

FOOTNOTES

- (1) Layfield Committee, Local Government Finance. Report of the Committee of Enquiry, Cmnd 6453, HMSO, London, 1976.
- (2) Paying for Local Government, Cmnd 9714, HMSO, London, 1986.
- (3) Elazer, D.J., and Cohen, S.A., The Jewish Polity, Indiana University Press, 1985. pp.10,14.
- (4) de Vaux, Roland. Ancient Israel: Its Life and Institutions, Darton, Longman and Todd, London, 1961. p.380.
- (5) Mills, P., The Reform of Personal Taxation, Jubilee Centre internal paper, 1988.
- (6) The Reform of Personal Taxation, Cmnd 9756, HMSO, London, 1986.
- (7) The estimated average number of adults per household is 2.7 for Asians, 2.3 for West Indians and 2.0 for whites. (C. Brown, Black and White Britain, PSI, 1984). 38% of the West Indian population live in Inner London compared to 4% of the white population, (Labour Force Survey, HMSO, 1985).
- (8) Smith, S., and Squire, D., Local Taxes and Local Government, Institute for Fiscal Studies Report No.25, London, 1987.
- (9) Kay, J., and Smith, S., Administration Options for a Local Income Tax, Institute for Fiscal Studies Commentary, London, 1987.
- (10) Mills, P., The Local Government Finance Bill: The Case for a Family Community Charge, Jubilee Centre internal paper, 1988.

Book Reviews

Economics and the Christian Mind

by Arnold F. McKee.

Published by Vantage Press, New York, 1987, pp.212. \$10.95.

ISBN 0-533-07175-5

Public Theology and Political Economy

by Max L. Stackhouse.

Published by Eerdmans Publishing Co, Grand Rapids, 1987, pp.177. 7.35. (Paternoster Press)

ISBN 0-8028-0267-2

Economics and Ethics: a Christian Enquiry

by J. Philip Wogaman.

Published by SCM Press Ltd., London, 1986, pp.145. 6.95.

ISBN 0-334-00336-0

These three books, all from North American authors, will be of interest to our readers. All three are tackling the relationships of Christian faith and economics, albeit in different ways, from different starting points, and with varied aims in mind. McKee approaches the task as an academic economist whereas Stackhouse and Wogaman have their roots in theology, or more specifically, social ethics. Their concerns overlap in so far as they all consider our public and social economic life and how it should be lived

out. They all have something to say about what our economic policies should be, where they should come from, and how they should be derived; for Stackhouse and Wogaman, this discussion is their main objective, and in this sense their subject matter has considerable overlaps. McKee's aims are broader and more ambitious in that he is also interested in economic theory and what Christian economists will have to say about this.

All of the authors struggle with the desire to reach a wide audience, thus the need to minimise the use of jargon or newly created terminology, whilst at the same time offering a contribution which is different from secular market economics. New contributions may require some new expressions. On the whole they are all fairly successful in getting the balance right, although McKee's introduction of the term 'practical modalities' is perhaps the exception.

Stackhouse, and to a lesser extent McKee, tackle a very important issue: it is the question of how Christian economists or ethicists can relate to the secular world. This issue is much in need of discussion and development. For instance, is it any use Christian economists trying to derive a set of principles by which economic life should be governed if we live in a secular world which clearly rejects those principles? It is not uncommon for us to have conference interchanges which illustrate this problem. For example, the advocacies of stewardship as a guiding

principle for economic life, or the design of employment tasks with workers' personhood and dignity in mind are sometimes met by the claim that the secular world is engaged in production to make a profit, and is in competition with other producers, all of whom are watching their costs; hence more benevolent decision-making is unrealistic and will go unheeded.

McKee argues that we can best address the secular world as Christians through principles derived from natural theology and reasoning. Stackhouse is arguing for Christians to develop what he calls a 'public theology', which is an intermediate arena in which Christians offer normative contributions, but ones which the secular world can understand and relate to. The book is his efforts at developing such an arena.

Should we allow Christian social principles to be judged by their practicality in or acceptance by a secular world? Stackhouse has little to say about this question. His efforts are aimed mainly at developing an alternative approach. We can think for ourselves about whether his approach and others are complementary rather than in opposition. As I read the book I became more convinced of the need to pursue his aims: in fact, to pursue them beyond his own work, which is merely an introduction to the task. Given the world as it is, and given the lack of acceptance of Christian values, perhaps the best we can hope for is to

contribute to a set of economic and institutional arrangements which restrain evil and injustice as much as possible.

The books have certain common concerns, to which we now turn. It is not surprising that they all contain a list of ingredients of what they see as necessary Christian foundations. The theological/denominational commitments of these authors varies, none the less they all see a role for scriptural principles, but alongside contributions from other sources: these being natural theology (McKee), reason, experience (Stackhouse), and tradition (Stackhouse, McKee). The discussions of the non-Biblical sources are stimulating and thought-provoking for evangelicals. McKee and Stackhouse describe their own commitment as pre-reformation catholic thinking (McKee) and ecumenical Christianity (Stackhouse). I found both of these descriptions somewhat obscure, and wondered if this was the intention in order to gain a wider readership and not be dismissed out of partisanship. The referencing to other literature tends to be narrow, and within one or other tradition. When one is not aware of the tradition in question, some interesting historical sources are brought to ones attention. Stackhouse, in particular, spends much time discussing the turn of the century work of Walter Rauschenbusch and Sheila Matthews.

Another issue addressed by all is the fact-value problem. All authors are convinced that values (norms or ethics) are

an inherent part of economics. Although one can understand the sense of what is being claimed by the authors, a clearer framework and description of relationships would have been helpful. McKee goes the farthest towards outlining a clear framework. Stackhouse and Wogaman's claims about values and ethics being integral to economics is a claim about their relationship as far as economic life and policy are concerned. These two authors have nothing much to say about economics as a science. Thus Wogaman's claim that economics is too important to be left to economists (p. 3) needs to be interpreted rather more narrowly than might at first appear. Wogaman does have some very clear examples of the way ethics and economic policy decisions are intertwined. It might well be the case that when societal goals, or decisions about funding research projects, or the distribution of resources are at issue, then we might all want to have our say, theologians as well as the rest. On the other hand, the study and identification of economic relationships, the construction, testing, and prediction of economic theories are surely the preserve of trained economists.

McKee has a clearer framework on the value-fact distinction than the others, partly because his objectives encompassed a discussion of economic theory and empirical findings in his Part 3. Christian economists, he thinks, will not want to dispute substantiated empirical relationships. Of course there is no specifically Christian version of why the exchange rate depreciated by 10 percent or why the real wage

rose 5 percent last year, insofar as effects are simply ascribed to causes. But economic analysis does not stop at data and connections but infuses judgments and recommendations into its work' (p.35/6). Natural sciences, unlike behavioural sciences, he sees as having an autonomy, without normative considerations being inherently part of their subject matter. However, the role for the professional economist vis a vis others, some of whom who might be trained in making 'judgements and recommendations', is then left unclear by McKee. At times, McKee seems to attribute the crisis in economics over the fact-value problem to secularisation. He implies that at some time in the past, Christian foundations for an economic science existed, but now the foundations have been lost.

There would seem to be a need to draw on elements of each of these books, but at the same time going beyond each to provide a clear framework for the Christian economist's contribution to empirical work, theory construction, policy and objectives setting, and communicating with the secular world on economic issues; concomitantly there is also a need to have a clearer understanding of the fact-value relationships as they apply to all of the above areas of discussion; (please send your contributions to the editor!).

All authors agree that the free market, left to its own unrestrained operation does not produce optimal welfare outcomes. Authors differ on what might be done, through

government intervention, legal restraints or by recapturing Christian foundation values upon which markets might work more effectively for human welfare and distributive justice. Wogaman and McKee also agree that mathematical modelling in economics has its limitations and can be a way of obscuring reality.

To summarise some of their particular contributions, Wogaman contains good discussions of ethical issues in a number of particular areas of economic life; these include, welfare benefits, employment and educational opportunity, production, military expenditure, national and international inequalities and conservation. Wogaman's material could readily be used as a useful basis for discussion groups on each of these topics. Stackhouse considers the role of the corporation as the main production unit, and technology. His treatment of the corporation assumes a rather unrealistically homogeneous institution. On the whole, Stackhouse's discussion, like that of McKee's, is conducted at a fairly general and abstract level. Stackhouse thinks that abstract discussion is necessary if progress is to be made in developing a public theology. McKee calls for a Christian approach to economic science which 'strikes a balance between excessive abstraction and excessive absorption' (p.155). These authors are not opposed to each other, but they have slightly different tasks and audiences in mind.

There is certainly no shortage of stimulating material in these three books. Wogaman is the most readable of the three, but in some ways his aims were also more limited. Stackhouse included a set of discussion questions after each chapter which might be suitable for theological students or professional economists, both of whom are fairly advanced in their thinking on these issues; newcomers will not get very far in answering some of the questions posed. The questions would serve as one agenda for a Christian Economists Group programme. The points made or the concerns voiced in these three books are not all unique to Christians, although that in no way makes them less worth considering.

Shirley Dex

**SYDNEY CHRISTIAN ECONOMISTS GROUP**

**GOODS, GOSPEL AND GOVERNMENT**

**Program**

- 9.00 Registration
- 9.15 **Chairman's Remarks**  
Kim Hawtrey  
(Convenor, SCEG)
- 9.30 **Keynote Address**  
Professor John Neville  
(Department of Economics,  
University of NSW)
- 10.15 Question time
- 10.30 Morning Tea
- 10.45 **A Theologian's Perspective on Taxation, Unemployment and Doing Whatever the Government Tells You**  
Dr. Ward Powers  
(Lecturer in New Testament Ethics,  
Croydon Bible College)
- 11.20 Question time
- 11.30 **Workshop Options**  
Participants will select one of four workshop topics (see opposite).
- 12.45 Lunch (provided)
- 1.15 **Philosophical Foundations of Economics: Implications for the Role of Government**  
Peter Docherty  
(Department of Economics,  
University of Sydney)
- 1.30 Question time
- 2.00 **Workshop Options**  
Participants will select a second option
- 3.15 Afternoon Tea
- 3.30 Close

**Workshop Options:**

1. **Government and Social Welfare**  
Prof. Michael Horsburgh  
(Department of Social Work,  
University of Sydney)  
  
Issues relating to the role of government in social welfare and social work.
2. **Limits of the Market: Christian Reflections on the Economics of Health Care**  
Douglas Hynod  
(Research, Federal Parliament)  
  
The background will be Fred Hirsch's book, *The Limits To Growth*, where the difficulties of translating overall economic advance into individual economic advance in areas of social security are developed.
3. **Provision for retirement: A State or Private Responsibility?**  
Elizabeth Hammond  
(Economist, Commonwealth Bank)  
  
With the ageing of Australia's population, the provision of adequate retirement income for all in the future is a pressing issue in the here and now.
4. **Reflections on Government Economic Policy towards Aborigines**  
Hans Kunnen  
(Senior Economist, State Bank of NSW)  
  
Roles of church and state in the economic development of Australia's Aboriginal population.

**Please nominate your preferences:**  
Each workshop will be held twice during the day, giving participants scope for attending two out of the four options. Please tick two most preferred options.

1 2 3 4

**Registration Form**

For catering purposes, please return this form to the address below by 11 March.

Name/Title: \_\_\_\_\_  
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 Telephone: H: \_\_\_\_\_ B: \_\_\_\_\_  
 Occupation: \_\_\_\_\_  
 Employer: \_\_\_\_\_  
 Church: \_\_\_\_\_  
 Postcode: \_\_\_\_\_

Please register me for the March 1988 SCEG Symposium:

Full registration (\$10)  
 Concession (students etc - \$6)  
 (tick one)

Please find enclosed payment by: \*  
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