances, but under circumstances existing already, given and transmitted from the past.”

Introduction

Part I described capitalism today as the product of human agency, despite popular conceptions otherwise, and offered a theological reading of it as expressing and compounding humanity's fallen condition. It suggested that one duty of responsibly living in the saeculum, during which all contexts will instantiate both the essential goodness of creation and also the temptations of “the world,” is that of theologically attending to the complexity of each historical moment as a moral terrain. Chapter Six then developed, with the help of different but complementary interpretive guides to the Christian story of creation, fall, and redemption, a rough sketch of a fundamental Christian grammar of moral agency, in which (fallen) human agents are inevitably responsible beyond their control, and experience compromised moral agency, both of which are technically humanity's own doing. This chapter now turns to consider capitalism today specifically as a context for moral agency in light of these claims. How, it asks, does economic life today confront the individual as “the world”? How does it reflect the fallenness of all social orders by vexing attempts at moral action, compromising moral agency, and implicating agents in moral responsibilities that outrun their control?

With the narrative of Part I in mind, this chapter considers especially the role of economic knowledge in hindering and compromising moral agency. It does so by trying to

¹ Karl Marx, “The Eighteenth Brumaire of Louis Bonaparte,” 1852.

connect knowledge to two better known aspects of social orders: subjectivities (the realm of culture as it is experienced by the individual) and institutions (the realm of structural and material hindrances). In so doing, this chapter indirectly develops an account of the role of economic knowledge within the production and reproduction of economic life.

The larger goal is to develop a sketch of the agential predicament in contemporary economic life, with attention to how current conditions threaten to (and do) compromise and undermine moral agency. Issues addressed range from structural and practical impediments to good action to epistemological difficulties in discerning the shape of good action in the first place. Nearly all examples this chapter discusses are at once economic, political, cultural, social, and personal; it is perhaps impossible to cleanly separate the ways that capitalism today hinders and compromises our moral agency from the ways that democracy today does so, or from the way that American culture does so, and so forth. This is especially true from the perspective encouraged by this dissertation, in which “the economic” is always also shaped by and in turn shapes “the social.”

Agency and context: the moral luck of compromised moral agency

The goal of listing how a given context does or threatens to compromise moral agency already presumes that this agency is something that can be influenced by context. Indeed, this chapter conducts its survey of our contemporary economic situation using the lens of compromised (or, compromisable) moral agency developed in the last chapter (and presumed more generally throughout this dissertation). As the last chapter noted, this permeable account of agency entails that we recognize the existence of some amount of moral luck; this chapter also employs this concept to describe our situation.

In particular, this chapter attends to the bad moral luck of finding ourselves in situations that negatively affect our moral agency. This bad moral luck is of at least three distinct kinds. Consequential, or “resultant” moral luck, describes the luck of how a given situation turns out—in the case of the car accident, this is the luck of whether applying the brakes at moment X results in hitting a child, or a near miss. “Circumstantial” moral luck concerns the change introduced into a moral equation by an agent’s surrounding, including her cultural surrounding, and the actions of other agents. Finally, “constitutive” moral luck describes the luck that extends also to the formation of the agent’s self more generally: its desires and aspirations, its habits, virtues, and vices, and even its ability to grow and develop—in short, the self’s character.² Constitutive (bad) moral luck is an especially important aspect of the situations discussed here, which not only constrain good action (and incentivize sinful action) in the particular moment of an agent’s decision, but that also do so upstream of those moments, by forming the agent’s attitudes, wishes, virtues, worldview, and moral reasoning.

Each of these types of moral luck may arise from various sources. They may arise from natural events, such as flood or falling trees, or from another person’s actions, such as the child running in front of the truck in the earlier mentioned example. In the case of economic life, however, bad moral luck is more likely to arise from rather more systemic, and less occasional, sources. Lisa Tessman proposes the term “systemic luck” to indicate this sort of luck, which has “its source in social systems—particularly systems of oppression”:

² Nagel himself describes a fourth, and distinct, type of luck, “causal luck,” or luck in “how one is determined by antecedent circumstances” (60). I do not list this here, as I agree with those who view this as redundant, since this concept is already covered by constitutive and circumstantial luck.

For example, it can be due to systemic luck (in this case, bad luck) that a person suffers from the deprivation of poverty; there is nothing about this luck that is natural, accidental, or idiosyncratic, in that one can point to its systemic source in, for instance, capitalism.³

Much of the bad moral luck we face today is precisely so: it is neither natural, nor idiosyncratic (although, despite being human-made, we may want to say that it is often accidental). In what follows, this chapter introduces and examines the particular anatomy of how various economic situations and positions expose us to this sort of luck, in order to describe (insofar as possible) what sort of agential predicament to which these add up.

In developing the list here I have made some judgment calls. This chapter necessarily introduces each type of obstacle without fully enumerating exemplary instances, or analyzing each instance mentioned in detail. Moreover, there are surely many other ways that capitalism has lately hindered our moral agency than these. My intention here is that treatment of the specific issues mentioned here be illustrative and generative, rather than comprehensive. A full accounting of the moral dynamics operative in our current social order may not be possible, at least in the moment; as Walter Benjamin wrote, “we cannot draw close the net in which we stand.”⁴

1. Currency as power: the practical limits of being poor

The first thing that must be said about the way that economic life today hinders moral agency is that the very fact that contemporary society is oriented primarily around market exchange disadvantages those who do not have the means to engage in this exchange. This is, of course, a feature of all societies in which any goods are allocated

³ Lisa Tessman, *Burdened Virtues: Virtue Ethics for Liberatory Struggles* (New York: Oxford University Press, 2005), 13.

⁴ Walter Benjamin, “Capitalism as Religion,” 259-262, in *The Frankfurt School on Religion: Key Writings by the Major Thinkers*, edited by Eduardo Mendieta (New York: Routledge, 2005).

through means of exchange; this is not solely a feature of global capitalism in the latter part of the twentieth and the early part of the twenty-first century.

What is new in contemporary capitalism, however, is the expansion and intensification of global markets. As markets become increasingly interconnected and economies become ever more interdependent, it becomes more difficult to engage in the kind of local practices that enable subsistence independent of markets. The expansion and intensification of markets today have made us ever more reliant upon monetary exchange for the basic goods of life. Generally, in order to acquire goods today, one must have something to exchange—namely, money.

The hard truth, however, is that many individuals do not have access to financial resources. Although global poverty is falling, in 2011 almost 15 percent of the world's population—over a billion people—remained in extreme poverty.⁵ According to the United Nations Development Programme's 2015 Human Development Report, 29 percent of the population of 101 developing countries (home to 75 percent of the world's total population) lived in “multidimensional poverty” between 2005 and 2014.⁶ And in the United States, during the four year period from 2009 to 2012, 34.5 percent of the population had at least one spell of poverty lasting two or more months.⁷ Some may choose to place the blame for these facts upon the system of exchange itself, and decry

⁵ The World Bank defines extreme poverty as living on less than 1.25\$ a day in low-income countries, and less than \$2 a day in middle-income countries. The World Bank, *Global Monitoring Report 2014/2015: Ending Poverty and Sharing Prosperity*, 2.

⁶ According to the Multidimensional Poverty Index, a person or household is considered multidimensionally poor if they experience deprivation in one third or more of weighted indicators, pertaining to overlapping domains such as health, education, and living standards. United Nations Development Programme, *Human Development Report 2015: Work for Human Development*, New York, 2015.

⁷ Carmen DeNavas-Walt and Bernadette D. Proctor, *Income and Poverty in the United States: 2014*, United States Census Bureau, U.S. Department of Commerce, Economics and Statistics Administration, September 2015, 4.

market exchange as an inappropriate method of allocating goods. Many advocates of socialism fall within this camp. Others (and I am in this camp myself) argue that rampant and systemic inequality is not a necessary artifact of market exchange, but a contingent byproduct of particular political choices and cultural norms, and that a market-oriented society is fully compatible with lower levels of inequality.

Whatever the root causes of contemporary inequality, the fact is that in our market exchange oriented society, many individuals today lack the means to engage in the exchange required to meet their basic needs, and to live the lives they would choose. Moreover, many individuals (and communities) lack the opportunities to remedy this lack. Even in the United States—a society that values social mobility, and believes strongly in meritocracy⁸—most workers whose earnings put them in the lowest fifth of earners in 1996 remained in that same group a decade later; in this regard, the bottom quintile is “sticky.” It is especially sticky in certain areas; income mobility is hindered (or supported) by factors ranging from school quality, patterns of civic engagement, local job availability and hiring trends, and the design of public assistance programs.⁹ As one Center for American Progress report puts it, “variation in economic mobility is not random.”¹⁰ This inescapability—the fact that poverty is often experienced as a trap—compounds the way economic lack limits agency, including moral agency: those with few or no financial

⁸ On this, see “Opinion Poll on Economic Mobility and the American Dream,” Economic Mobility Project, Pew Charitable Trusts, 2009.

⁹ For a breakdown of mobility in the U.S. by state and city, see David Leonhardt, “In Climbing Income Ladder, Location Matters,” *The New York Times*, July 22, 2013. Leonhardt’s essay builds on research developed through The Equality of Opportunity Project, hosted at Harvard, and available at equality-of-opportunity.org. See also, *Economic Mobility of the States*, Pew Charitable Trusts, available at pewtrusts.org. For an example of current popular analysis of this last factor, see Alana Semuels, “The Near Impossibility of Moving Up After Welfare,” *The Atlantic*, July 11 2016.

¹⁰ Ben Olinsky and Sasha Post, “Middle-Out Mobility: Regions with Larger Middle Classes Have More Economic Mobility,” Center for American Progress, September 2013, 1.

resources simply do not have the means with which to effect the good ends (and to avoid the negative) they would regularly prefer to effect (and to avoid).

1.1 Economic compulsion

A special kind of this compromise to moral agency occurs where agents cannot avoid making choices that result in harm to themselves or others. As Albino Barrera has pointed out, given a lack of resources (and unequal social conditions), many market actors make decisions that ought not be counted as “free” choices, despite their technically voluntary and legal nature. To illustrate this, Barrera offers an example drawn from Aristotle, of the ship’s captain who must throw his cargo overboard in order to survive a terrible storm. Although the captain intentionally chose this course of action, it was what he calls a “mixed” choice that was made, in important regards, unwillingly. Markets impose similar constraints upon choice to those lacking resources. Where serious harm occurs as a result, Barrera calls this “economic compulsion”:

a condition in which market participants unavoidably incur profound opportunity costs. People give up nontrivial interests in order to satisfy, safeguard, or procure their other vital claims that are at even greater risk. In other words, economic compulsion leads people to voluntarily accept a significant deterioration in their welfare in order to avert what would have otherwise been an even more catastrophic decline in their well-being.¹¹

Recognition of the fact and seriousness of this kind of compulsion provides the grounds for one of political philosopher Michael Sandel’s arguments for “the moral limits of markets,” or objections to commoditizing certain goods and services.¹² As he explains:

The fairness objection points to the injustice that can arise when people buy and sell things under conditions of inequality or dire economic necessity. According to

¹¹ Albino Barrera, *Economic Compulsion and Christian Ethics* (New York: Cambridge University Press, 2005) 4-5.

¹² Michael J. Sandel, *What Money Can’t Buy: The Moral Limits of Markets* (New York: Farrar, Straus, and Giroux, 2013) 111.

this objection, market exchanges are not always as voluntary as market enthusiasts suggest. A peasant may agree to sell his kidney or cornea to feed his starving family, but his agreement may not really be voluntary. He may be unfairly coerced, in effect, by the necessities of his situation.¹³

Sandel jumps quickly from recognizing this coercion to an argument for legally prohibiting exchange of certain goods likely to be exchanged in such cases—in this example, kidneys and corneas. (It should be noted that this is only one practical takeaway; another might be not to regulate what can be sold, but to address the background conditions of inequality.) However, we do not need to share Sandel's (or any other particular) political conclusions in order to recognize the moral significance of the coercion he points toward.

Both Barrera's account of economic compulsion and Sandel's concerns about coercion indirectly acknowledge the potentially troubling role that poverty and economic deprivation can play in an agent's moral life. They both point toward not only the existence of economic compulsion and coercion, but how this coercion requires individuals to compromise and sacrifice real goods, both tangible and moral. The ability to retain one's organs and bodily integrity is a perfect example of a "nontrivial interest." It is not difficult to think of other abilities to enact or protect goods that markets may jeopardize: to give charitably to others in need, to provide food to one's dependents that is both nutritious and produced in an environmentally sustainable manner, and to spend time with one's children, to list just a few.

As a result, economic compulsion, and the danger it poses to these goods, presents a significant instance of compromised moral agency. In light of the fact that that many of the goods necessary for life are now only available to those with economic means, where unequal social conditions (or a sheer lack of economic means) leave individuals in

¹³ Sandel, *What Money Can't Buy*, 111.

situations where they are unable to live a life of dignity, and to fulfill the moral obligations incumbent upon them in their various social roles (and/or perhaps to even discern these obligations in the first place), we may say that contemporary economic life hinders moral agency.

It is clear how this may be true on the local level. The parent who lacks access to resources sufficient to provide safe and stable shelter for their child, for example, may well experience this as a lack of moral agency: a situationally-caused inability to act in such a way so as to effect the good, and to fulfill a moral obligation they sense—and possibly also an inability to act to prevent harms they wish to avoid. We do not need to engage in moral judgment of this lack of moral agency (that is, this lack does not entail a judgment that the parents are morally culpable or blameworthy) in order to recognize this situation as one of hindered moral agency. This is true as well in less obvious situations of lack.

Parents who are unable to read as frequently as they would like with their children (a parent-child interaction linked to better cognitive and behavioral outcomes later in life) due to the need to work extra hours at a job that is poorly compensated, for example, also may experience this as a constraint upon their moral agency, as may a parent who lacks the resources to routinely provide their children (or themselves) with produce free from carcinogenic pesticides. (And, I propose, even if they do not experience this as a constraint, it is one, nonetheless—it is a situational factor that limits their ability to enact and achieve these goods.)

Moreover, the poor do not only face difficulties in fulfilling their local moral obligations, to the self and to near others; lack of resources also exposes the individual agent to difficulty in avoiding complicity in and contributing to harms against distant neighbors, as well. Just as the cheapest available “fast” food is regularly less nutritious than

more expensive and time costly options, for example, so it is also regularly less environmentally sustainable. Produce grown and harvested using unsustainable practices is more affordable than more sustainable produce. Given this, lack of resources also impedes an individual's ability and capacity to make market decisions that express moral concern for distant neighbors and the goods of creation (such as animals and various ecosystems), and to incentivize and support systems that instantiate and ensure just treatment of these neighbors and other parties.

2. Spiritual, psychological, and emotional impact of poverty

Not all the disadvantages of lacking access to financial resources are material; poverty also brings with it a set of social, psychological, and spiritual hindrances to moral agency. It does not do so in quite the same way to all persons and groups, of course; the deprivations of poverty itself may be alleviated, exacerbated, or intensified as it coincides with race, gender, sexuality, ability, class, and so forth, and therefore so do the ways poverty deforms and hinders moral agency. In what follows I mention its effects in isolation from these other social factors, but admittedly, in reality its full operation is never distinct from these other social factors.¹⁴

One of the most obvious hindrances to agency poverty may present is the temptation to anxiety, and potentially envy, potentially generated by material and financial lack (although anxiety and envy accompanies abundance as well, to be sure). This is, of course, not a feature of life new or unique to contemporary capitalism: as early

¹⁴ A fuller treatment of this theme would take up the question of whether the particulars of this variability are themselves features of capitalism today, or ought to be treated separately in a moral assessment of our social moment (that is, whether the bad moral luck of the fact that race compounds the psycho-social ramifications of poverty should be ascribed to contemporary capitalism, or contemporary American culture). I can imagine both empirical and rhetorical reasons for arguing either way.

as the second century CE, Clement of Alexandra reminded those who would interpret Jesus' command to the rich young man literally of precisely these moral dangers of poverty:

It is possible for a man, after having unburdened himself of his property, to be nonetheless continually absorbed and occupied in the desire and longing for it. He has given up the use of wealth but now, being in difficulties and at the same time yearning after what he threw away, he endures a double annoyance: the absence of means of support and the presence of regret. For when a man lacks the necessities of life he cannot possibly fail to be broken in spirit and to neglect the higher things, as he strives to procure these necessities by any means and from any source.¹⁵

It is hard, of course, to seriously condemn those who lack the means of subsistence today if they do in fact “neglect... the higher things” as a result of being “continually absorbed and occupied in the desire and longing for” the resources required to live lives of dignity.

It is also true that not all those who experience poverty *do* neglect the higher things, or are in fact “broken in spirit”; exposure to this danger is no guarantee of this neglect.

Nonetheless, Clement is right to point out the moral and spiritual dangers of material lack.

One arena in which we may see these dangers practically can be found in the social and psychological hazards that lacking access to financial resources poses to the family environment, and to child development. A solid body of evidence indicates that the “chronic psychosocial stress”¹⁶ caused by poverty and socioeconomic deprivation (assessed, for example, through “income-to-need” ratio) is correlated with family processes such as parents' depression, other psychological distress, spousal conflict, lower

¹⁵ Clement of Alexandria, “Who is the Rich Man Who Will Be Saved?”

¹⁶ Martha E Wadsworth and Shauna L. Rienks, “Stress as a mechanism of poverty's ill effects on children: Making a case for family strengthening interventions that counteract poverty-related stress,” *American Psychological Association CYF News* (July 2012), available at apa.org.

levels of “maternal warmth” in the home,¹⁷ and more negative and fewer positive parent-child relations.¹⁸ These processes mediate between family economic hardship and negative outcomes in children’s lives, including behavior, “socioemotional functioning,”¹⁹ educational and economic success, and physical health outcomes.²⁰

Here, as with the material impediments to parenting well that poverty presents, I do not list these to suggest that a full moral reckoning of these situations should result in assigning blame to the individual; rather the contrary.²¹ This is a particularly tragic constraint upon moral agency that capitalism can present to some, and it is one that ought to motivate social action to alleviate this constraint. Indeed, both of these first two constraints provide obvious warrants for engaging in political, social, and economic action that ameliorates systematically reproduced wealth inequality as much as possible by attacking its structural and cultural roots. We must take seriously how imposing these constraints are, and how oppressive and implacable are the obstacles that they present to individuals who lack access to financial resources, and lack the means and opportunity to acquire them. Careful attention to these material and subjective dimensions of the

¹⁷ Pamela Kato Klebanov, Jeanne Brooks-Gunn and Greg J. Duncan, “Does Neighborhood and Family Poverty Affect Mothers’ Parenting, Mental Health, and Social Support?” *Journal of Marriage and Family* 56.2 (May 1994): 441-455.

¹⁸ Leslie Morrison Gutman, Vonnie C. McLoyd and Teru Tokoyawa, “Financial Strain, Neighborhood Stress, Parenting Behaviors, and Adolescent Adjustment in Urban African American Families,” *Journal of Research on Adolescence* 15.4 (2005): 425-449.

¹⁹ Gutman et al., 426.

²⁰ See also, e.g., R. D. Conger, K.J. Conger, G.H. Elder Jr., F.O. Lorenz & R.L. Simons, “Economic stress, coercive family process and developmental problems of adolescents,” *Child Development* 65 (1994): 541-61. Recent studies confirm and extend the findings of a seminal study in 1974 on the effects of parental job and income loss during the great depression: Glen H. Elder Jr., *Children of the Great Depression* (Chicago: University of Chicago Press) 1974. For a review of recent scholarship on the impact of stress upon child development, see Wadsworth and Rienks, “Stress as a mechanism.”

²¹ Lisa Tessman has investigated the formation of “burdened virtues,” to develop more phenomenologically hip accounts of the moral impact of poverty, and of experiences of trauma. The promise of applying this strand of the moral luck literature to this aspect of in capitalism is suggestive.

constraints contemporary economic life places upon certain agents is a necessary element of any adequate reckoning of the moral dangers of economic life today.²²

3. *Temptations of wealth: moral myopia, misaligned incentives*

Poverty is not the only position in which one's command of resources may expose one to spiritual temptation and danger; wealth poses its own, perhaps even graver, moral dangers. In particular, it presents a temptation to become insensitive to the needs of the neighbor, and to fail to love the neighbor appropriately. This is especially true in societies that think of capitalism as a meritocracy, and laud wealth as the morally appropriate result of individual virtue and effort (especially if this meritocratic ethos is complemented by a widespread cultural inattention to the structural and cyclical determinants of wealth inequality, as is arguably the case in America today). In this context, it is all too easy to interpret one's own position of privilege and command of resources as deserved, and morally justified—and to interpret the neighbor's less comfortable position as likewise justified.²³

²² Further reflection might also consider the moral and psychological impact of instability, insecurity, and risk in the “precarious economy.” Chapter One explained how today's economy is “precarious” in a way prior eras weren't, due to changes in the labor market (and changes in the retirement corner of the finance sector). This affects some not at all, but more than some quite a lot. And it has specific moral dangers: it exacerbates the spiritual and social impact of poverty, and even for those not in poverty it can encourage a kind of presentist and self centered behavior. Who has time for social advocacy and investing in the common good when one's own future is radically uncertain? And this is not just on the practical level: coping with precarity may even encourage a mental and psychological internalization of responsibility, in which agents are encouraged to think of macro issues as resolvable on the micro level. This also chips away at solidarity, and commitment to the common good. See e.g. Jennifer M. Silva, *Coming Up Short: Working Class Adulthood in an Age of Uncertainty* (New York: Oxford University Press, 2015).

²³ This is dealt with differently in David Cloutier's *The Vice of Luxury: Economic Excess in a Consumer Age* (Washington DC: Georgetown University Press, 2015), and Laura Hartman's *The Christian Consumer* (Oxford University Press); Cloutier wants to revive luxury as a important category of vice discernible using casuistry, whereas Hartman provides four broader “considerations” to weigh. Although Cloutier and Hartman respond to the issue differently,

The temptations capitalism currently presents to this kind of insensitivity are institutional, as well as cultural. Firstly, the historically unprecedented social “sorting” we are experiencing presents a kind of moral danger—that of slipping into a distorted worldview that discourages both charity and justice. Due to the way suburban living has reshaped the American landscape and social media have reshaped social networks, for example, sorting according to socioeconomic status (and religion, and political orientation, and so forth) is now more possible and prevalent than at any time in the entirety of human history. This presents dangers that are not only economic in nature; it is also unhealthy for the larger body politic, for example, that individuals may increasingly only interact with like-minded others.

Economically, living within discrete echo chambers of affluence and comfort can lead to ignorance on the part of those with resources regarding the cause, nature, extent, and urgency of economic need among their less fortunate brethren—an ignorance that is likely to lead to indifference. Even for those who may conceptually and theoretically understand the pervasiveness of economic compulsion and deprivation in contemporary society (both locally and globally), living within a lifestyle enclave in which need never appears cannot but render its existence less emotionally and affectively present, and therefore less morally urgent. Given that research indicates that “exposure to need drives generous behavior,” unfortunately failures of charity are only likely to increase along with segregation and sorting according to social stratification, which appears to be on the rise

they both identify a core temptation to selfishness that those with means face. This too often results in us living with a higher standard of comfort than necessary, out of an unjustifiably inflated sense of desert and what is “normal” and necessary. For more on this, see Juliet Schor, *The Overspent American*, on the historical inflation of needs in the U.S., and on the upscaling of the “American Dream” during the latter decades of the twentieth century.

both globally and within individual nations.²⁴ In short, the sorting and segregation contemporary society enables (and even, to a certain extent, encourages) is certainly one of the factors contributing to what Pope Francis lamented in *Evangelii Gaudium* as a “globalization of indifference” in modern capitalism.

Secondly, apart from the way that distance from others in need influences moral reasoning, wealth itself provides both the incentive and means of protecting the privilege and advantage it brings. In this, capitalism is like all other social orders: it provides those in power with both the incentive and the means to protect that advantage and power. In capitalism more generally, this unfortunate (but altogether unavoidable in human society, perhaps) misalignment of incentives presents a hindrance to action on the collective level, as organizing against entrenched power is difficult without the kind of financial resources and privilege of that power itself.

Although these two dynamics are conceptually distinguishable—the moral indifference encouraged by distance from need, and the moral selfishness encouraged by privilege and wealth—in practice, these two temptations of wealth and privilege often coincide, and are mutually reinforcing in their distortions of both behavior and moral reasoning. As the next chapter will suggest, we may have grounds to claim that both of these dynamics are at work in the acceptance by privileged subjects in the developed world of a mechanical view of markets (and of neoliberal capitalism as accordingly natural).

4. *Exchange itself isn’t always morally benign or neutral*

²⁴ See, for example, Ken Stern, “Why the Rich Don’t Give to Charity,” *The Atlantic*, April 2013. On “sorting” in American life, see Bill Bishop, *The Big Sort: Why the Clustering of Like-Minded America is Tearing Us Apart* (New York, NY: Houghton Mifflin Harcourt, 2008).

Thus far this chapter has discussed temptations and forces hindering agency primarily incumbent upon certain groups: those with excess (both absolutely and in comparison to their neighbors), and those in positions of need (again, both absolutely and relative to their neighbors). However, some moral dangers and dynamics in contemporary economic life are more equal opportunity in nature. One of these is the way the very fact of market exchange can “crowd out” nonmarket norms, virtues, and behavior.

This phenomenon, which he calls the “commercialization effect,” provides the grounds for Sandel’s second argument for limiting markets in *What Money Can’t Buy: The Moral Limits of Markets* (the first argument, based on inequality and coercion, being mentioned above). Sandel makes the case that certain goods (including and especially relational and civic goods) simply ought not be commoditized—that is, put up for sale, and exchanged for money—because to do so insults or damages their intrinsic value. He calls this the “corruption objection”:

It points to the degrading effect of market valuations and exchange on certain goods and practices. According to this objection, certain moral and civic goods are diminished or corrupted if bought and sold. The argument from corruption cannot be met by establishing fair bargaining conditions. It applies under conditions of equality and inequality alike.²⁵

Sandel’s argument here is not merely that commercialization of certain goods threatens to insults our sensibilities by transgressing a moral or social norm—as, say, selling humans violates norms around human dignity, and the proper treatment of persons common in contemporary Western civilization. In addition to this intangible violation, Sandel here is also pointing toward the way market exchange can “corrupt, dissolve, [and] displace nonmarket norms.”²⁶

²⁵ Sandel, 111.

²⁶ Sandel, 113.

Fears regarding some aspects of what commercialization effect, of course, go way back, and have been expressed in varying registers, from critical theory to even economics, and are often linked with “slippery slope” arguments that commercialization in one area of social life inevitably leads to commercialization in others.²⁷ These arguments often rely on unsubstantiable fears, overgeneralizations, and imprecise reasoning. However, research has uncovered some instances in which a commercialization effect is in fact visible, and in which market norms “crowd out” nonmarket norms.²⁸

Again, I wish to present this claim with clear limits. There is no reason to think that every virtue or norm can be so crowded out, nor is there any reason to assume that every market exchange or commoditization crowds out. Moreover, we may find that we can positively change those exchanges that do have pernicious effects, given that markets and the social meaning and shape market exchanges take are highly contingent.

All such caveats aside, evidence that the crowding out effect is real does deserve theological attention, and does indicate another way in which market structures and institutions today can and do discourage and prevent moral agency. Where certain goods, practices, and services are exchanged for money, this exchange may erode—in both the specific individuals involved and in the society in which this occurs more generally—nonmarket norms and virtues that we deem good. Market exchange thus has the potential to contribute to scenarios in which both individuals and communities find it more

²⁷ In economics, see Fred Hirsch, *Social Limits to Growth*, 1978. For the latter claim, see, e.g., Richard Titmuss, *The Gift Relationship*, 1971, which argued that commercial systems for distributing blood pose a moral danger to social order given that it may pave the way for it to become “morally acceptable for a myriad of other human activities and relationships also to exchange for dollars and pounds” (198), and accordingly argues that only gift and reciprocal forms of exchange should be used to distribute goods such as blood, organs, and foster care.

²⁸ Sandel offers two examples—the Israeli daycare w/ late pickups, and the reluctance of a Swiss town to accept nuclear waste.

difficult than necessary to act in virtuous and justice-creating ways, and to cultivate virtuous habits.

5. The difficulty of avoiding contributing to unnecessary harms

A rather different way life in markets today may hinder moral agency has less to do with the cultural and social effects of exchange itself, and more to do with the economic outcomes that exchanges today generate, and contribute to. Many goods now exchanged in markets—and here “goods” includes services, investment products, and even real estate, in addition to consumer goods—have been produced, marketed, and delivered in ways that generate unnecessary and therefore unfair harms—to the environment, to persons, and to groups and cultures. Many items of clothing are currently produced in sweatshop conditions that do not befit the dignity of labor. Much agricultural produce is currently grown and harvested using unsustainable farming practices that deplete natural resources and environmental quality, and will make it more difficult for future generations to enjoy the gifts of creation. The factory farms that produce most of the world’s meat often rely on methods of animal treatment and slaughter that are cruel, and cause hundreds of thousands of animals unnecessary pain. Speaking of factory farming, usage of antibiotics in industrial livestock operations is widespread and routine, although research now shows that this is contributing to the emergence of antibiotic resistant bacteria (an emerging public health problem), and may be contributing indirectly to negative health trends in children.²⁹ And this is only a partial list. (And, moreover, it is a list of morally undesirable outcomes that are all fully legal; a list of *illegal* outcomes to which everyday consumption often contributes would have to include harms such as child and slave labor, illegal

²⁹ Pagan Kennedy, “The Fat Drug,” *The New York Times*, March 8, 2014.

polluting, etc. Strictly speaking, however, these are not moral hazards presented by capitalism today, per se, but of the individuals and groups that decide to engage in these illegal activities—unless we find some of the fault with capitalism itself for making these illegal actions more desirable and/or convenient. While this is not out of the question, a careful treatment of the issue would need to be much more context-specific than this short overview can provide.)

In a vacuum, to voluntarily and intentionally contribute to such harmful outcomes when other options are available would be, obviously, morally wrong. But of course, we do not make economic choices in a vacuum—we make them in the context of contemporary capitalism. As noted earlier, not having enough resources is itself a kind of moral impediment that can constrain our choices, and make it necessary to support institutions, companies, and practices that lead to harmful outcomes. One may simply lack the means to fulfill all the obligations one faces, and face difficult decisions about which goods to prioritize, and which obligations (or, in Barrera’s language, “nontrivial goods”) to sacrifice.

Moreover, even those with resources may find it difficult to avoid choices that benefit from, and in so doing contribute to and perpetuate, harmful outcomes such as sweatshop labor. Sometimes, this is because no other options are available. At other times, options are available, but are difficult to acquire—only available at certain, out of the way stores, for example, or at certain times of year; this is especially the case before a robust alternative market develops for a given commodity or service. Finally, it is regularly simply much more affordable to purchase the less ethical version (or, in the case of investments and stocks, much more lucrative to invest in less ethical stocks, such as those contributing private prisons, for example). Here we see an overlap between the difficulty of avoiding contributing to and benefiting from harm, and the earlier mentioned temptation to

indifference that privilege poses; the two kinds of hindrance to moral agency are mutually reinforcing.

5.1 Complexity of the system stymies efforts to gain appropriate knowledge

A further and related, although distinct, kind of this difficulty confronting agents today is epistemological in nature, and caused by the complexity of global markets today: it is that of finding out about the ethical ramifications of various economic choices in the first place. The increasingly complex and interconnected nature of markets today hinders (and sometimes prevents) calculations of consequences. It can be hard to determine whether the overall effects of a choice are good or ill when its results are diffuse and mingled with an untold number of actions by other agents and institutions. It can be just as difficult to trace a causal line backwards to isolate the discrete factors and choices that contributed to any one given market outcome we deem unjust. As a result, it is hard to know how to act in order to avoid contributing to and benefiting from injustices.

One aspect of this difficulty is that acquiring this knowledge is costly, usually in terms of time. Even when information is somewhere available on precisely what the outcome of a given kind of consumption or economic practice is, or on precisely how to prevent a harmful outcome, it is not always immediately evident or accessible to the individual. Information about the negative social and environmental impacts of commodities or services is especially not likely to be available at the point of sale, or on the products themselves. Remedying this through research is a burden; this is perhaps one element of what philosopher David Schwartz means when writes, “The burden of living an

ethical consumer life is in many ways an epistemological burden, a burden of knowledge.”³⁰

This is a burden firstly given the sheer amount of material things we consume in the ordinary course of things—what Laura Hartman calls “throughput” of our lives.³¹ This burden is further exacerbated by the overwhelming number of workers and businesses involved in and standing behind the production and delivery of even the simplest of commodities. As early as Adam Smith’s time this was already true; he noticed that even the simple day laborer’s wool coat “is the produce of the joint labour of a great multitude of workmen” across the globe, ranging from the most proximate shepherds and wool spinners to somewhat less proximate ship-builders and tool-makers, to the even less proximate miners who made those tools possible, and so forth in a process of potentially infinite regress.³² The interconnected and complex nature of global markets has only increased since the eighteenth century. And so far we have primarily discussed this considering the consumption of commodities; this complexity may even present more of a hindrance to knowledge finding when it comes to services and financial investments. It is not clear how to even go about finding out the uses to which one’s investments have been put by a financial institution, for example, given the fungible and anonymous nature of money.

Moreover, even assuming that some agent miraculously possessed an infinite amount of time and resources with which to investigate the ethical ramifications of her economic choices, this by itself would not resolve all the epistemic moral difficulties she

³⁰ David T. Schwartz, *Consuming Choices: Ethics in a Global Consumer Age* (Lanham, MD: Rowman and Littlefield, 2010) 107.

³¹ Laura Hartman, *The Christian Consumer: Living Faithfully in a Fragile World* (New York: Oxford University Press, 2011) 9.

³² Adam Smith, WN I.1.11.

faces. In many cases, clear information does not yet exist to indicate which factors lead to certain outcomes, and accordingly to indicate where the remedy ought to lie (or, at least, where and how to avoid contributing to those outcomes). This is especially likely to be the case with contingent harms that arise accidentally, as it were, and as the result of perfectly legal actions. It is much clearer, at least theoretically, how to avoid harms arising from clearly illegal and nonaccidental action. The use of slavery is not accidental, even if the consumers who purchase shrimp or tomatoes produced using slave labor frequently do not know of the role it has played in the production of their dinner. Neither are sweatshops a perpetrator-less crime.³³ The purchaser is benefitting from and supporting slavery, but that is not the entire moral analysis of the issue; there are those who are also directly at fault for intentionally enslaving other humans, and this is a critical place to start when asking how to address this outcome.

But other harmful economic outcomes have no such directly culpable actors—despite their contingency (which, again, we can affirm in light of the contingency of all economic phenomena). In these cases it is not always clear even which behaviors support these outcomes. Consider shortages of affordable housing, or pervasive unemployment, especially when these impact already socially disadvantaged minorities. Such situations regularly emerge as the indirect and cumulative result of rather ordinary and perfectly legal actions undertaken by agents who are often well intentioned (or, at least, who often do not actively intend harm). Because they develop only indirectly and as a result of actions aggregated over time, it is especially difficult to know which specific actions contribute to and reinforce them, and to what extent, and therefore how to avoid or extricate oneself from practices or products that contribute to them.

³³ Our moral theories know quite what to say about these: enslaving another is wrong, as is providing working conditions that fail to respect an individual's human dignity.

Given the complexity of the market (which, after all, does *not* obey predictable laws), it is also difficult to know how to effectively address existing harms. It is by no means obvious *ex ante* how a proposed course of action—whether a regulatory “intervention” into markets, or an alteration within markets themselves, by say alternative consumption—will turn out, and what sorts of unintended consequences it will have. At times, actions simply fail to have the beneficial effects intended, and at others they actually result in harmful outcomes, by, for example, exacerbating the precarious market conditions producers face. Consider the case of sustainable and Fair Trade coffee in Nicaragua, where the switch to organic farming practices raised prices but also had the unexpected result of lowering yield, and so failed to improve net income,³⁴ or the way that Fair Trade certification of quinoa in Brazil is increasing inequality among communities.³⁵ Some of these consequences are the result of poorly designed certification requirements, and a “solution” is possible by reconfiguring the procedures and standards of the intermediary and certification organizations, so as to create the proper incentive structures. However, at other times, what would constitute a solution is still unclear.

In short, the complexity and opacity of “the system” (and it is especially when considering questions such as these that capitalism today does seem like the “system” of which Weberians and Marxists write) presents a rather serious hindrance to moral agency, by obscuring the connections between individual economic actions and their total

³⁴ Bernard Kilian, Connie Jones, Lawrence Pratt, and Andrés Villalobos, “Is Sustainable Agriculture a Viable Strategy to Improve Farm Income in Central America? A Case Study on Coffee,” *Journal of Business Research* 59.3 (2006): 322–330; and Joni Valkila, “Fair Trade organic coffee production in Nicaragua—Sustainable development or a poverty trap?” *Ecological Economics* 68 (2009): 3018–3025.

³⁵ Aurelie Carimentrand and Jerome Ballet, “When Fair Trade increases unfairness: the case of quinoa from Bolivia,” Working paper FREE-Cahier no. 5, 2010. For a fuller treatment of the flaws within Fair Trade, and of the unintended negative consequences it can have, see Ndongo Samba, *The Fair Trade Scandal: Marketing Poverty to Benefit the Rich*, transl David Clement Leye (Pluto Press, 2014).

outcomes, and by making it more difficult to acquire the knowledge we need to effect good, to avoid evil, and ultimately to fulfill the moral obligations we sense in our economic lives.

Moreover, this opacity presents an unfortunately anesthetizing moral milieu that may further compound the indifference that we are tempted to feel toward the fact of injustices in other parts of the globe. Considering the fact that slave labor is involved in the production of many consumer goods we enjoy in North America, Vincent Miller admits the following:

There is little doubt that few of us would ever consider enslaving another person for our own gain. If we even suspected that a local business enslaved its workers, we would refuse to shop there and instantly alert police. But with our global economy, we don't see where and how our goods are made. We know in general that people are enslaved, but we never know specifically whether our goods result from such exploitation. We never know for certain that we are involved. As a result we continue our consumption as if nothing is amiss. We seem indifferent, but our indifference arises from an ignorance structured into our economic system.³⁶

Although it seems to me that Miller goes too far in exculpating modern consumers by claiming that our indifference arises *from* this ignorance, it is certainly the case that our ignorance certainly *facilitates* this kind of indifference.

It does so through what ecological economist Thomas Princen has referred to as “commodity distancing,” in which the separation between decisions regarding resource extraction and processing and decisions regarding consumption blocks feedback on production decisions through consumption decisions.³⁷ Princen's concern is that in such scenarios, consumers lack the information and incentives (and producers lack the incentives) to act in a more ethical and sustainable manner: “distancing highlights the

³⁶ Vincent Miller, “Slavery and Commodity Chains: Fighting the Globalization of Indifference,” *America Magazine*, January 3, 2014.

³⁷ This is a slightly different version of Karl Marx's original point regarding commodity fetishism, in which the commodity itself bears no trace of the exploitation involved in its production.

increasingly isolated character of consumption choices as decision makers at individual nodes are cut off from a contextualized understanding of the ramification of their choices, both upstream and downstream.”³⁸ This is the case, he points out, in technology and information based economies which, although they appear to rely only marginally on the production of natural resources, rely on “considerable cost externalization.... Such production may simply extend the cost return time by obscuring the true consequences of such production and by separating economic actors’ decision so as to render those consequences unintelligible.”³⁹

Princen has developed the concept of “shading” to describe a similar and related phenomenon on the production side. Whereas commodity distancing prevents consumers from being aware of the costs of production, shading occurs within the production process itself, and describes when costs of production are “unknown, ...misperceived, or... deliberately manipulated.”⁴⁰ Consequences of production may be invisible even to firms themselves for a number of reasons, ranging from lags in technological knowledge to the structural conditions set by regulation. The moral dangers of shading are discussed at further length in a section below. It is worth noting, however, the further contribution this phenomenon makes to the epistemological difficulty individuals face in making ethically effective economic choices.

6. Misleading economic knowledge as a case of the (de)formation of subjectivity

³⁸ See Thomas Princen, “Distancing: Consumption and the Severing of Feedback,” in *Confronting Consumption*, Thomas Princen, Michael Maniates and Ken Conca, eds. (Cambridge: MIT Press, 2002) 16.

³⁹ Princen, “Distancing,” 105.

⁴⁰ Princen, “Distancing,” 108.

The further epistemological issue presented by misleading representations of the economy comprises an additional and noteworthy species of the problem of knowledge that capitalism today presents. More than some of the other hindrances to moral action discussed here, this one is *not* a perennial feature of either economic life, or of capitalism in general; as Chapter 3 discussed in detail, the construction of publicly popular representations of capitalism and “how markets work” was a result of interconnected and simultaneous trends in recent decades in academic economics and American political and social life that promoted and rendered plausible a mechanistic picture of markets. By leaving little conceptual space for moral agency, this picture encouraged and supported (and to a certain extent, still encourages and supports) a kind of moral paralysis, and fatalism, regarding economic injustice. Individuals possessing such a worldview may not know their own capacities to act to pursue the good (or the evitability of their contribution to economic injustices), due to their acceptance of a mistaken account of markets.

The problem of misleading economic knowledge and perceptions is, to be sure, an epistemological one, and as result could be considered under the larger umbrella of knowledge-related hindrances of moral agency. It is also, however, an excellent example of the way that cultural formation hinders moral agency by (mal)forming agents’ moral subjectivities in the first place. This is a way in which context interacts with moral agency that is difficult to observe and assess—at least, within the moment. Culture is, to turn again to Benjamin’s memorable phrase, the net in which we stand.

Why even mention it, then? Because when it comes to aligning our sense of moral obligation with our actual capacities, our cultural formation may be (and undoubtedly always is, to some extent) simply *wrong*. (In claiming this, I am assuming both that in

every situation a real set of moral obligations does exist, and further, that agents are responsible for knowing the shape and scope of these obligations.) That is, our social moment may bequeath to us a distorted moral sight, and this distorted sight severely hinders and compromises our moral agency.⁴¹

This distortion is most likely to do so by limiting our moral vision. This is the case where we are tutored to think we have set of moral obligations and responsibilities A, when in reality we have Set A plus B, as judged by a fuller knowledge of our capacities and therefore culpabilities. (And this is, in fact, precisely the scenario I have argued is the case where we accept a social imaginary built upon the picture of the market encouraged in mainstream economics.)⁴² It is also possible, at least theoretically, that a cultural situation tutors its inhabitants to overestimate the scope and nature of their moral capacities and responsibilities, and that the passage of time leads to the estimation that the responsibility set ought to be Set A minus items B-C—although given human nature, this seems rather less likely. In either situation, the mismatch between an agent's sense of and her actual powers and duties is a kind of hindrance to her agency, and one that she (and the wider community in which she resides) ought to go about addressing. Of course, perfect knowledge of our moral capacities and responsibilities will surely always evade us (or so the following chapter will argue, on theological grounds). Acknowledging the perennial incompleteness of our knowledge, however, does not remove the responsibility to seek a more complete picture.

⁴¹ Our social moments may also bequeath to us distorted moral orientations and loves, a hindrance to agency which seems even more difficult to diagnose and oppose than the epistemological ones.

⁴² Since the history of Western civilization seems to be, thus far, one of increasing moral sensitivity regarding the scope of our duties, this is perhaps unlikely, but it is nonetheless another possible direction in which the malformation of our moral agency may go.

How can we do this? How can and ought we to address the shortcomings of our own subjectivities, moral imaginations, and cultural formations? How would we know where to look for their deficiencies, if they are the very lens we use? I propose the following two observations: Firstly, that this is the very question asked by the Frankfurt School figures, and that therefore the tentative answers they have offered are a good place to start. One way to start is to use reason against itself, to think critically and capaciously across and around disciplinary lines, in an attempt to be alert to the ways we have settled for an arbitrary and oppressive status quo even in the very terms of our social analysis. The second thing to be said is that we may also turn to a critical and serious study of history, including a history of ethics and moral thought and its deficiencies, and in these to search for clues to the ways in which in our current moment we may see just a few feet further, as it were.

Both factors are involved in the ability of a work like this to engage in the kind of analysis it does. As Chapter One suggested, it may be more possible to now observe the malformation of our moral imagination by misleading economic knowledge because we are beginning to emerge from the moment in which it was most powerful and dominant. A project such as this one would have been much less likely to emerge in a pre-2008 global financial crisis and pre-Piketty world, before the recent rise in heterodox economic research and voices pointing the way toward more nuanced conversations about markets and economic agency.

This said, unfortunately neither critical theoretical musing nor attention to history promises to fully liberate our moral imaginations and perfect our moral sight. So, finally, we also simply must admit that it is highly unlikely that we will ever face a context that

does not, in some way, damage and hinder our moral agency by malforming our sense of our agency in the first place.

7. Incentives to maximize business profit by externalizing costs

This chapter has already mentioned the morally dangerous incentives that wealth can create for the individual, and the incentives to selfishness and a distorted moral vision provided by the complexity and opacity of economic life today. A related situation faces agents acting on behalf of business firms. In this instance, the danger is that the institutional framework created by markets that transcend political jurisdictions presents an incentive to firms to minimize costs (and accordingly to maximize returns) by “externalizing” them—displacing them onto others. This temptation is compounded by the prevalence of misleading representations of economic life (such as the idea that it is efficient and legitimate to take all legal action to maximize shareholder returns), and by the difficulty of acquiring full knowledge of the total and eventual impact of each economic choice.

In some ways this is a danger in all business interactions: the temptation to make a gain at the expense of another party. The recognition of this danger is what led so many voices in Christian ethics to decry the move from the model of the “just price” dominant in the medieval world to the variability of prices determined according to supply and demand.⁴³ Martin Luther, for example, worried that this variable pricing would inevitably lead to the exploitation of those in need, and give legal sanction to avarice. This concern made especial sense from within the “limited good” worldview of subsistence and agrarian societies, in which the amount of wealth in the world was fixed, and market exchanges

⁴³ See, for example, Martin Luther’s concerns in his 1524 treatise, “Trade and Usury.” (*Luther’s Works*, Volume 45).

(and value generation) were regularly zero-sum.⁴⁴ In such a scenario, profit often was the result of one party exploiting another. Fortunately, in modern capitalist markets, value generation is not zero-sum, and not all instances of profit need to cause such concern and moral suspicion.

But we do have new economic situations that present the temptation to gain at the neighbor's expense. These are especially presented by the fact that the scale of modern business now regularly exceeds—and indeed, dwarfs—that of political life. Businesses today often transcend city, state, and national borders, and some of the most profitable organizations span multiple continents.⁴⁵ These “jurisdictional discontinuities” present firms with incentives to maximize profit by externalizing costs in poorer jurisdictions.⁴⁶ A multinational corporation faces incentives, for example, to hire labor in countries with lower wages, and to source supplies from countries in which natural resources are cheaper.

In and of itself, this is not a moral problem. This situation presents a temptation, however, to externalize unjustly in jurisdictions with unjust laws, or laws that fail to ensure just action (or lax enforcement of just laws). This is the case, for example, where a corporation seeks labor that is compensated below a livable wage, or labor that is cheaper as a consequence of locally lax safety regulations and/or enforcement, and therefore exploits workers who (given their background conditions) face economic compulsion to accept exposure to unjustifiably hazardous working conditions.

⁴⁴ Bruce Malina, *The New Testament World: Insights From Cultural Anthropology*, third ed. (Louisville: Westminster John Knox, 2001)

⁴⁵ This fact presents a hindrance to the exercise of political agency, and to governance; this is a separate, but related issue.

⁴⁶ Princen, “Distancing,” 103-132.

In these scenarios, jurisdictional discontinuity works to entrench cost externalizations and to prevent their redress:

If a recipient of externalized costs cannot negotiate satisfactorily with or find redress from a producer, that party can generally appeal to a higher authority. Such appeals stop abruptly at a border, however, especially at an international border. Thus, in the classic case of externality, downstream recipients of a factory's waste need merely travel upstream to register a complaint or negotiate compensation. By contrast, Mexican recipients of North American waste (or of surface water depletion) will encounter myriad legal, cultural, and political obstacles crossing the border to seek redress—and vice versa.⁴⁷

Obstacles to redress are exacerbated by the fact that the state is characterized by the interest to protect its citizens, including from external claims, and to promote the profitability of its firms and gains from trade. The very nature of states and firms sets up this kind of competitive relationship, even in the absence of any malicious intent; "In short, incentives arise for producer and state alike to export costs and to do so as if other jurisdictions are mere frontiers."⁴⁸

Incentives to export costs, it should be added, are also opened up by constantly changing technology, and the fact that knowledge of the consequences inevitably lags behind business practice, and is only produced either with considerable preemptive investment in research, or when something goes wrong. Consider, for example, the slow process of learning about the health dangers posed by the organic synthetic compound Bisphenol A, used in many plastics and food containers, or the earlier process of discovering the environmental damage caused by chlorofluorocarbons. Before knowledge is widely available about the irreversible harm caused by practices or substances such as these, the harm done is at least unintentional, even if theoretically avoidable, and therefore generally considered less culpable (although it is still real). After knowledge

⁴⁷ Princen, 105.

⁴⁸ Princen, 106.

regarding avoidable harms becomes available, however, the harms become more obviously unjust. (Although, to be clear, at all times, such contingent harm is tragic.) Given this, firms face incentives to *not* find out about potential harm caused by their practices and inputs, just as political bodies (and individual elected officials) face conflicting incentives to regulate market activity in such a way as to protect their populations and natural resources, but also to promote business growth, and to not alienate industry donors. This presents both firms and government actors with opportunities and incentives to engage in unjust action. It also presents a situational temptation to engage in distorted moral reasoning—by underestimating, for example, the appropriate amount of research to perform regarding the health and environmental consequences of using new chemical substance X to reduce production costs for product Y.

In short, as a matter of course given simply the nature of things in our current economic, political, and social moment, multiple types of economic actors are exposed to incentives to gain financial advantage by displacing costs. This is an inducement both to unethical action, and to selfish moral reasoning about moral obligation in the first place.

8. Theorizing this: compromised moral agency and responsibility

This list is illustrative rather than comprehensive, in both its treatment of its subjects, and in the subjects it treats in the first place. It might also be useful to discuss, for example, the particular ways that holding positions in economic and political organizations may compromise moral agency, or how norms operative in business today may encourage or require agents to treat others instrumentally, rather than with the

respect for the whole person that befits human dignity.⁴⁹ In organizing this list as I have, I have made unavoidable value judgments.

Partial as it is, however, this list does outline enough of the general ways that the capitalism today threatens to compromise our moral agency so as to enable theological reflection on that fact. Some of these dynamics discussed are obviously intrinsic features of any society involving money and economic exchange (so, of *all* human societies), while others are specific to free market, capitalist societies. Others are contingent features only of the particular kind of capitalism we have built lately. That is, some of these forces are not amenable to alteration, and others are. Finally, although not all of the limits, temptations, and difficulties introduced here will confront everyone, most of us will face most of us them at some point.

We may want to ask now, what sort of position does this put us in? Is there anything we can say more generally about our situation as moral agents within a context that is hostile and antagonistic to our moral agency in the ways introduced here?

We can, I propose, now make the following five observations about the situation we now find ourselves in, as moral agents. (1) Firstly, the freedom capitalism guarantees is generally procedural, rather than substantive. Substantive freedom—the empowerment to effect good ends—is tied to one’s control of financial resources, and even wealth does not necessarily entail perfect agency *for*; this depends much on context, and to a certain extent, luck. This is true especially given that, (2) secondly, we are not free or empowered as individuals over capitalism itself—either the ways it subjectively forms us, or the arrangement of various institutions. This is despite the fact that it is technically culturally

⁴⁹ See, for example, Ilse Ahn, *Position and Responsibility: Jürgen Habermas, Reinhold Niebuhr, and the Co-Reconstruction of the Positional Self* (Eugene, OR: Wipf and Stock, 2009), which aims “to help position holders become moral agents in various organizational and corporate contexts” (1).

and politically contingent; we have made (and continue to make) something that is outside of any one individual's control. (3) Thirdly, given this contingency, we are collectively responsible for the ways capitalism has been developed lately, and the contingent harms that it produces that could be prevented, even though we do not will them intentionally. (4) Fourthly, among things we're collectively responsible for, we have made it harder than necessary to know what right action involves, by accepting and perpetuating a mistaken representation of capitalism, and of markets.

These add up to a somewhat paradoxical (or, if not paradoxical, certainly difficult) situation for the moral agent in capitalism today: she is at once free and yet not free, responsible and culpable for harms, yet often unintentionally so, and in a position of power and agency that she often does not fully understand or know how to take advantage of, at least when acting as an individual, and so forth. Our moral agency in economic life, that is, is compromised, such that responsibilities very much outrun what we are used to calling control.

Conclusion

This chapter has developed a detailed list of ways that capitalism today threatens to or effectively does compromise the moral agency of its inhabitants. This list attends to the multidimensional nature of capitalism, and includes the impact upon moral agents had by economic institutions and situations, by economic culture and its power to form individual subjectivities, and by the operation of knowledge, particularly the misleading picture of markets addressed in Part I. The situations it introduces range from those that enable and incentivize agents to act in unjust and unvirtuous ways to those that place hard and practical limits on an agent's capacities to achieve the good and accordingly

compel them to make tragic choices.

In so doing, this chapter has relied upon the concept of moral luck to describe how each of these situations present some combination of (bad) constitutive, circumstantial, or consequential luck, and implicate the agent in a moral responsibility that seems to far outstrip her control. However, the application of the concept of moral luck does not resolve or even make sense of the paradox so much as it further reveals how deep is the confusion of the agent's situation within the context of contemporary capitalism. Indeed, even as it offers some discursive traction on the subject of capitalism as a context for moral agency, it also illustrates how stark is the poverty of traditional moral theory for speaking about the fact of compromised agency—in economic life, and elsewhere. The next chapter turns to ask what Christian theology can lend to this conversation.

CHAPTER 8

A THEOLOGICAL READING OF OUR PREDICAMENT

Introduction

Among other things, the theological description that Part I proposed claimed that Christians have theological reasons to be suspicious of representations of capitalism as a perfectly natural because after the fall, no context is an unproblematic fit for humanity's moral agency. This should put Christians on guard, it suggested, to look for ways that their social context discourages, inhibits, and generally makes difficult the recognition and exercise of their moral agency. The previous chapter took up this challenge, and examined ways that capitalism does in fact compromise, and threaten to compromise, our moral agency. This chapter now revisits the conclusions of the last chapter with the aid of the theological descriptions of moral agency developed in Chapter Six, and asks, how they might these narrate the findings of the previous chapter, and orient us toward the complexity of our experience as moral agents today.

This chapter proposes that these invite us to see our agential predicament in capitalism as an instantiation and result of humanity's fallen condition. Within this perspective, contingent economic harms appear the result of sinful action, and acting on and perpetuating misleading economic knowledge could be described as in particular as a sin of culpable ignorance, or self-deception. This chapter also argues that the doctrine of original sin offers one way to talk about culpability for emergent harmful economic outcomes that are not willed. It concludes by examining how the confession and endurance appropriate to humanity's fallen condition may also provide a way to

conceptually order and cope with the contradictions of our situation as moral agents in capitalism today.

1. A theological reading of our situation in capitalism today

The previous chapter concluded by arguing that: (1) the freedom capitalism guarantees is generally procedural, rather than substantive; (2) including vis-à-vis markets themselves, which are contingent but not susceptible to alteration by any one individual, usually; (3) but their very contingency implies that individuals are somehow collectively responsible for economic harms, even and including ones they do not elect intentionally; and finally, (4) among things we're collectively responsible for, we have made it even harder than necessary for ourselves to know what right action involves, by accepting and perpetuating mistaken representations of capitalism, and markets.

Through the lens of the two theological descriptions of our fallen moral agency Chapter Six engaged, the paradoxical situation this adds up to appears, if not welcome, certainly familiar. The shallow nature of our much-touted freedom in markets, for example, parallels how humanity's procedural freedom to take any moral action they choose is belied by their fallen nature, which limits this agency. Moreover, the implication of the individual agent in producing contingent economic outcomes is rather similar to the responsibility ascribed to the individual in Christian theology for her fallen condition: in neither case has the individual (usually) consciously elected the outcome at hand, but the outcome is nonetheless a result of human agency, and choices, and would otherwise not be. In both, the individual is considered in some real way responsible. Finally, this moral responsibility extends to include noetic/epistemic problems: in economic life, the perpetuation of misleading representations of markets; theologically, the corruption of

human moral reasoning after the fall (of which there are many species, including, for example, Aquinas' account of culpable ignorance). While these difficulties confront the individual agent as a limit on her agency, they are both the result of collective human agency and perpetuated by the individual agent, herself. In short, in both registers agents possess an agency ("enjoy" might be appropriate, but we seem more to suffer this agency than to enjoy it) that is real and yet deeply compromised, and is nowhere near empowered enough to address or discharge the responsibility and culpability that they paradoxically bear.

As a result, a theological reading invites us to see our predicament as compromised and unbearably responsible agents in capitalism today as the fallen human condition, writ large and economically. That is, perhaps compromised moral agency simply is what humanity's fallenness looks like in modern markets. Or, put differently, perhaps our agential predicament is itself the result of our fallen condition.

Indeed, something like this complicated situation of fraught agency is precisely what the Christian would expect to find in economic life, even without foreknowledge of the particulars of our capitalist order. *Of course* we are bound by conditions that complicate, impede, and compromise our agency, we might say, and of course these conditions themselves are the result of sinful action. Moreover, of course a certain amount of this sinful action was and is not intentional, but results from our epistemic limits and clouded judgment. As Chapter Five noted, social orders are inevitably the product of fallen human agents, and accordingly both result from and further complicate our agency—over ourselves, over creation, with each other, and ultimately in relationship with God.

So far from alleviating our agential predicament, reading it in this light deepens it, by revealing it to be a fundamental feature of human existence. Our compromised agency and our unanswerable culpability are not susceptible to remediation—at least not by us.

No theological account of humanity's sinful and fallen condition is complete without mention of God's action to overcome this brokenness and estrangement in through the action of the Word in Christ. To a great extent, Christian claims about sin are only really fully intelligible in the first place in light of sin's resolution and answer in divine grace. (It is in this sense that Karl Barth can claim that "only Christians sin.") Given this, a (full) theological reading of our agential predicament should simultaneously make it more profound and dire, and yet also more bearable, by suggesting that God's offer of grace can empower us to achieve the very goods that seem impossible, and to transcend the limits of our agency that seem intractable, in our current moment. Here, however, I focus on the themes of our culpability and agential limits, and ask how the two theological grammars Chapter Six introduced may make further, and specific, sense of these.

1.1 Contingent economic compulsion and harm as the result of sin

Although they invite us to conceptualize sin differently, both the theological approaches Chapter Six introduces presume that sin results from a rejection of God, and has practical consequences. Following Augustine, for example, Aquinas defines sin as "an

¹ Barth accordingly argues that Christology must precede theological reflection on sin, and the human condition. See Karl Barth, *Church Dogmatics* IV.1, edited by G. W. Bromily and T. F. Torrance (Edinburgh: T & T Clark, 1956) 358-413. The argument that the depth of judgment is only knowable from within the perspective of grace is especially clearly stated within Lutheran thought. In a related vein, Oswald Bayer describes the First Commandment as the promise enabling Christian ethics, and argues, "worldliness is a pre-eminently theological category that is inconceivable without the first commandment," and "without the first commandment, it would be impossible for us to perceive the world; the first commandment would be meaningless without our perception of the world." (Oswald Bayer, "I am the Lord your God...": The Significance of the First Commandment as a Basis for Ethics," translated Jeff Cayzer, in *Freedom in Response: Lutheran Ethics: Sources and Controversies* (New York: Oxford University Press, 2007) 68, 57).

utterance, a deed, or a desire contrary to the eternal law,” and “an offense against God,” clarifying that “‘word’ and ‘deed’ denote equally what is said and what is not said, what is done and what is not done”; in either case, sin is the result of an exercise of human agency.² Expanding upon the social element latent within this reference to natural law, the Catechism of the Catholic Church adds that “Sin is an offense against reason, truth, and right conscience; it is a failure in genuine love for God and neighbor... it wounds the nature of man and injures human solidarity.”³ Rendered in a Lutheran idiom, sin’s essence is not so much a contradiction of eternal law or reason as it is a rejection of faith; it is unbelief, or a lack of faith in God.⁴ Spiritual as it is in nature, however, it manifests itself socially; as Oswald Bayer writes of Luther’s theology, “In sin the human being finds himself in contradiction to the nature that God has determined for him,” and this contradiction manifests itself not only in rebellion and “failing to hit the mark” morally, but also in a “perversion” of right relationships with God, self, and others.⁵ These views both invite us to see sin as human action that rejects God’s designs for human life, and accordingly brings about conditions that contradict God’s intentions.

Together, Chapters Three, Four, and Six have made a case that our economic lives are determined to a great extent by contingent human action, despite common perception to the contrary. Given that markets are not the result of impersonal and immutable market forces, the conditions of life that they present to individuals are facts for which

² Thomas Aquinas, ST I-II.71.6.

³ Catechism of the Catholic Church, second edition, section 1849.

⁴ “The root and source of sin is unbelief and turning away from God.” LW Vol 1, 162. See also *On the Freedom of a Christian*. Also Oswald Bayer adds that Luther understood this not as “some sort of quality, as if something were added to the substance of ‘human’ at a later time, but that it [sin and unbelief] offers the definition of the entire human. It is not just something about him but rather involves his very nature.” Oswald Bayer, *Martin Luther’s Theology: A Contemporary Interpretation*, translated by Thomas H. Trapp (Grand Rapids, MI: Eerdmans, 2008) 179.

⁵ Bayer, *Martin Luther’s Theology*, 181.

humans are responsible. Not all of contemporary economic conditions, of course, are negative; rising standards of living in many parts of the world surely are to be welcomed as a good. Many economic conditions, however, are harmful—to the environment, to human wellbeing and dignity, and, as this dissertation argues, potentially to the moral life. Given a presumption that God intends conditions that conduce to human flourishing, and not harm, where economic harms could be reduced or prevented, and therefore result from contingent human choice, a theological reading of this situation suggests these harms are sinful—that is, the result of sin.

For many situations this conclusion is an obvious and uncontroversial one. It is easy to describe agents who deliberately make selfish choices that they know will harm others as acting sinfully. But what about economic choices that are not made with full deliberation, intent, and knowledge? A great many of the situations discussed in Chapter Six conduce to harmful actions that are contingent, and therefore to actions that we might deem sinful, but the situations are such that these actions do not appear to be taken with full deliberation, intent, or knowledge. At least two discussed so far spring to mind: that of adopting and then perpetuating a mistaken view of how markets work; and the type of ordinary market activity that indirectly contributes to harmful economic outcomes when aggregated over time with the choices of other actors. Agents undertaking these may not conceive of themselves as rejecting God's designs for human life. How can it make theological sense to claim that these actions are sinful, and what might this theological reading yield us?

1.2 Acceptance of misleading picture of economic life as culpable ignorance, self-deception

A Thomistic perspective could be used to argue that our unconscious acceptance of misleading economic knowledge presents a kind of culpable ignorance. As Aquinas describes it, culpable ignorance arises when an individual has general knowledge of their moral responsibility in a given situation but is ignorant of the relevant particulars of the situation (and therefore of the right course of action), and when an individual cannot actually consider their knowledge due to a passion that temporarily prevents them from acting on reason. Although normally ignorance “diminishes” sin, insofar as it reduces the voluntary nature of an act, in both of these cases he deems the agent culpable by way of the ignorance itself, while admitting that it poses a real difficulty to the exercise of agency.⁶ Applying this to our situation might suggest that the widespread acceptance of a mistaken account of markets is a sign and consequence of our sinful and fallen condition. Whereas before the fall humans could not assent to falsehood, after the fall we are regularly deceived.⁷ Misleading economic knowledge is an instance of this deception. Although this appears to diminish the voluntary nature of actions premised upon this knowledge, we are culpable for our ignorance in the first place; we ought to have known better.

However, there is more here than just mere accident arising from humanity’s finite and fallible nature. As mentioned earlier, it is the privileged inhabitants of capitalism today who have been mostly likely to unconsciously adopt a naturalistic picture of markets. Given that this picture describes harmful economic outcomes as natural, and not moral, evils, it handily suggests to these inhabitants that they are not responsible for addressing these harms. That is, it is those who have most to gain by accepting this worldview who often accept and act upon it. Given this, a theological anthropology that is

⁶ ST I-II.76.4.

⁷ For example, ST I.94.4.

more suspicious of human moral effort might suggest that culpable ignorance underplays the willed dimension of this ignorance, and accordingly diagnoses its sin in too charitable a light.⁸

A broadly Lutheran theology, for example, might direct us to read this unconscious acceptance as the sin of self-deception regarding our true moral situation, and as an instance of seeking to evade and cast off responsibility for the results of our behavior. In this reading, this moral failure remains both predictable and understandable: in the face of economic harm and deprivation, of course it is comforting to think that the disturbing situations we lament are not, and cannot be, our fault. Accepting a mechanical account of markets allows us this comfort; it shrinks the moral horizons within which we act, and in so doing appears to exculpate us. It works to “free” us, as it were, from responsibility—although this freedom is an ironic one, since it is bought by handing over and disavowing a certain amount of practical freedom in and vis-à-vis markets themselves. Accepting this freedom has become all the more sensible a course of action as, in recent decades, a naturalistic account of markets has gained cultural traction as common sense, and as it has been acted upon by those shaping institutional arrangements.

Understandable as it may be, however, this theological reading nonetheless invites us to see our acceptance of misleading economic knowledge as an instance of the willful self-deception that has characterized humanity’s fallen moral agency from the very

⁸ To be clear, Aquinas deems negligent ignorance culpable, and is aware that this negligence may be culpably motivated: “This ignorance is voluntary, either directly, as when a man wishes of set purpose to be ignorant of certain things that he may sin the more freely; or indirectly, as when a man, through stress of work or other occupations, neglects to acquire the knowledge which would restrain him from sin.” I-II.76.3. I draw the distinction that I do here not to suggest that a Thomistic perspective treats ignorance as a sin of no consequence, or to suggest the two perspectives fundamentally differ (they do not), but to highlight the extra critical leverage that a different idiom—upon willful self-deception, rather than the difficulties confronting knowledge—provides.

beginning. In the narrative of Adam and Eve's expulsion from the Garden of Eden, both react to being confronted with their disobedience by attempting to deflect responsibility, and blaming another, despite the fact that both have knowingly disobeyed a divine command. In response to God's questioning, Adam tries to avoid his guilt by turning it back on both God and his partner, saying, "The woman whom you gave to be with me, she gave me the fruit from the tree, and I ate." Eve does no better, and attempts to deflect her blame with reference to the local wildlife: "The serpent tricked me, and I ate."⁹

This tendency does not improve outside of the Garden; instead of learning from the first instance of moral failure, we appear to have escalated our responsibility-avoidant behaviors. Although Adam and Eve at least acknowledge (or do not deny) that they have committed the wrongdoing at hand, the very first words that a human speaks to God in the post-lapsarian world are an attempt to cast off all connection with the wrongdoing in question. "Am I my brother's keeper?", Cain asks God in Genesis 4—attempting not just to suggest his own innocence of the murder of his brother, but to divert attention away from the necessity of answering God's inquiry in the first place. Whatever the fate of his brother, Cain hopes to imply, it cannot be his responsibility.

As the story of Cain's first sin in the fallen creation indicates, this desire to escape culpability covers over treatment of others that inflicts harm. In Cain's case, the sin was that of murder, the ultimate harm. In the case of capitalism today, the sin is usually less straightforward, and involves assent to and action within political, economic, and institutional arrangements that do not promote the dignity and flourishing of all persons involved. Both because the sin is less obvious and because the harm is often inflicted on distant others that are rather unlike us, we are usually more successful than Cain at

⁹ Genesis 3.12-13.

convincing ourselves that we have avoided culpability. In the narrative of the first sin, Cain presumably still knows himself to be guilty; our moral myopia permits us to avoid this knowledge.

What is more, today in public discourse we have sometimes found a way to one-up Cain, and to think ourselves morally praiseworthy for acts for which we ought to be blamed. In the past few decades, it has not been uncommon to hear mainstream economic theory used to suggest that economic harms are—more than simply not our fault—actually economic *goods*, because the inevitable order of markets is a benevolent one.¹⁰ (This is the effect of Larry Summers' Harvard Memorial Church speech mentioned earlier, for example.) Some public voices have claimed that this is because capitalist markets work by providential design, and in so doing have brought markets into larger conversations about theodicy, and divine purposes for human society. Other figures have placed the market itself at the center of such reflection, and explain away suffering without reference to any external divine intent. As Joseph Vogl concludes,

We may, therefore, rightly detect something like a legacy of older doctrines of theodicy in the modern conception of the market. Just as, in the seventeenth and eighteenth centuries, theodicy attempted to justify the rational and providential workings of God in a world full of plagues and disasters, so the liberal theory of the market similarly claims that, despite all breakdowns, bankruptcies, and crashes, today's financial economy is the best of all possible economic worlds. At the center of modern economic dogmatism thus lies something that I would like to call "oikodicy"—a doctrine for all the evil and all the catastrophes that appear reconcilable with the wise establishment of the system.¹¹

In such an "oikodicy," sweatshops represent not so much a lamentable reality as they do a (perhaps uncomfortable) stage in the growth of an emerging economy that is to be welcomed, with open arms! In short, while naturalizing market activity removes it from

¹⁰ The arguments for sweatshops discussed in Chapter Four constitute only one example of this.

¹¹ Joseph Vogl, translated by William Callison, "The Sovereignty Effect: Markets and Power in the Economic Regime," *Qui Parle: Critical Humanities and Social Science* 23.1 (Fall 2014): 135.

the realm of moral reflection, baptizing it as ultimately benevolent returns it to the realm of moral reflection, this time coated in the armor of progress.

As problematic as this celebration of unjust market outcomes is, it is not enough to disown its misguided investment of economic processes with a moral valence. We must also challenge its construction as “natural,” give that this predisposes us to think that our freedom (and responsibility) vis-à-vis the market is only to work within the confines it sets. And this is just as bad as a theodicy: the moral difference between celebrating and lamenting sweatshops is a minimal one, if neither leads to action.

In sum, one of the most troubling moral failures we commit in our economic life today is that of letting an overly capacious sense of what “is” leave little room for “can,” and “ought.” Although it is ironic in light of the fact that markets now give consumers more choices than ever, this has involved curtailing and quite specifically limiting our sense of what is possible, and what we can do; “the so-called freedoms of the market consist in combining the duty to unleash the egoistic drives of subjects with the obligation to submit oneself to the natural laws of the market.”¹² We have accepted the artificial constraints imposed by our own projections, and let them influence our worldviews and pattern our actions. To a certain extent, this is quite understandable, given the institutional support that lends credibility to the picture of markets on offer in the late twentieth and early twenty-first centuries. Our moral myopia is as much a matter of human moral psychology as it is institutional, however: we want constraints such as that offered by a mechanical view of markets precisely because they ease our consciences, and let us off the moral hook. They “free” us by hiding from us our own sin, complicity and

¹² Vogl, “The Sovereignty Effect,” 134.

responsibility. Christians should not be surprised that this is the case; humans have sought ways to deny responsibility from their earliest moments in creation.

1.3 Original sin as another way to talk about culpability for outcomes that aren't directly willed

But this doesn't explain everything, and perhaps encourages a too cynical view of agents within capitalism today. What of those who don't have anything to gain from subscribing to and promulgating a naturalistic picture of markets, but do anyway? A similar question can be asked about agents who unintentionally contribute to economic harms through what Aquinas would call "invincible ignorance," or ignorance that is not properly the fault of the agent: how might Christian theology contribute to how we understand those situations?

The inadequacy of our usual methods of moral analysis becomes especially apparent in response to such questions, as does our ethical incompetence—at least to those who do not find compelling a description of contingent economic harms as a purely natural evil. This inadequacy is first indicated by the lack of intentionality behind the average agent's contribution to emergent and harmful economic situations. The unnecessary harms that capitalism visits upon some populations and persons are not generally willed directly by other persons. (As Summers' address indicates, in some cases, economic harms are willed *benevolently*, in fact!) Secondly, ordinarily ascriptions of guilt presume that an agent has caused the outcome for which we deem them guilty. Who is responsible for this harm?, we ask—or, Whose action, if left undone, would have prevented this harm? This line of questioning breaks down in the case of economic injustices that are overdetermined and emergent; we cannot always trace backward from them to any one single person, or even group of persons, who are causally responsible.

This is also the case looking forward, to the effects of the average individual's economic choices; it is not usually the case that any one person's actions contribute directly to the injustice experienced by another elsewhere. The complex and interconnected nature of markets is such that we cannot trace linear connections of causation between (most, and especially consumption) choices made in the Global North and instances of economic compulsion that emerge, here or elsewhere.¹³

Finally, the actions agents generally undertake in markets are not themselves intrinsically or obviously wrong, at least not in the way that the action of killing another human, or taking their possessions, are *prima facie*, morally wrong. Buying, selling, owning, and consuming, however, are not; most people hold these to be morally unobjectionable. (And likewise with accepting as true a given claim about the way markets works; it is not morally wrong to hold as reliable and then act upon representations of the world.) Where economic practices become subjects of moral condemnation, they do not do so as a result of their intrinsic moral valence, but as a result of the larger global patterns of power relations in which they are located. In short, our common modes of conceptualizing and describing guilt fail to make sense of our agential relationship to unjust economic harms that arise indirectly, as the overdetermined and

¹³ Consider, for example, a lack of affordable housing in a given area, near low paying jobs: this situation can emerge even if all landlords in a given area have and act on entirely honorable intentions (and, we might add, if all tenants involved are both resourceful in finding income, and dutiful in paying rent). The problem at hand is a complex one, having to do with a range of factors including property values, local regulations and taxes, the particular population demographics and culture of a city, and the availability of jobs. It is not soluble solely with reference to individual actions or intentions. (This is truer in some cases than others; it is difficult to confidently claim that most sweatshop employers and managers have benevolent intentions, for example, given the health hazards and unsafe working conditions to which employees are routinely exposed in some parts of the world—see, for example, the 2013 Bangladeshi factory collapses, which resulted in thousands of entirely preventable deaths. For the purposes of isolating the emergence of non-intentional structural injustice and sin, however, it is best to avoid such examples, and focus on cases such as the lack of affordable housing.)

cumulative result of individual actions to which no linear connections of causation can be drawn, and which arises even though no (overt, or direct) evil intentions of causing harm exists, and though the actions in question themselves, when considered in isolation, are morally blameless.

Given this, one answer to this conundrum would be to set aside the issue of moral responsibility for emergent outcomes, and not try to describe them as morally significant outcomes at all; this is the approach that a mechanistic picture of markets enables.¹⁴ For those who find this unsatisfactory, another way to describe this situation that acknowledges the genuine innocence of many agents' intentions without giving up on the moral character of emergent outcomes can be found in the doctrine of original sin.

As Chapter Five explained, original sin describes the state into which post-lapsarian humanity is born and, as Chapter Six illustrated, interpretations of this condition vary. Interpreted more minimally, it posits that human nature is simply predisposed to sin, and that the individual is without guilt until they elect to sin. Given their predisposition, however, all humans will choose to sin (and have so chosen). In this view, original sin is a kind of weakness of the character. A more robust account of original sin, such as that generally found in Luther's thought (along with that of John Calvin), claims that all humans inherit the first couple's sin, and as such are born both with evil wills and accordingly into humanity's collective guilt. Luther speaks of this as "inherited sin," proclaiming,

I thus also condemn the new as well as the old Pelagians, who did not want to consider the inherited sin to be sin, but rather a weakness of mistake. But because death comes to all human beings, inherited sin cannot be a weakness, but it must

¹⁴ And, as noted in Chapter Two, it is the approach proposed by scholars such as Peter Hill and John Lunn, on related grounds, e.g.; see Hill and Lunn, "Markets and Morality: Things Ethicists Should Consider When Evaluating Market Exchange," *Journal of Religious Ethics* 35.4 (2007): 627-653.

rather be considered an exceedingly great sin, as Saint Paul says: “The wages of sin is death” (Rom 6.23) and elsewhere: (The sting of death is sin” (1 Cor 15.56). David says the same thing, in Ps 51.5: “Behold, I was conceived in sin, and in sin my mother bore me, not: my mother conceived me by acting sinfully, but rather: I, I, I was conceived in sin.”¹⁵

Luther’s point in repeating “I, I, I” is to indicate that as much as we inherit this guilt “from our parents,” it is “not in any way less to be attributed to us than if we had done it ourselves.”¹⁶ Both of these explications of original sin foreground the fact that humanity’s fallen nature complicates its agency. The latter, however, adds to this the fact that each individual is responsible in a nontrivial way for this condition in the first place, and for the sins that result from it.

Of course, there is an irreducible self-contradiction about ascribing culpability in this way, one that is likely to seem unjust by modern standards, and unpalatable to modern sensibilities. How can an agent who has not chosen her condition be culpable for its imposition on her—and, moreover, as a result culpable along with others for the effects of that condition in human history? How can making claims to that effect illuminate anything about life today? Different theologians have explored various registers in which to bring conceptual order to such an unwieldy, and potentially offensive, claim. One approach popular in modern times has been to link the doctrine to (or, in some cases, replace it with) the concept of social, or systemic, sin. In the early twentieth century, social gospel theologian Walter Rauschenbusch developed it along these lines, claiming, “original sin is partly social. It runs down the generations not only by historical propagation but also by social assimilation.”¹⁷ This extension of the doctrine uses it the

¹⁵ WA 26:502.25-503.32, Quoted in Oswald Bayer, *Martin Luther’s Theology*, 194.

¹⁶ WA 17II:282.14-21. Quoted in Oswald Bayer, *Martin Luther’s Theology*, 194.

¹⁷ Walter Rauschenbusch, *A Theology for the Social Gospel* (Louisville, KY: Westminster John Knox Press, 1997) 61.

concept analogically, to describe how social dynamics such as racism and sexism entangle those born into them, and ramify across generations.¹⁸

Other theologians aim to make sense of, rather than set aside, the ascription of inherited guilt that Luther and others take as fundamental. Jesse Couenhoven, for example, holds that attempts to “make the doctrine more palatable” function to “render it less interesting and ultimately less insightful.”¹⁹ He proposes understanding the responsibility for original sin not as based not in control, but in ownership. We tend to agree that we can attribute to agents that which they own, even if they did not intentionally bring that ownership about: “We possess deep responsibility for what we own, as persons. And—because we are social creatures, dependent, and not simply self-makers—we own facts about ourselves that we have received.”²⁰ This sort of responsibility, Couenhoven argues, can be separated from freedom—and this is the sort of culpability that humanity has for its fallen condition, and for the social results of that condition.

Ultimately, these two approaches are not incompatible.²¹ And each, in their own way, contains a useful description our agential situation today in markets. Original sin as social sin, for example, certainly can be used to describe our complicity for adopting and perpetuating mistaken representations of economic processes; these are, to a certain extent, socially “inherited.” Original sin as systemic sin can also be used to describe how individuals are born into relationships of production and consumption that are

¹⁸ Jim Wallis, *America's Original Sin: Racism, White Privilege, and the Bridge to a New America* (Grand Rapids, MI: Brazos Press, 2016) provides an example of recent work that uses the doctrine in this way, so as to provide critical leverage on systemic sin. On the usage of original sin to discuss slavery, see Alan Jacobs, *Original Sin: A Cultural History* (New York: Harper Collins, 2008) 189-210.

¹⁹ Jesse Couenhoven, *Stricken by Sin, Cured by Christ: Agency, Necessity, and Culpability in Augustinian Theology* (New York: Oxford University Press, 2013) 3.

²⁰ Couenhoven, *Stricken by Sin*, 12.

²¹ A fact which Couenhoven acknowledges; his project combines them eventually.

oppressive. Indirect but real complicity in sinful economic outcomes is simply a fact about living within capitalist markets today, and resolving this is nearly impossible. In addition to being culturally tutored not to worry about distant (and sometimes near) economic outcomes, even those who are alert to the consequences of their choices find it nearly impossible to stop contributing to economic harm—not only because each individual has finite resources and time, but also because, as mentioned, capitalism’s plasticity is path dependent. Changing markets and practices takes concerted and socially coordinated effort, and is difficult. Original sin as systemic sin offers one way to describe and make moral sense of this particular way that our responsibilities outrun our control, and our trapped situation. It offers a language in which to talk about how our seemingly inevitable and irresolvable complicity for injustice is a moral guilt that we need saving from, but don’t know how.

Interpreted less minimally, applying the doctrine of original sin to markets indicates that we ought to acknowledge even more culpability than this. Given our fallen condition, it is not just an accident that previous generations have left us in this mess, and constructed markets in such a way so as to regularly harm the most vulnerable among us, and catch all future inhabitants up in complex webs of benefit and oppression. It might be nice to think that given a clean slate, we would do differently. A more thoroughgoing interpretation of original sin invites us to reflect on the untruth of this line of thought. We (“we, we, we,” we might say with Luther) would do, and are doing, the same. Our agency is not merely compromised by various economic situations, and negatively so, as a matter of chance. Our agency is enervated, and our actions and desires sinfully directed, in the various and specific situations capitalism presents because this is our fundamental condition more generally. It is nothing unique to capitalism; and a clean slate would not

prove us morally superior. The guilt we had the bad moral luck to inherit, and be born into, is also the guilt we deserve. Capitalism today compounds this, to be sure, but it also simply reveals what is fundamentally true in the first place. On this reading, our agential predicament is simply the shape that original sin is taking in contemporary society.

4. The need to confess and endure this as our broken condition

One of the purposes of diagnosing a disease is to ascertain its remedy. On this theological reading, however, humanity's fallen condition is an ill that admits of no cure—at least not by human hands. This framework urges us to see that even if the enervation of our moral agency is of our own making, we are not currently capable of transcending it on our own.

This does not mean that agential empowerment is out of the question; far from it. Although they understand it differently, both theological idioms considered here agree that it is available, in and through the agency of Christ, who has not only offered the gift of salvation, but already has begun redeeming his creation. This process is not completed within human history, however, and certainly not within any one lifetime. Put in Augustine's imagery, the city of God and the city of man comingle, even within each person.

One of the reasons Christians tell this story is in order to better endure and bear this comingling, and this already but not yet.²² We endure the limits of our fallen condition better, theologians such as Aquinas and Luther all suggest, when we frankly and honestly admit them for what they are—when we admit who *we* are. This is in no small

²² See Charles Mathewes, *A Theology of Public Life* (Cambridge University Press, 2007) on endurance (as suffering, and receiving) as the fundamental Christian mode of engaging public life in the *saeculum*.

part because honesty is an important component of the process of being made more whole moral agents, and of receiving the grace that helps us transcend our brokenness.²³

In capitalism today, this chapter has suggested, humanity's need for God's mercy and grace, and our fundamental brokenness, can be found and seen in the way we are inescapably implicated in evil, injustice, and sinful situations, and more generally in the way that our economic situations compromise, undermine, and enervate our moral agency. Our agency is so thoroughly damaged that we are not even capable of fully knowing the extent of our implication, let alone fixing it.

This is not to suggest that we cannot address and fix specific economic injustices, of course. We can: capitalism is amenable to alteration, and each particular situation, harm, or injustice can be changed, for both better or worse. We cannot, however, change the larger fact of our implication, and our compromised agency. We are prone to sin, and our situation within this particular fallen social order compounds that.

These are, the Christian theological tradition suggests, not only facts about our current situation in capitalism today, but also facts about our existence as humans, after the fall and before eschaton. They are facts, in a sense, that we must simply cope with, and endure. Capitalism today simply presents us a new arena in which to observe, and lament, the fundamental truth of humanity's brokenness and agential predicament. Or, stated more boldly, life in markets today presents us with an agential predicament that forces us to admit and reckon with our human condition.

²³ Although here again Luther and Aquinas instantiate widely divergent views on how this is the case, exactly; Luther makes confession the decisive starting point for the moral life, and makes the possibility of confession in faith itself a gift, while Aquinas is usually read as somewhat more sanguine about the possibility of the moral life, and the reception of grace, initiating without the acute and explicit moment of confession Luther presumes.

And here the story this chapter has been telling here leads back into itself. If a theological reading helps us make sense of our place in contemporary economic life, the sense that it offers invites us again to consider theological claims about our fallen predicament, our fundamentally and perennially compromised moral agency, and our need for mercy and grace.

Conclusion

The previous chapter engaged scholarship in non-theological disciplines to paint a picture of how our agency is compromised negatively in contemporary economic life (although using implicitly a theological description of agency to do so). This chapter then explicitly used two interpretations of our agential predicament to suggest that these constraints, and the un-answerable responsibility we bear for economic harms, can be read theologically as the predictable results of our fallen human condition. Or, put differently, our agential predicament in capitalism today is one way that our fallen condition manifests itself, and can be seen. Theological claims about our fallen nature and condition offers one way to understand and make sense of the diverse insights into this predicament that can be found in economics, sociology, and anthropology, and other sources of information on what it is like to live in markets today

Reading the signs of the times in this light suggests that the agential predicament described in Chapter 6 in even more serious than a first pass, factually based description might indicate. This is firstly because it reveals our wide-ranging guilt and our compromised agency to be perennial features of human existence; although they may appear in different garb in each new era, they are nonetheless constants of human existence. Secondly, however, it invites us to admit that our predicament is not soluble by

us. Rather, it suggests, the most constructive way of coping with our situation may be to acknowledge—in theological parlance, to confess—our limits, and the essentially compromised nature of our moral agency, and above all our need of help.

At the same time, however, to describe our situation thus requires that we also claim that a remedy for our predicament *is* available. Both theological idioms engaged here proclaim that through God's grace a process of redemption and restoration, of both creation and humanity within it, has already begun, and is ongoing, if only we have eyes to see it. A fuller theological treatment of capitalism today would consider how this proclamation of good news may further expand this consideration of moral agency in economic life today. In so doing it might argue, for example, that the theological frame taken up here in indictment also provide a way to see capitalism today not solely as an arena of sin, the corruption and enervation of our moral agency, and estrangement from God and others, but also one in which redemption, grace, and the gradual rehabilitation and perfection of our agency is already taking place.

CONCLUSION

Summary of the argument of this dissertation

This overarching goal of this dissertation has been to propose two theological descriptions, one nested inside of the other: first, of capitalism as a moral context, and second, of our agential situation within that context. Before doing so, however, this dissertation engaged in a project of diagnosis, addressing an obstacle confronting precisely this sort of moral description.

It began by arguing that Christian theological ethics suffers from an ethical inarticulacy characteristic of our current cultural and political moment concerning the moral dimensions of economic life. Some of this inarticulacy is to be expected during times of social transformation, and the global economy today is becoming increasingly complex, interconnected, and expansive. However, the chapters of Part I have argued that not all our inarticulacy is quite so inevitable. Some of it can be traced to the prevalence of a misinterpretation, or misunderstanding, about the nature of capitalism in general, and of economic phenomena in particular, in which markets and economic processes are naturalistic phenomena that operate according to already determined laws. This representation has gained ascendance as common sense in the past few decades due to factors political, cultural, and economic (and the personal agendas of various academic and political actors; this is an aspect of this history this dissertation has not fully explored, but that does deserve mention). However, it ultimately draws its legitimacy from mainstream economics, which in recent decades has increasingly relied on models and methodologies that suggest this picture of economic phenomena. Chapter Three advanced an immanent critique of these using heterodox economic thought to argue that this disciplinary development was contingent, and that these tools are particularly unsuited for

describing economic phenomena. Economic inquiry, that is, has been distorted by a kind of “physics envy.” The representation of economic processes its models and methods generally suggest is mistaken and misleading, given that they imply that markets are amoral arenas unshaped by human agency. Rather, economic phenomena, markets, and capitalism itself are all to a large extent culturally contingent.

In light of this, Chapter Four argued that we ought to understand capitalism as a plastic, yet path dependent, social order. Using various case studies, it also argued that we more adequately understand the specific capitalism we currently inhabit by attending to the uses to which this misleading economic knowledge has been put. It has, for example, clouded discussions of ethics in markets, above all by suggesting a more truncated realm of moral responsibility than is warranted, or just. A naturalistic representation of markets has also been used to shape and legitimize various policies, practices, institutions, and norms, some of which (ironically) have altered economic conditions to more closely conform to their representation as impersonal, autonomous, and (in cases) harsh.

With this articulation of one problem confronting moral description in view, Chapter Five then began to model how a theological reading of and engagement with capitalism might better proceed. It started with theological claims about the goodness of creation, the damage done by the fall, and God’s offer of redemption in Christ, and argued that these constitute the fundamental context of all human action. Given this, these claims add up to a kind of grammar, as it were, that rules out certain ways of describing specific historical moments and social orders. Using this grammar (and engaging the picture of capitalism just developed), this chapter describes capitalism as expressive of human sin, and “worldly.” At the very least, it bears the marks of this, and of humanity’s fallen moral agency, in the way that it enervates and frustrates the exercise of that agency.

At the same time, however, this chapter suggested that capitalism also participates in creation's intrinsic goodness, which (this chapter argued) entails empowering humanity's moral agency. More specifically, like all other contexts of human action, it is a site of the Word's salvific and redemptive activity in human history. This claim ought not be construed as a defense of capitalism as it is now; this chapter offers it instead to rule out despair in theological reflection, and as a prompt to search for signs of grace in the world today.

This description of capitalism is an admittedly particular one. Its primary audience, therefore, is those who work within and are committed to the specific confessional framework it employs. However, Chapter Five (and accordingly, Part I of this dissertation) concludes by suggesting that this reading need not be of use *solely* to this audience. The reading this chapter offers models how a moral description of capitalism may render it intelligible without suppressing significant aspects of its ambiguity as a context for moral agency. Such descriptions, this conclusion argues, are needed today. The two most prevalent moral interpretations of capitalism today (as liberating, and as oppressive) *do* suppress significant features this context, in part due to the fact that they stem from traditions developed in polemical response to modern capitalism, and in part due to reliance on a misconstruals of capitalism as natural, and/or determinist. By engaging capitalism as the ambiguous cultural product that it is, traditions such as Christianity can yield moral descriptions that offer more plausible answers to the questions with which this dissertation began, about what sort of terrain for the moral life capitalism presents. In so doing, tradition-specific moral interpretations provide aid for and resources to the shared, public project of developing ethical articulacy regarding economic issues.

Not all the questions mentioned in the introduction to this dissertation concern how to characterize capitalism itself. Many, if not most, address this as part of a more fundamental concern for how to think about our place within capitalism, as moral agents—about our capacities and responsibilities, about whether markets make us more or less virtuous, about how to think about our relationship to economic injustices, and so forth. Part II of this dissertation turned to such questions. It did so by continuing the theological reflection Chapter Five began. Chapter Six “zoomed into” the story it told, as it were, by turning to two different descriptions of human moral agency within the context of creation, fall, and redemption: one emphasizing the role of grace (modeled by Lutheran theology and moral anthropology), the other emphasizing humanity’s natural powers (modeled by Thomistic thought). Part II argued that, and models how, these descriptions can be used to make sense of, and provide critical leverage on, our agential situation in capitalism today.

They do firstly in what these differently inflected theological interpretations share; both are structured by the basic assumption that human moral agency is deeply compromised after the fall. This picture of agency is similar to the “impure” agency assumed within philosophical treatments of moral luck, which argue that our moral responsibilities often outrun our conscious control due to the way our agency exists in a fuzzy relationship with our context. However, this chapter argued that a theological account of moral agency is fundamentally more tragic than this. In both theological idioms Chapter Six considered, our agency is not impure by nature; instead, it has lost an original integrity, and we may sense this loss acutely. Moreover, rather than exculpating us, this condition is our own fault, and the result of human sin. This theological description thus invites us to consider the extent to which we experience our agency not

only as impure, but as tragically compromised, and provides a framework in which to make sense of this experience.

Chapter Seven then used this account of our agency to describe and analyze some of the ways that capitalism today threatens to enervate and undermine the moral agency of its inhabitants. It concluded that capitalism today presents many situations where the freedom and agency it purportedly enables is illusory (because it is merely procedural, rather than substantive). Moreover, it argued that despite the fact that we experience its cultural and structural conditions as givens that confront us, capitalism's plasticity and responsiveness to human agency at the collective level indicates that we must recognize ourselves somehow responsible for the outcomes it generates. This includes the "outcome" of having accepted and perpetuated a naturalistic representation of markets.

Finally, Chapter Eight reflected on these conclusions in light of the theological accounts of our agency introduced in Chapter Six. As did Chapter Five, it proposed a theological description of our moment: this time, of our agential predicament in capitalism as both an instantiation and result of humanity's fallen condition more generally. It suggested that insofar as economic harms are contingent, they are the result of sin, and that we may usefully describe the desire to avoid recognizing this as either culpable ignorance (when read in a Thomistic idiom), or sinful self-deception in an attempt to evade deserved culpability (when read in a Lutheran idiom). Further, it proposed that the doctrine of original sin offers a useful way to talk about culpability for emergent economic outcomes that are harmful. This chapter then concluded with a discussion of how the confession and endurance appropriate to humanity's fallen condition may provide a way to conceptually order and cope with the contradictions of our situation as moral agents in capitalism today. It also suggested that this applied

reflection provides a new context within which to consider the meaning and significance of Christian theological claims about humanity's fallen condition.

What this leaves out: A brief note, and sketch of things to come

Theologically minded readers may have noted that Part II of this dissertation tells a curiously one-sided story. Part I argued that attention not only to the fall, but also to the goodness of creation and to the offer of redemption in Christ, ought to structure consideration of capitalism. However, when nesting its further theological reflection on our agential situation within this frame, Part II only developed one element of this: attention to the fall, and the damage done by sin. According to the standard set in Part I, then, the theological story Part II tells is incomplete.

A more complete theological description of our situation as moral agents in capitalism today would ask, too, how grace complements and perhaps changes this description. How might we also see the goodness of creation, and Christ's offer of redemption, on display in capitalism today? And how might a description of these enable help us make better sense of various experiences we have of our own agency in capitalism today?

Beginning with such questions would not only fill out the theological story that this dissertation has begun to tell. It would also address the shortcomings of Part II's description of our agential situation within capitalism, which cannot be described purely with reference to sin and negatively compromised agency. Firstly, this is because both the cultural and structural elements of capitalism today support the development and exercise of virtue, relationships of justice, and the achievement of the common good in significant ways. That is, just as some aspects of contemporary markets compromise our moral

agency negatively, at the same time others support and empower this agency by facilitating, and even encouraging, right action. Moreover, this support is not static, or unalterable. As Part I noted, capitalism is to a great extent a culturally contingent, plastic phenomenon. And, as Part II began to explore, in addition to our practical capacities, also our dispositions, expectations, reactions, and choices are all to a great extent influenced by our context. With this in mind, further reflection might consider how capitalism itself may be altered so as to better conduce to right action, growth in virtue, and so forth—in short, so as to better support our moral agency. It would consider, that is, how capitalism currently makes it possible to, in the words of Peter Maurin, “make the kind of society where it is easier for men to be good”—and how we might make sense of this theologically.¹

The different but complementary emphases on nature and grace found in Thomistic and Lutheran perspectives might provide useful frames for this reflection, as well. Just as these two perspectives offered distinct idioms in which to explain how and why our moral agency is vexed and compromised, so they offer distinct descriptions of its integrity, and of how our agency grows in response to and concert with grace. These may be useful for examining various aspects of our agential situation. For example, a Thomistic idiom could be used to describe how various consumer contexts enable us to exercise our natural powers of habituation to develop virtue. In contrast, a Lutheran skepticism regarding sanctification might invite reflection on how the positive use of our agency always relies on the passive acceptance of, and response to, the agency of Christ working in and through us through grace.

¹ Quoted in Stanley Vishnewski, “The Day I Met Peter Maurin,” *The Catholic Worker* (May 1976): 5. This claim about capitalism’s improbability is not, to be clear, a claim that it is *perfectible*; this is both empirically unrealistic, and theologically not in keeping with the grammar of social description Part I set forth with reference to creation, fall, and redemption.

Such an extension of this project might also consider the positive aspects of our agential situation in light of what these two perspectives share. Despite real differences, Lutheran and Thomistic interpretations of our human condition are both structured by a fundamental assumption that human moral agency is both real and good ultimately because it is underwritten by divine agency, and, moreover, that our agency gains in integrity as it is used to accept and respond to divine agency. This is the other half of the theological story Part II began: God, too, found the condition of our compromised agency tragic, and as a result has provided an answer. Through Christ, what was (and is) compromised can be made whole. And this is not simply a process of restoring something initially lost, or healing something broken in our nature (although it may be that, too); it is also a gift from without of what we have not had in the first place, but nonetheless sense that we miss: the gift of participation in God's own life. God's own life is, ultimately, that economy in which we are most free, and (a theological reading invites us to see) for which we long even now, without knowing it.

Part II proposed that a theological reading of our agential situation in capitalism in light of the fall, and of its effects upon our moral agency, could make sense of some of our experiences today of compromised agency. So extended, this further reflection would suggest something similar: reading our situation in light of creation's goodness, and God's gifts to us through Christ, offers one way to make sense of some of our experiences in capitalism today of having our moral agency enabled, and supported, even. Such a reflection might even argue that this can be read as the experience of God's grace, mediated despite and through capitalism today. Indeed, if capitalism today presents a new context in which to consider the significance of key Christian claims such as those regarding original sin, our fallen condition, and need for redemption, there is no reason to

think that it does not also present a new context in which to understand the meaning and experience of sanctification, salvation, and grace.

WORKS CITED

- Abend, Gabriel. *The Moral Background: An Inquiry into the History of Business Ethics*. Princeton: Princeton University Press, 2014.
- Abraham, Ibrahim. "Capital, Culture, and Contradictions: Contemporary Christian Economic Ethics." *Pacifica* 22 (February 2009): 53-74.
- Ackerman, Frank. "Still Dead After All These Years: Interpreting the Failure of General Equilibrium Theory." *Journal of Economic Methodology* 9.2 (2001): 119-139.
- Acton, Ryan. "We have the best—or we are dead": *Harvard Business School and the Making of a Meritocratic Class, 1945-1980*. Unpublished dissertation.
- Ahern, Kevin. *Structures of Grace: Catholic Organizations Serving the Global Common Good*. Maryknoll, NY: Orbis, 2015.
- Ahn, Ilsup. *Position and Responsibility: Jürgen Habermas, Reinhold Niebuhr, and the Co-Reconstruction of the Positional Self*. Eugene, OR: Wipf and Stock, 2009.
- Aitken, Rob. *Performing Capital: Toward a Cultural Economy of Popular and Global Finance*. New York: Palgrave MacMillan, 2007.
- Akerlof, George A. and Rachel E. Kranton. *Identity Economics: How Our Identities Shape our Work, Wages, and Well-Being*. Princeton: Princeton University Press, 2010.
- Allen, Barry. "Foucault's Theory of Knowledge." In *Foucault and Philosophy*, edited by Timothy O'Leary and Christopher Falzon. Malden, MA: Wiley-Blackwell, 2010.
- Amadae, S. M. *Rationalizing Capitalist Democracy: The Cold War Origins of Rational Choice Liberalism*. Chicago: University of Chicago Press, 2003.
- Andre, Judith. "Nagel, Williams and Moral Luck." In *Moral Luck*, 123-29, edited by Daniel Statman. Albany: State University of New York Press, 1993.
- Appleby, Joyce. *The Relentless Revolution: A History of Capitalism*. New York: Norton and Company, 2010.
- Arcand, Jean-Louis, Enrico Berkes, and Ugo Panizza. "Too Much Finance?" IMF Working Paper, Research Department, June 2012.
- Arnold, Denis. "Working Conditions: Safety and Sweatshops." In *The Oxford Handbook of Business Ethics*, edited by George Brenkert and Tom Beauchamp. New York, NY: Oxford University Press, 2010.
- Arnold, Denis G. and Noman E. Bowie. "Sweatshops and Respect for Persons." *Business Ethics Quarterly* 13.2 (2003): 221-242.

- Arnold, Denis and Laura Hartman. "Moral Imagination and the Future of Sweatshops." *Business and Society Review* 108.4 (2003): 425-461.
- _____, "Beyond Sweatshops: Positive Deviancy and Global Labor Practices," *Business Ethics: A European Review* 14.3 (2005): 206-222.
- Aquinas, Thomas. *The Summa Theologica of St. Thomas Aquinas*, second and revised edition. Translated by the Fathers of the English Dominican Province. 2008, Available at newadvent.org.
- Athanasius, "Against the Arians." Translated by John Henry Newman and Archibald Robertson. In *Nicene and Post-Nicene Fathers*, edited by Philip Schaff and Henry Wace, Second Series, volume IV. Grand Rapids, Eerdmans, 1987.
- _____. *On the Incarnation*. Translated by John Behr. Yonkers: St. Vladimir's Seminary Press, 2011.
- Augustine of Hippo, *Confessions*. Translated by Henry Chadwick. Oxford University Press, 1998.
- _____, *The City of God against the Pagans*, edited and translated by R. W. Dyson (New York: Cambridge University Press, 1998).
- Austin, J.L. *How to Do Things With Words*, second edition. Oxford: Oxford University Press, 1975.
- Australian Catholic Bishops' Conference. *Common Wealth for the Common Good: A Statement on the Distribution of Wealth in Australia*. North Blackburn, 1992.
- Barker, Drucilla K. and Edith Kuiper. *Toward a Feminist Philosophy of Economics: Economics as Social Theory*. New York, NY: Routledge, 2003.
- Barrera, Albino. *Market Complicity and Christian Ethics*. New York: Cambridge University Press, 2011.
- _____, *Globalization and Economic Ethics: Distributive Justice in the Knowledge Economy*. New York: Palgrave Macmillan, 2007.
- _____. *Economic Compulsion and Christian Ethics*. New York: Cambridge University Press, 2005.
- _____. *God and the Evil of Scarcity: Moral Foundations of Economic Agency*. Notre Dame, IN: University of Notre Dame Press, 2005.
- _____. *Modern Catholic Social Documents and Political Economy*. Washington, D.C.: Georgetown University Press, 2001.

- Barth, Karl. *Church Dogmatics*, edited by G. W. Bromily and T. F. Torrance. Edinburgh: T&T Clark, 1955-1969.
- Bauman, Yoram and Elaina Rose. "Selection or Indoctrination: Why do Economics Students Donate Less than the Rest?" *Journal of Economic Behavior and Organization* 79.3 (August 2011): 318-327.
- Bayer, Oswald. *Martin Luther's Theology: A Contemporary Interpretation*. Translated by Thomas H. Trapp. Grand Rapids, MI: Eerdmans, 2008.
- _____, "I am the Lord your God...': The Significance of the First Commandment as a Basis for Ethics." Translated Jeff Cayzer. In *Freedom in Response: Lutheran Ethics: Sources and Controversies*. New York: Oxford University Press, 2007.
- Becker, Gary. *The Economic Approach to Human Behavior*. Chicago, IL: University of Chicago Press 1976.
- Beckley, Harlan. "Social Science and Theological Ethics: A Response to Mary E. Hobgood." *Journal of Religious Ethics* (Fall 1997): 343-350.
- Bell, Daniel. *The Cultural Contradictions of Capitalism*, twentieth anniversary edition. New York: Basic Books, 1996.
- Bell, Daniel M. Jr. "What Gift is Given? A Response to Volf." *Modern Theology* 19.2 (April 2003): 272.
- _____. *The Economy of Desire: Christianity and Capitalism in a Postmodern World*. Baker Academic, 2012.
- _____. *Liberation Theology After the End of History: The Refusal to Cease Suffering*. New York: Routledge, 2001.
- Belloc, Hilaire. *An Essay on the Restoration of Property*. London: The Distributist League, 1936.
- Benedict XVI. *Caritas in Veritate*. 2009.
- Benjamin, Walter. "Capitalism as Religion." In *The Frankfurt School on Religion: Key Writings by the Major Thinkers*, edited by Eduardo Mendieta, 259-262. New York: Routledge, 2005.
- Benne, Robert. *The Ethic of Democratic Capitalism*. Philadelphia: Fortress Press, 1981.
- Bergeron, Suzanne. "Economics, Performativity, and Social Reproduction in Global Development." *Globalizations* 8.2 (2011): 151-161.
- Bernstein, Jared. "The Tradeoff Between Inflation and Unemployment: What We Don't Know Can Hurt Us," *The Huffington Post*, September 27, 2014.

- Bishop, Bill. *The Big Sort: Why the Clustering of Like-Minded America is Tearing Us Apart*. New York, NY: Houghton Mifflin Harcourt, 2008.
- Bivens, Josh, and Lawrence Mishel, "Understanding the Historic Divergence Between Productivity and a Typical Worker's Pay: Why it Matters and Why it's Real." Economic Policy Institute, September 2, 2015, Briefing Paper 406.
- Bivens, Josh, Elise Gould, Lawrence Mishel, and Heidi Shierholz. "Raising America's Pay: Why It's Our Central Economic Policy Challenge." Economic Policy Institute, June 4, 2015, Briefing Paper 378.
- Blanchard, Kathryn D. *The Protestant Ethic or the Spirit of Capitalism: Christians, Freedom and Free Markets*. Eugene, OR: Cascade Books, 2010.
- Blank, Rebecca M. and William McGurn, *Is the Market Moral? A Dialogue on Religion, Economics, and Justice*. Washington D.C.: Brookings Institution Press, 2004.
- Block, Fred, and Margaret R. Somers, *The Power of Market Fundamentalism: Karl Polanyi's Critique*. Cambridge, MA: Harvard University Press, 2014.
- Blok, Anders. "Articulating social science in the wild of global natures? On economics and anthropology in transnational environmental politics." *Environment and Planning* 46.9 (2014): 2125-2142.
- Blosser, Joe. "Natural Law Economics: Reading a Theological Economics," *Research in the History of Economic Thought and Methodology* 31.1 (2013): 119-132.
- _____. "Can God or the Market Set People Free? Libertarian, Egalitarian, and Ethical Freedom," *Journal of Religious Ethics* 41.2 (2013) 233-253.
- Boff, Leonardo. *Cry of the Earth, Cry of the Poor*. Translated by Philip Berryman. Maryknoll, NY: Orbis Books, 2000.
- _____. *The Lord's Prayer: The Prayer of Integral Liberation*. Translated by Theodore Morrow. Maryknoll, NY: Orbis Books, 1983.
- _____. *Jesus Christ Liberator: A Critical Christology for Our Time*. Maryknoll, NY: Orbis Books, 1973.
- Bourdieu, Pierre. *Language and Symbolic Power*. Cambridge: Polity, 1991.
- Bowlin, John. *Contingency and Fortune in Aquinas' Ethics*. New York: Cambridge University Press, 1999.
- Boylan, Michael. "Learning Economics: A Cautionary Tale." *Sociological Forum* 30.1 (March 2015).

- Braudel, Fernand. *Civilization and Capitalism, 15th-18th Century: The Wheels of Commerce, Volume II*. Translated by Sian Reynolds. Berkeley: University of California Press, 1992.
- Bretherton, Luke. *Christianity and Contemporary Politics: The Conditions and Possibility of Faithful Witness*. Malden, MA: Wiley-Blackwell, 2010.
- Budde, Michael and Robert Brimlow. *Christianity Incorporated: How Big Business is Buying the Church*. Grand Rapids, MI: Brazos Press, 2002.
- Bureau of Economic Analysis data, "Interactive Access to Industry Economic Accounts Data: GDP by Industry," available at bea.gov.
- Burgin, Angus. "Age of Certainty: Galbraith, Friedman, and the Public Life of Economic Ideas." *History of Political Economy* 45 (annual supplement, 2013): 191-219.
- _____. *The Great Persuasion: Reinventing Free Markets Since The Depression*. Cambridge: Harvard University Press, 2010.
- Cahill, Lisa Sowle. "Renegotiating Aquinas: Catholic Feminist Ethics, Postmodernism, Realism, and Faith." *Journal of Religious Ethics* 43.2 (2015): 193-217.
- Callon, Michel editor. *The Laws of the Markets*. Malden, MA: Blackwell Publishers, 1998.
- Calvin, John. *Institutes of the Christian Religion*. Translated by Henry Beveridge. Peabody: Hendrickson Publishers, 2007.
- Camerer, Colin, George Loewenstein, and Matthew Rabin, editors. *Advances in Behavioral Economics*. Princeton: Princeton University Press, 2004.
- Cannon, Katie Geneva. "Racism and Economics: The Perspective of Oliver C. Cox." In *Womanist Theological Ethics: A Reader*, 3-21, edited by Katie Geneva Cannon, Emilie M. Townes, and Angela D. Sims. Louisville: Westminster John Knox Press, 2011.
- Carimentrand, Aurelie and Jerome Ballet. "When Fair Trade increases unfairness: the case of quinoa from Bolivia." Working paper FREE-Cahier no. 5, 2010.
- Carruthers, Bruce and Wendy Nelson Espeland. "Accounting for Rationality: Double-Entry Bookkeeping and the Rhetoric of Economic Rationality." *The American Journal of Sociology* 97.1 (1991): 31-69.
- Catechism of the Catholic Church, second edition.
- Cavanaugh, William. *Being Consumed: Economics and Christian Desire*. Grand Rapids, MI: Eerdmans, 2008.

- _____. *Theopolitical Imagination: Discovering the Liturgy as a Political Act in an Age of Global Consumerism*. New York: Bloomsbury T&T Clark, 2002.
- Cecchetti Stephen G., and Enisse Kharroubi, "Why does financial sector growth crowd out real economic growth?" Bank For International Settlements Working Paper No 490, Monetary and Economic Department, February 2015.
- _____. "Reassessing the impact of finance on growth." Bank For International Settlements Working Paper No 381, Monetary and Economic Department, July 2012.
- Christophers, Brett. "Wild Dragons in the City: Urban Political Economy, Affordable Housing Development and the Performative World-making of Economic Models." *International Journal of Urban and Regional Research* 38.1 (2014): 79-97.
- Clement of Alexandria, "Who is the Rich Man Who Will Be Saved?"
- Cloutier, David. *The Vice of Luxury: Economic Excess in a Consumer Age*. Washington DC: Georgetown University Press, 2015.
- Coase, Ronald. "The Nature of the Firm." *Economica* 4.16 (1937): 386-405.
- Cohen, Lizabeth. *A Consumer's Republic: The Politics of Mass Consumption in Postwar America*. New York: Alfred A Knopf, 2003.
- Cohen, Philip. "Sociology unfound: Contextualizing the dominance of economist mentions in the New York Times." February 6, 2015, available at <http://blogs.lse.ac.uk/impactofsocialsciences/2015/02/06/sociology-unfound/>
- Coleman, James S. "The Impact of Gary Becker's Work on Sociology." *Acta Sociologica* 36.3 (1993): 169-178.
- Conger, R.D., K.J. Conger, G.H. Elder Jr., F.O. Lorenz & R.L. Simons. "Economic stress, coercive family process and developmental problems of adolescents." *Child Development* 65 (1994): 541 - 61.
- Conradi, Peter. *Iris Murdoch: A Life*. New York: W. W. Norton, 2001.
- Conradie, Ernst M. "What on Earth Did God Create? Overtures to an Ecumenical Theology of Creation." *The Ecumenical Review (World Council of Churches)* 66. 4 (2014): 433-453.
- Cooper, Christine. "Accounting for the Fictitious: A Marxist Contribution to Understanding Accounting's Role in the Financial Crisis." *Critical Perspectives on Accounting* 30 (July 2015): 653-82, 65.
- Couenhoven, Jesse. *Stricken by Sin, Cured by Christ: Agency, Necessity, and Culpability in Augustinian Theology*. New York: Oxford University Press, 2013.

- Curran, Charles E. *Catholic Social Teaching, 1891-Present: A Historical, Theological, and Ethical Analysis*. Washington, D.C.: Georgetown University Press, 2002.
- Davis, Creston, John Milbank, and Slavoj Zizek, editors. *Theology and the Political: The New Debate*. Duke University Press, 2005.
- Davis, Kingsley. "The Origin and Growth of Urbanization in the World." *American Journal of Sociology* 60.5 (March 1955): 429-437.
- Dawn, Marva. *Unfettered Hope: A Call to Faithful Living in an Affluent Society*. Louisville: Westminster John Knox Press, 2003.
- de la Sienra, Adolfo Garcia. "Response." In *Globalization and the Kingdom of God*, 83-96, edited by Bob Goudzwaard. Grand Rapids, MI.: Baker Books, 2001.
- DeNavas-Walt, Carmen and Bernadette D. Proctor. Income and Poverty in the United States: 2014. United States Census Bureau, U.S. Department of Commerce, Economics and Statistics Administration. September 2015.
- Denning, Steve. "When Will 'The World's Dumbest Idea' Die?" *Forbes*, July 5, 2013.
- _____. "The Origin of the World's Dumbest Idea," *Forbes*, June 26, 2013.
- Dominy, Peter. *Decoding Mammon: Money as a Dangerous and Subversive Instrument*. Eugene, OR: Wipf & Stock, 2012.
- Domskey, Darren. "There is No Door: Finally Solving the Problem of Moral Luck." *Journal of Philosophy* 101 (2004): 445.
- Donnelly, Phillip. "Discussion on the Supernatural Order." *Theological Studies* 9 (1948): 213-49.
- Dorrien, Gary. *Social Ethics in the Making: Interpreting an American Tradition*. Wiley-Blackwell, 2010.
- du Gay, Paul and Glenn Morgan. "Understanding Capitalism: Crises, Legitimacy, and Change Through the Prism of *The New Spirit of Capitalism*." In *New Spirits of Capitalism? Crises, Justification, and Dynamics*, edited by Paul du Gay and Glenn Morgan. New York: Oxford University Press, 2013.
- Duppe, Till and E. Roy Weintraub, *Finding Equilibrium: Arrow, Debreu, McKenzie and the Problem of Scientific Credit*. Princeton: Princeton University Press, 2014.
- Eagleson, John, and Philip Sharper, editors. *Puebla and Beyond: Documentation and Commentary*. New York: Orbis Books, 1979.
- Elder, Glen H., Jr. *Children of the Great Depression*. Chicago: University of Chicago Press, 1974.

- Ellul, Jacques. *The Meaning of the City*. Grand Rapids, MI: Eerdmans, 1970.
- Etzioni, Amitai. "The Moral Effects of Economic Teaching." *Sociological Forum* 30.1 (March 2015): 228-233.
- England, Paula. "Separative and Soluble Selves: Dichotomous Thinking in Economics." In *Feminist Economics Today: Beyond Economic Man*, 33-60, edited by Marianne Ferber and Julie Nelson. Chicago: The University of Chicago Press, 2003.
- Evangelical Lutheran Church in America. *Economic Life: Sufficient, Sustainable Livelihood for All*. 1999.
- Feinstein, Charles. "Pessimism Perpetuated: Real Wages and the Standard of Living in Britain during and after the Industrial Revolution." *Journal of Economic History* 58.3 (September 1998): 625-58.
- Finn, Daniel K. *Christian Economic Ethics: History and Implications*. Minneapolis: Fortress Press, 2013.
- _____. *The Moral Ecology of Markets: Assessing Claims about Markets and Justice*. New York: Cambridge University Press, 2006.
- _____, editor, *Distant Markets, Distant Harms: Economic Complicity and Christian Ethics*. New York: Oxford University Press, 2014.
- _____, editor, *The Moral Dynamics of Economic Life: An Extension and Critique of Caritas in Veritate*. New York: Oxford University Press, 2012.
- _____, editor. *The True Wealth of Nations: Catholic Social Thought and Economic Life*. New York: Oxford University Press, 2010.
- Fleury, Jean-Baptiste. "Wandering through the Borderlands of the Social Sciences: Gary Becker's *Economics of Discrimination*." *History of Political Economy* 44.1 (2012): 1-40.
- Fox, Justin. *The Myth of the Rational Market: A History of Risk, Reward, and Delusion on Wall Street*. New York: HarperBusiness, 2009.
- _____. "How Shareholders are Ruining American Business," *The Atlantic*, July/August 2013.
- Foucault, Michel. *The Archaeology of Knowledge and the Discourse on Language*. New York: Tavistock Publications, 1972.
- _____. *Power/Knowledge: Selected Interviews and Other Writings 1972-1977*, edited by Colin Gordon. New York: Pantheon, 1980.

- Fong, Christina Ting. "The Effects of Emotional Ambivalence on Creativity." *The Academy of Management Journal* 49.5 (October 2006): 1016-1030.
- Frank, Robert, Thomas Gilovich and Dennis Regan "Does Studying Economics Inhibit Cooperation?" *The Journal of Economic Perspectives* 7.2 (1993): 159-171.
- Friedman, Milton. *Capitalism and Freedom*, fortieth anniversary edition. Chicago: University of Chicago Press.
- _____. "The Social Responsibility of Business is to Increase its Profits," *New York Times Magazine*, 13 September 1970.
- _____. "The Methodology of Positive Economics." In *The Philosophy of Economics: An Anthology*, third edition, 145-178, edited by Daniel M. Hausman. New York: Cambridge University Press, 2007.
- Fukuyama, Francis. *The End of History And the Last Man*. New York: Simon and Schuster, 1992.
- Fulcher, James. *Capitalism: A Very Short Introduction*. New York: Oxford University Press, 2004.
- Gallagher, David M. "The Will and Its Acts." In *The Ethics of Thomas Aquinas*, edited by Stephen Pope. Washington D.C.: Georgetown University Press, 2002.
- Gallagher, John and Jeanne Buckeye. *Structures of Grace: The Business Practices of the Economy of Communion*. New York: New City Press, 2014.
- Gallie, W. B. "Essentially Contested Concepts." *Proceedings of the Aristotelian Society* 56 (1956): 167-198.
- Gendron, Yves and Jean-Hubert Smith-Lacroix. "The Global Financial Crisis: Essay on the Possibility of Substantive Change in the Discipline of Finance." *Critical Perspectives on Accounting* (2015): 83-101.
- Georgescu-Roegen, Nicholas. "Methods in Economic Science." *Journal of Economic Issues* 13.2 (1979): 317-328.
- Gills, James P., Ronald H. Nash. *A Biblical Economics Manifesto: Economics and the Christian Worldview*. Creation House, A Strang Company 2002.
- Graeber, David. "The Sword, the Sponge, and the Paradox of Performativity: Some Observations on Fate, Luck, Financial Chicanery, and the Limits of Human Knowledge." *Social Analysis* 56.1 (Spring 2012): 25-42.
- Granovetter, Mark. "Economic Action and Social Structure: The Problem of Embeddedness." *American Journal of Sociology* 91.3 (November 1985): 481-510.

- Green, Donald and Ian Shapiro. *Pathologies of Rational Choice Theory: A Critique of Applications in Political Science*. New Haven: Yale University Press, 1996.
- Greene, Joshua D. et al. "Cognitive Load Selectively Interferes with Utilitarian Moral Judgment." *Cognition* 107.3 (June 2008): 1144-1154.
- Gronbacher, Gregory A. "The Need for Economic Personalism," *Journal of Markets and Morality* 1.1 (Spring 1998): 1-34.
- Gregory of Nyssa, "On the Making of Man." Translated by Henry Austin Wilson. In *Nicene and Post-Nicene Fathers*, Second Series, volume V, edited by Philip Schaff and Henry Wace. Grand Rapids: Eerdmans, 1994.
- Goodchild, Philip. *Theology of Money*. Durham: Duke University Press, 2009.
- Gutiérrez, Gustavo. "Saying and Showing to the Poor: God Loves You." In *In the Company of the Poor: Conversations with Dr. Paul Farmer and Fr. Gustavo Gutiérrez*, edited by Michael Griffin and Jennie Weiss Block. Maryknoll: Orbis: 2013.
- Gutman, Leslie Morrison, Vonnie C. McLoyd and Teru Tokoyawa. "Financial Strain, Neighborhood Stress, Parenting Behaviors, and Adolescent Adjustment in Urban African American Families." *Journal of Research on Adolescence* 15.4 (2005): 425-449.
- Habermas, Jürgen. *Theory of Communicative Action, Volume II: Lifeworld and System; A Critique of Functionalist Reason*. Translated by Thomas McCarthy. Boston: Beacon Press, 1985.
- Haidt, Jonathan. "Capitalism is Exploitation," and "Capitalism is Liberation," youtube.com.
- Hankins, Keith. "Adam Smith's Intriguing Solution to the Problem of Moral Luck." *Ethics* 126.3 (April 2016): 711-746.
- Harcourt, Bernard E. *The Illusion of Free Markets: Punishment and the Myth of Natural Order*. Cambridge: Harvard University Press, 2011.
- Harding, Sandra. *The Science Question in Feminism*. Ithaca, NY: Cornell University Press, 1986.
- Harper, Ian and Samuel Gregg. *Christian Theology and Market Economics*. Cheltenham: Edward Elgar, 2010.
- Hart, David Bentley. "Mammon Ascendant: Why Global Capitalism is Inimical to Christianity." *First Things* (June/July 2016): 33-38.
- Hartman, Laura. *The Christian Consumer: Living Faithfully in a Fragile World*. New York: Oxford University Press, 2011.

- _____. "Environmental Modesty: Reclaiming an Ancient Virtue," *Journal of Religious Ethics* 43.3 (September 2015): 475-492.
- Hastings, Adrian, Alistair Mason and Hugh S. Pyper, editors. *The Oxford Companion to Christian Thought: Intellectual, Spiritual, and Moral Horizons of Christianity*. New York: Oxford University Press, 2000.
- Heilbroner, Robert. *The Worldly Philosophers: The Lives, Times, and Ideas of Great Economic Thinkers*, seventh edition. New York: Touchstone, 1999.
- Henrich, Joseph, and Robert Boyd, Samuel Bowles, Colin Camerer, Ernst Fehr, Herbert Gintis, and Richard McElreath. "In Search of *Homo Economicus*: Behavioral Experiments in Fifteen Small Scale Societies." *American Economic Review* 91.2 (May 2001): 73-78.
- Herd, Jennifer A. *Putting on Virtue: The Legacy of the Splendid Vices*. Chicago: The University of Chicago Press, 2008.
- Heyne, Paul. "Economics is a Way of Thinking," in "Are Economists Basically Immoral?" *And Other Essays on Economics, Ethics, and Religion*, Geoffrey Brennan and AMC Waterman, editors (Indianapolis: Liberty Fund, 2008).
- _____. *The Economic Way of Thinking*, tenth edition (Prentice Hall, 2002).
- Hibbs, Thomas S. "Interpretations of Aquinas' Ethics Since Vatican II." In *The Ethics of Thomas Aquinas*, 412-425, edited by Stephen Pope. Washington D.C.: Georgetown University Press, 2002.
- Hicks, Douglas A. *Money Enough: Everyday Practices for Living Faithfully in the Global Economy*. Jossey-Bass, a Wiley Imprint 2010.
- _____. *Christian Ethics and Inequality*. New York: Cambridge University Press, 2000.
- Hill, Peter J. and John Lunn. "Markets and Morality: Things Ethicists Should Consider When Evaluating Market Exchange." *Journal of Religious Ethics* 35.4 (2007): 627-653.
- Hinkelammert, Franz. "The Crisis of Socialism and the Third World."
- Hirsch, Fred. *Social Limits to Growth*, 1978.
- Ho, Karen. *Liquidated: An Ethnography of Wall Street*. Durham, Duke University Press, 2009.
- Hobgood, Mary E. "Poor Women, Work, and the U.S. Catholic Bishops: Discerning Myth From Reality in Welfare Reform." *Journal of Religious Ethics* 25.2 (Fall 1997): 307-333.

- Hollingsworth, J. Rogers, and Robert Boyer, editors. *Contemporary Capitalism: The Embeddedness of Institutions*. Cambridge: Cambridge University Press, 1997.
- Holstrom, Bengt and Steven Kaplan. "Corporate Governance and Merger Activity in the United States." *Journal of Economic Perspectives* 15 (2001): 121-144.
- Hunt, E.K. *History of Economic Thought: A Critical Perspective*. New York: M. E. Sharpe, 2002.
- Hyman, Louis. "Why Write the History of Capitalism?" *Symposium Magazine*, 8 July 2013.
- Ingrao, Bruna and Giorgio Israel. *The Invisible Hand: Economic Equilibrium in the History of Science*. Cambridge, MA: MIT Press, 1990.
- Irish Episcopal Conference, "From Crisis to Hope: Working to Achieve the Common Good." 2010.
- _____. "Work is the Key: Towards an Economy that Needs Everyone." 1992.
- Jacobs, Alan. *Original Sin: A Cultural History*. New York: Harper Collins, 2008.
- Jameson, Fredric. "Future City." *New Left Review* 21 (May-June 2003) 76.
- Jenkins, Willis. *The Future of Ethics: Sustainability, Social Justice, and Religious Creativity*. Washington, D.C.: Georgetown University Press, 2013.
- Jensen, Henning. "Morality and Luck." *Philosophy* 59 (1984): 323-30.
- Jensen, Michael and Dean William Meckling. "Theory of the Firm: Managerial Behavior, Agency Costs and Ownership Structure." *Journal of Financial Economics* 3.4 (1976): 305-360.
- Jenson, Robert. "Luther's Contemporary Theological Significance." In *The Cambridge Companion to Martin Luther*, 272-288, edited by Donald McKim. New York: Cambridge University Press, 2003.
- Jethani, Skye. *The Divine Commodity: Discovering a Faith Beyond Consumer Christianity*. Grand Rapids, MI: Zondervan, 2009.
- John Paul II. *Centesimus Annus*, 1991.
- _____. *Sollicitudo Rei Socialis*, 1987.
- _____. *Laborem Exercens*, 1981.
- Jones, Claire. "A Post-Crash Manifesto to Rebuild Economics." *The Financial Times*, April 22, 2014.

- Jones, Paul Dafydd. *The Humanity of Christ: Christology in Karl Barth's Church Dogmatics*. London: T&T Clark, 2011.
- Jung, Sung Mo. *Desire, Market, and Religion*. London: SCM Press, 2007.
- Kahneman, Daniel. *Thinking Fast and Slow*. New York: Farrar, Straus, and Giroux, 2011.
- Kirman, Alan. *Complex Economics: Individual and Collective Rationality*. New York: Routledge, 2010.
- Keller, Catherine. *From a Broken Web: Separation, Sexism, and Self*. Boston: Beacon Press, 1986.
- Keller, Evelyn Fox. *Reflections on Gender and Science*. New Haven, CT: Yale University Press, 1985.
- Kennedy, Pagan. "The Fat Drug." *The New York Times*, March 8, 2014.
- Keynes, John Maynard. *The General Theory of Employment, Interest and Money*.
- Kilian, Bernard, Connie Jones, Lawrence Pratt, and Andrés Villalobos. "Is Sustainable Agriculture a Viable Strategy to Improve Farm Income in Central America? A Case Study on Coffee." *Journal of Business Research* 59.3 (2006): 322-330.
- Klebanov, Pamela Kato, Jeanne Brooks-Gunn, and Greg J. Duncan, "Does Neighborhood and Family Poverty Affect Mothers' Parenting, Mental Health, and Social Support?" *Journal of Marriage and Family* 56.2 (May 1994): 441-455.
- Kristof, Nicholas D. "Where sweatshops are a dream." *The New York Times*. January 14 2009.
- Kristof, Nicholas D., and Sheryl WuDunn. "Two cheers for sweatshops." *The New York Times*. September 24, 2000.
- Krugman, Paul. "In praise of cheap labor." *Slate*. March 21, 1997.
- Langley, Paul. *Liquidity Lost: The Governance of the Global Financial Crisis*. Oxford: Oxford University Press, 2015.
- Lanz, Tobias J. *Beyond Capitalism and Socialism: A New Statement of an Old Ideal*. Norfolk, VA: IHS Press, 2008.
- Laplace, Pierre-Simon. *A Philosophical Essay on Probabilities*. New York: Springer, 1998, originally 1814.
- Lee, Frederic S., and Wolfram Elsner. "Publishing, Ranking, and the Future of Heterodox Economics." *On the Horizon* 16.4 (2008): 176.

Leo XIII. *Rerum Novarum*. 1891.

Leonhardt, David. "In Climbing Income Ladder, Location Matters." *The New York Times*, July 22, 2013.

Library of Congress, "Struggles of Labor," Country Studies, available online.

Lindert, Peter H. and Jeffrey G. Williamson. "English Workers' Living Standards During the Industrial Revolution: A New Look." *The Economic History Review* 36.1 (1983): 1-25.

Lohr, Joel N. "Righteous Abel, Wicked Cain: Genesis 4:1-16 in the Masoretic Text, the Septuagint, and the New Testament." *The Catholic Biblical Quarterly* 71 (2009): 485-496.

Long, D. Stephen. *Divine Economy: Theology and the Market*. New York: Routledge, 2000.

Long, D. Stephen, Nancy Ruth Fox, and Tripp York. *Calculated Futures: Theology, Ethics, and Economics*. Waco, TX: Baylor University Press, 2007.

Loy, David. "The Religion of the Market." *Journal of the Academy of American Religion* 65.2 (1997): 275-90.

Lubich, Chiara. *That All Men Be One: Origins and Life of the Focolare Movement*. New York: New City Press, 1974.

Lunn, John. "Capitalism as Heresy." *Faith and Economics* 57 (Spring 2011): 1-24.

Luther, Martin. "Let Your Sins Be Strong," (1521) translated by Erika Bullman Flores, available at <http://www.projectwittenberg.org>.

Luther, Martin. *Luther's Works*, edited by Jaroslav Pelikan and Helmut T. Lehman. Philadelphia: Fortress Press, and St Louis: Concordia Publishing House, 1955-86.

_____. *Martin Luther: Selections From His Writings*, edited by John Dillenger. New York: Anchor Books, 1962.

McCarraher, Eugene. "Capitalism and Our Moral Imagination," *The Hedgehog Review* 14.3 (Fall 2012).

Macekura, Stephen et al. "The Relationship of Morals and Markets Today: A Review of Recent Scholarship on the Culture of Economic Life." *Soundings* 99.2 (2016): 136-170.

MacIntyre, Alisdair. *After Virtue: A Study in Moral Theory*, third edition. Notre Dame, IN: University of Notre Dame Press, 2007.

- MacKenzie, Donald. "The Credit Crisis as a Problem in the Sociology of Knowledge." *American Journal of Sociology* 116.6 (May 2011): 1778-1841.
- _____. *An Engine, Not a Camera: How Financial Models Shape Markets*, Cambridge: MIT Press, 2006.
- _____. "An Equation and Its Worlds: Bricolage, Exemplars, Disunity and Performativity in Financial Economics," *Social Studies of Science* 33 (2003): 831-868; and
- _____. "The Imagined Market." *London Review of Books* 24.21 (October 2002): 22-24.
- MacKenzie, Donald, Fabian Muniesa, and Lucia Siu, editors. *Do Economists Make Markets? On the Performativity of Economics*. Princeton, NJ: Princeton University Press, 2007.
- Malina, Bruce. *The New Testament World: Insights From Cultural Anthropology*, third ed. Louisville: Westminster John Knox, 2001.
- Marglin, Stephen A. *The Dismal Science: How Thinking Like an Economist Undermines Community*. Cambridge: Harvard University Press, 2008.
- Marshall, Alfred. *Principles of Economics*. London: Macmillan, 1936.
- Marx, Karl. *Das Kapital*, "Economic and Philosophic Manuscripts of 1844: Selections," "Communist Manifesto," and "Wage Labour and Capital." In *The Marx-Engels Reader*, edited by Robert Tucker. New York: Norton, 1972.
- Marx, Leo. *The Machine in the Garden: Technology and the Pastoral Ideal in America*, 35th anniversary edition. New York: Oxford University Press, 2000.
- Marwell, Gerald and Ruth Ames. "Economists Free Ride, Does Anyone Else?" *Journal of Public Economics* 15.3 (1981): 295-310.
- Massaro, Thomas J. *United States Welfare Policy: A Catholic Response*. Washington, D.C.: Georgetown University Press, 2007.
- Maximus the Confessor, *On the Cosmic Mystery of Jesus Christ: Selected Writings from St Maximus the Confessor*. Translated by Paul M. Blowers and Robert Louis Wilken. Yonkers, NY: St. Vladimir's Seminary Press, 2003.
- Mathewes, Charles. *A Theology of Public Life*. Cambridge University Press, 2007.
- Mathews, Race. *Jobs of Our Own: Building a Stakeholder Society, Alternatives to the Market and the State*. Irving, TX: The Distributist Review Press, 2009.
- McCloskey, Dierdre N. *The Bourgeois Virtues: Ethics for an Age of Commerce*. Chicago: University of Chicago Press, 2006.

- McRorie, Christina. "Adam Smith, Ethicist: A Case for Reading Political Economy as Moral Anthropology." *Journal of Religious Ethics* 43.4 (2015): 674-696.
- Médaille, John C. *Toward a Truly Free Market: A Distributist Perspective on the Role of Government, Taxes, Health Care, Deficits, and More*. Wilmington, DE: ISI Books, 2010.
- _____. *The Vocation of Business: Social Justice in the Marketplace*. New York: Continuum, 2007.
- Metz, Johann Baptist. *Theology of the World*. New York: Scribner, 1968.
- Milbank, John. *Theology and Social Theory: Beyond Secular Reason*, second edition. Malden, MA: Blackwell Publishing, 2006.
- Mill, JS. "On the Definition of Political Economy; and on the Method of Investigation Proper to It." In *Essays on Some Unsettled Questions of Political Economy*, 1874, available at <http://www.econlib.org/library/Mill/mlUQP5.html>.
- Miller, Daniel. *Consumption and its Consequences*. Malden, MA: Polity Press, 2012.
- _____. "Turning Callon the Right Way Up," *Economy and Society* 31.2 (2002): 218-233.
- Miller, John. "Why Economists Are Wrong about Sweatshops and the Anti-Sweatshop Movement." *Challenge* 46.1 (Jan/Feb 2003): 93-122.
- Miller, Vincent. "Slavery and Commodity Chains: Fighting the Globalization of Indifference." *America Magazine*, January 3, 2014.
- _____. *Consuming Religion: Christian Faith and Practice in a Consumer Culture*. New York: Continuum, 2003.
- Milton, John. *Paradise Lost*. New York: W. W. Norton, 1993.
- Mirowski, Philip. *Never Let a Serious Crisis Go to Waste: How Neoliberalism Survived the Financial Meltdown*. London: Verso, 2013.
- _____. *More Heat Than Light: Economics as Social Physics, Physics as Nature's Economics*. Cambridge University Press, 1991.
- Morgan, Mary S. and Malcolm Rutherford, editors. *From Interwar Pluralism to Postwar Neoclassicism*, supplement to vol 30 of *History of Political Economy*, Durham NC: Duke University Press, 1998.
- Myers, Ched. *Biblical Vision of Sabbath Economics*. Washington, DC: Tell the Word Press, 2001.

- Myerson, Allen. "In Principle, a Case for More 'Sweatshops.'" *The New York Times*, 22 June 1997.
- Nagel, Thomas. "Moral Luck." In *Mortal Questions*. New York: Cambridge University Press, 1979.
- The New English Translation Bible*. Biblical Studies Press.
- Nelson, Julie A. *Economics For Humans*. Chicago: The University of Chicago Press, 2006.
- _____. Review of *Economy of Grace*, by Kathryn Tanner. *Journal of the American Academy of Religion* 74.3 (September 2006): 782-784.
- _____. "Clocks, Creation, and Clarity: Insights on Ethics and Economics from a Feminist Perspective." *Ethical Theory and Moral Practice* 7 (2004): 381-398.
- _____. "Separative and Soluble Firms: Androcentric Bias and Business Ethics." In *Feminist Economics Today: Beyond Economic Man*, edited by Marianne Ferber and Julie Nelson. Chicago: The University of Chicago Press, 2003.
- _____. *Feminism, Objectivity, and Economics*. New York: Routledge, 1996.
- Nelson, Richard R. *Technology, Institutions, and Economic Growth*. Cambridge, MA: Harvard University Press, 2005.
- Novak, Michael. *The Spirit of Democratic Capitalism*. Landham, MD: Madison Books, 1991.
- _____. *Will it Liberate?* New York: Paulist Press, 1986.
- Nussbaum, Martha. *The Fragility of Goodness: Luck and Ethics in Greek Tragedy and Philosophy*, updated edition. New York: Cambridge University Press, 2001.
- Oestreich, Joel. "What Can Businesses Do to Appease Anti-Globalization Protestors?" *Business and Society Review* 107.2 (2002): 207-220.
- Olinsky, Ben, and Sasha Post. "Middle-Out Mobility: Regions with Larger Middle Classes Have More Economic Mobility." Center for American Progress, September 2013.
- Olson, Paulette and Emami Zohreh, editors. *Engendering Economics: Conversations with Women Economists in the United States*. New York: Routledge, 2002.
- Oslington, Paul, editor. *Adam Smith as Theologian*. New York: Routledge, 2011.
- _____. editor. *The Oxford Handbook of Christianity and Economics*. Oxford: Oxford University Press, 2010.
- Organization for Economic Co-operation and Development. "The Service Economy," Business and Industry Policy Forum Series. Paris: 2000.

Oxford Declaration on Christian Faith and Economics, 1990.

Paul, Garrett E. "Why Troeltsch? Why Today? Theology for the 21st Century." *Christian Century* 110 (June/July 1993): 676-681.

Peters, Rebecca Todd. *Solidarity Ethics: Transformation in a Globalized World*. Minneapolis: Fortress Press, 2014.

_____. *In Search of the Good Life: The Ethics of Globalization*. New York: Continuum, 2004.

Persky, Joseph. "Retrospectives: The Ethology of Homo Economicus." *The Journal of Economic Perspectives* 9.2 (Spring 1995).

Petrella, Ivan. *The Future of Liberation Theology: An Argument and Manifesto*. Burlington, VT: Ashgate Publisghin, 2004.

Pew Charitable Trusts. "Opinion Poll on Economic Mobility and the American Dream," Economic Mobility Project, 2009.

Pinckaers, Servais-Theodore. "The Sources of the Ethics of St. Thomas Aquinas." Translated by Mary Thomas Noble. In *The Ethics of Thomas Aquinas*, 17-29, edited by Stephen Pope. Washington D.C.: Georgetown University Press, 2002.

_____. *The Sources of Christian Ethics*. Translated by Mary Thomas Noble. Washington, DC: The Catholic University of America Press, 1995.

Pius XI. *Quadragesimo Anno*. 1931.

Philippon, Thomas. "The Evolution of the US Financial Industry from 1860 to 2007: Theory and Evidence." November 2008.

Piketty, Thomas. *Capital in the Twenty-First Century*, translated by Arthur Goldhammer. Cambridge, MA: Belknap Press, 2014.

Polanyi, Karl. *The Great Transformation: The Political and Economic Origins of Our Time*. Boston: Beacon Press, 2001.

Pollack, Robert A. "Gary Becker's Contributions to Family and Household Economics." National Bureau of Economic Research, Working Paper No. 9232, September 2002.

Poole, Eve. "On the Use of Language in the Anti-Capitalist Debate." *Journal of Business Ethics* 59.4 (July 2005): 319-325.

Pontifical Council for Justice and Peace, *Vocation of the Business Leader: A Reflection*, 2012.

- Pope, Stephen, editor. *The Ethics of Thomas Aquinas*. Washington D.C.: Georgetown University Press, 2002.
- Porter, Jean. "Contested Categories: Reason, Nature, and the Natural Order in Medieval Accounts of the Natural Law." *Journal of Religious Ethics* 24.2 (Fall 1996): 218.
- _____. *Nature as Reason: A Thomistic Theory of the Natural Law*. Grand Rapids: Eerdmans, 2004.
- Porter, Theodore M. "Interpreting the Triumph of Mathematical Economics," the special issue of the journal *History of Political Economy: Annual Supplement to Volume 25*, Durham: Duke University Press, 1993.
- Powell, Benjamin. *Out of Poverty: Sweatshops in the Global Economy*. New York, NY: Cambridge University Press, 2014.
- Powell, Benjamin, and Matt Zwolinski. "The Ethical and Economic Case Against Sweatshop Labor: A Critical Assessment." *Journal of Business Ethics* 107.4 (2012): 449-472.
- Power, Marilyn, Ellen Mutari, and Deborah M. Figart, "Beyond Markets: Wage Setting and the Methodology of Feminist Political Economy." In *Toward a Feminist Philosophy of Economics: Economics as Social Theory*, edited by Drucilla Barker and Edith Kuiper. New York: Routledge 2003.
- Presbyterian Church (USA). "Living Through Economic Crisis: The Church's Witness in Troubled Times." 2010.
- _____. "A Reformed Understanding of Usury for the Twenty First Century." 2006.
- Princen, Thomas. "Distancing: Consumption and the Severing of Feedback," in *Confronting Consumption*, Thomas Princen, Michael Maniates and Ken Conca, eds. Cambridge: MIT Press, 2002.
- Quiggin, John. *Zombie Economics: How Dead Ideas Still Walk Among Us*. Princeton: Princeton University Press, 2012.
- Rae, Scott B. and Kenman L. Wong. *Business for the Common Good: A Christian Vision for the Marketplace*. Downers Grove, IL: IVP Academic, 2011.
- _____. *Beyond Integrity: A Judeo-Christian Approach to Business Ethics*. Grand Rapids, MI: Zondervan, 1996.
- Rauschenbusch, Walter. *A Theology for the Social Gospel*. Louisville, KY: Westminster John Knox Press, 1997.
- Rees, Jonathan. *Industrialization and the Transformation of American Life*. New York: Routledge, 2012.

- Richards, Norvin. "Luck and Desert." In *Moral Luck*, 167-180, edited by Daniel Statman. Albany: State University of New York Press, 1993.
- Richardson, J. David. "Interface and Integration in Christian Economics." In *The Oxford Handbook of Christianity and Economics*, 282-306, edited by Paul Oslington. Oxford: Oxford University Press, 2014.
- Rieger, Joerg. *No Rising Tide: Theology, Economics, and the Future*. Minneapolis: Fortress Press, 2009.
- Roberts, John and Wilson Ng. "Against Economic (Mis)conceptions of the Individual: Constructing Financial Agency in the Credit Crisis." *Culture and Organization* 18.2 (March 2012): 91-105.
- Roche, Mary Doyle. *Children, Consumerism, and the Common Good*. Lanham, MD: Lexington Books, 2009.
- Romer, Christina D. and David H. Romer. "Choosing the Federal Reserve Chair: Lessons from History." *Journal of Economic Perspectives* 18.1 (Winter 2004) 129-162.
- Rogers, Daniel T. *Age of Fracture*. Cambridge, MA: Belknap Press, 2012.
- Samba, Ndongo. *The Fair Trade Scandal: Marketing Poverty to Benefit the Rich*, translated by David Clement Leye. Pluto Press, 2014.
- Sandel, Michael J. *What Money Can't Buy: The Moral Limits of Markets*. New York: Farrar, Straus, and Giroux, 2013.
- _____. *Democracy's Discontent: America in Search of a Public Philosophy*. Cambridge, MA: Harvard University Press, 1996.
- Schabas, Margaret. "What's So Wrong with Physics Envy?" In "Non-Natural Social Science: Reflecting on the Enterprise of *More Heat Than Light*," Annual Supplement to Volume 25 of *History of Political Economy* (1993): 45-53.
- Schollberg, Herbert, Vinay Samuel, and Ronald J. Sider, editors. *Christianity and Economics in the Post-Cold War Era: The Oxford Declaration and Beyond*. Grand Rapids: Eerdmans, 1994.
- Schor, Juliet. *The Overspent American: Why We Want What We Don't Need*. New York: Basic Books, 1998.
- Schwartz, David T. *Consuming Choices: Ethics in a Global Consumer Age*. Lanham, MD: Rowman and Littlefield, 2010.
- Seabrook, Jeremy. *Consuming Cultures: Globalization and Local Lives*. New Internationalist, 2004.

- Samuels, Alana. "The Near Impossibility of Moving Up After Welfare." *The Atlantic*. July 11 2016.
- Sen, Amartya. "Rational Fools: A Critique of the Behavioral Foundations of Economic Theory." *Philosophy and Public Affairs* 6.4 (Summer 1977) 317-344.
- Sennett, Richard. *The Culture of the New Capitalism*. New Haven: Yale University Press, 2007.
- Sheldrake, Philip. *The Spiritual City: Theology, Spirituality, and the Urban*. Chichester: Wiley Blackwell, 2014.
- Sherman, Matthew. *A Short History of Financial Deregulation in the United States*, a report of the Center for Economic and Policy Research, July 2009.
- Sider, Ronald J. *Rich Christians in an Age of Hunger: Moving from Affluence to Generosity*, fifth edition. Nashville, TN: Thomas Nelson, Inc., 2005.
- _____. *Just Generosity: A New Vision for Overcoming Poverty in America*. Grand Rapids, MI: Baker, 2007.
- Silva, Jennifer M. *Coming Up Short: Working Class Adulthood in an Age of Uncertainty*. New York: Oxford University Press, 2015.
- Smith, Adam. *An Inquiry into the Nature and Causes of the Wealth of Nations*. Vol. 2 of The Glasgow Edition of the Works and Correspondence of Adam Smith. Edited by R. H. Campbell and Andrew S. Skinner. Indianapolis, Ind.: Liberty Classics, 1979.
- Smith, Adam. *The Theory of Moral Sentiments*. Vol. 1 of The Glasgow Edition of the Works and Correspondence of Adam Smith. Edited by D. D. Raphael and A. L. Macfie. Indianapolis, Ind.: Liberty Classics, 1982.
- Smith, James K. A. "The 'Ecclesial' Critique of Globalization: Rethinking the Questions." *Faith and Economics* 56 (Fall 2010): 5-19.
- Snarr, C. Melissa. "Remembering the Poor: Interfaith Collaboration, Neoliberalism, and an Anti-Imperial Gospel," *Journal of the Society for Christian Ethics* (Fall/Winter 2017), forthcoming.
- _____. *All You That Labor: Religion and Ethics in the Living Wage Movement*. New York University Press, 2011.
- _____. "Waging Religious Ethics: Living Wages and Framing Public Religious Ethics." *Journal of the Society for Christian Ethics* 29.1 (Spring/Summer 2009): 69-86.
- Spiegel, Henry William. *The Growth of Economic Thought*, third edition. Durham: Duke University Press, 1991.

- Spiegler, Peter. *Behind the Model: A Constructive Critique of Economic Modeling*. Cambridge: Cambridge University Press, 2015.
- Stackhouse, Max, Dennis P. McCann and Shirley Roels, editors. *On Moral Business: Classical and Contemporary Resources for Ethics and Economic Life*. Grand Rapids, MI: Eerdmans, 1995.
- Standing, Guy. *The Precariat: The New Dangerous Class*. London: Bloomsbury Academic, 2011.
- Stern, Ken. "Why the Rich Don't Give to Charity." *The Atlantic*, April 2013.
- Stigler, George. *The Economist as Preacher, and Other Essays*. Chicago: The University of Chicago Press, 1982.
- Stiglitz, Joseph. "Capitalist Fools." *Vanity Fair*, December 9, 2008.
- Stiglitz, Joseph, and Andrew Charlton. *Fair Trade for All: How Trade Can Promote Development*. New York: Oxford University Press, 2006.
- Storr, Virgil. "The Market as Social Space," working paper, available at http://mercatus.org/sites/default/files/publication/Social_Space.pdf.
- Storr, Virgil, and Solomon Stein. "Max Weber on the Market's Impersonality and Ethic." Forthcoming in *Research in the History of Economic Thought and Methodology*.
- Stout, Lynn. *The Shareholder Value Myth: How Putting Shareholders First Harms Investors, Corporations, and the Public*. Berret-Koehler Publishers, 2012.
- Surin, Ken. *Liberation and the Next World Order*. Durham: Duke University Press, 2009.
- Szreter, Simon and Graham Mooney. "Urbanization, mortality, and the standard of living debate: new estimates of the expectation of life at birth in nineteenth-century British cities." *The Economic History Review* 51.1 (1998): 84-112.
- Tanner, Kathryn. "Christianity and the New Spirit of Capitalism." Gifford Lectures delivered May 2016, University of Edinburgh. Available at <http://www.ed.ac.uk/humanities-soc-sci/news-events/lectures/gifford-lectures/gifford-lectures-2015-2016/professor-tanner-christianity-and-capitalism>.
- _____. *Christ the Key*. Cambridge: Cambridge University Press, 2010.
- _____. *Economy of Grace*. Minneapolis: Augsburg Fortress Press, 2005.
- _____. *God and Creation in Christian Theology: Tyranny or Empowerment?* Minneapolis: Augsburg Fortress Press, 1988.

- Taylor, Charles. *Sources of the Self: The Making of Modern Identity*. New York: Cambridge University Press, 1989.
- Tessman, Lisa. *Burdened Virtues: Virtue Ethics for Liberatory Struggles*. New York: Oxford University Press, 2005.
- Thompson, E.P. *The Making of the English Working Class*. New York: Vintage Books, 1966.
- Thompson, Grahame, Jennifer Frances, Rosalind Levacic, and Jeremy Mitchell, editors. *Markets, Hierarchies and Networks: The Coordination of Social Life*. London: Sage, 1991.
- Tiemstra, John P. "Notes from the Revolution: Principles of a New Economics." *Faith and Economics* 54 (Fall 2009): 19-29.
- Titmuss, Richard. *The Gift Relationship: From Human Blood to Social Policy*, expanded and updated edition. New York: The New Press: 1997.
- Tolson, Jay, editor. *The Hedgehog Review*, "Work in the Precarious Economy," Spring 2016 issue.
- United Nations Development Programme. *Human Development Report 2015: Work for Human Development*. New York, 2015.
- United Nations, *World Urbanization Prospects 2014 Revision*.
- United States Conference of Catholic Bishops. *A Catholic Framework for Economic Life*, 1996.
- _____. *Economic Justice For All: Pastoral Letter on Catholic Social Teaching and the U.S. Economy*. 1986.
- Valkila, Joni. "Fair Trade organic coffee production in Nicaragua - Sustainable development or a poverty trap?" *Ecological Economics* 68 (2009): 3018-3025.
- Van Den Berg, Aart. *God and the Economy: Analysis and Typology of Roman Catholic, Protestant, Orthodox, Ecumenical, and Evangelical Theological Documents on the Economy, 1979-1992*. Delft: Eburon Publishers, 1998.
- Van Til, Kent. "A Theologian's Response to Lunn." *Faith and Economics* (2012 spring) 59-61.
- Villa-Vicencio, Charles. "Liberation and Reconstruction: The Unfinished Agenda." In *The Cambridge Companion to Liberation Theology*, 183-206, edited by Christopher Rowland. Cambridge: Cambridge University Press, 2009.
- Vishnewski, Stanley. "The Day I Met Peter Maurin." *The Catholic Worker* (May 1976).

- Vogl, Joseph. "The Sovereignty Effect: Markets and Power in the Economic Regime." Translated by William Callison. *Qui Parle: Critical Humanities and Social Science* 23.1 (Fall 2014): 125-55.
- Volf, Miroslav. "Liberation Theology after the End of History: An Exchange, and "Against a Pretentious Church: A Rejoinder to Bell's Response." *Modern Theology*, 19.2 (April 2003): 261-269; 281-285.
- von Rad, Gerhard. *Theology of the Old Testament, Volume I*. Louisville: Westminster John Knox Press, 2001.
- Vosselman, Ed. "The 'performativity thesis' and its critics: Towards a relational ontology of management accounting." *Accounting and Business Research*, 44.2 (2014): 181-203.
- Wadsworth, Martha E and Shauna L. Rienks. "Stress as a mechanism of poverty's ill effects on children: Making a case for family strengthening interventions that counteract poverty-related stress." *American Psychological Association CYF News* (July 2012), available at apa.org.
- Walker, Margaret Urban. "Moral Luck and the Virtues of Impure Agency." *Metaphilosophy* 22.1/2 (January/April 1991): 14-27.
- _____. *Moral Contexts*. New York: Rowman & Littlefield Publishers, 2003.
- Walker, Adrian. "The Poverty of Liberal Economics." In *Wealth, Poverty and Human Destin*, 25-26, Doug Bandow and David L. Schindler, editors. Wilmington: ISI Books, 2003.
- Wallis, Jim. *America's Original Sin: Racism, White Privilege, and the Bridge to a New America*. Grand Rapids, MI: Brazos Press, 2016.
- Wannenwetsch, Bernd. "Luther's Moral Theology." In *The Cambridge Companion to Martin Luther*, 120-135, edited by Donald McKim. New York: Cambridge University Press, 2003.
- Webb, Stephen. "Therapeutic Capitalism and Intelligent Design." Unpublished manuscript.
- _____. *American Providence: A Nation with a Mission*. New York: Continuum, 2004.
- Weber, Max. *The Protestant Ethic and the Spirit of Capitalism*. Translated by Talcott Parsons. New York: Routledge, 2001.
- _____. *Economy and Society: an outline of interpretive sociology*, edited by Guenher Roth and Claus Wittich. Berkeley: University of California Press, 1978.

- Weintraub, E. Roy. *How Economics Became a Mathematical Science*. Durham: Duke University Press, 2002.
- Whyte, William Foote and Kathleen King Whyte. *Making Mondragon: The Growth and Dynamics of The Worker Cooperative Complex*. Ithaca, Cornell University, 1991.
- Williams, Bernard. *Moral Luck*. New York: Cambridge University Press, 1982.
- _____. *Shame and Necessity*. Berkeley: University of California Press, 2008.
- Wolfers, Justin. "How Economists Came to Dominate the Conversation." *The New York Times*, January 24, 2015.
- Wood, Ellen Meiksins, *The Origin of Capitalism: A Longer View*. London: Verso, 2002.
- World Bank. Global Monitoring Report 2014/2015: Ending Poverty and Sharing Prosperity. 2014.
- World Council of Churches. "Alternatives to Economic Globalization Addressing Peoples and Earth (AGAPE)." Porto Alegre, 2006.
- World Council of Churches, "Christian Faith and the World Economy Today: A Study Document from the World Council of Churches." Geneva, 1992.
- World Council of Reformed Churches. "Section Report on Justice in the Economy, On the Earth, and For All of God's Creation," Grand Rapids MI, 2010.
- Yeago, David S. "Jesus of Nazareth and Cosmic Redemption: The Relevance of St. Maximus the Confessor." *Modern Theology* 12.2 (April 1996): 163-193.
- Yezer, Anthony, Robert Goldfarb, and Paul J. Poppen, "Does Studying Economics Discourage Cooperation? Watch What We Do, Not What We Say or How We Play." *The Journal of Economic Perspectives* 10.1 (1996): 177-186.
- Yuengert, Andrew. "The Conversation between Economics and Theology in Christian Colleges." *Faith and Economics* (Fall 2011): 4-7.
- _____. *The Boundaries of Technique: Ordering Positive and Normative Concerns in Economic Research*. Lanham, MD: Lexington Books, 2004.
- Zimmerman, Michael. "Luck and Moral Responsibility." *Ethics* 97 (1987): 374-86.
- Zuckerman, Ezra. "What if We Had Been in Charge? The Sociologist as Builder of Rational Institutions." In *Markets On Trial: The Economic Sociology of the U.S. Financial Crisis*, 359-378, edited by Michael Lounsbury and Paul M. Hirsch. Bingley, Emerald Group Publishing, 2010.

Zwolinski, Matt. "Sweatshops, choice, and exploitation." *Business Ethics Quarterly*, 17.4: 689-727.