No Rising Tide: Religion, Economics, and Empire

1

In this book, we will take a fresh look at religion and economics and the relation between the two. Investigating this relation is especially instructive in light of economic crises, since economic crises are never merely about finance, capital, and labor; they impact all aspects of our lives, including matters of religion. Economic matters reach further than what we usually consider the discipline of economics. In what follows, we will explore this further reach of economics, just as we will explore how matters of religion are influential in shaping economic decisions. Bringing economics, religion, and theology (understood as self-critical reflection on religion) together in this way will not only lead to a deeper understanding of these crises but also to a clearer vision of what the alternatives might be.

No Rising Tide

"A rising tide lifts all boats," President John F. Kennedy used to say. This statement constitutes one of the strongest statements of faith in the free-market economy even today. It is one of the foundations of current mainline economics, which assumes that if those on top do better, everybody will be better off in due course. This statement-turned-doctrine, spread around the world by processes of globalization, is deeply rooted in the history of the United States, reaching back into the nineteenth century. More than one of the fathers of current mainline economics was convinced that the rising tide was the engine of all progress.

Nevertheless, the reality looks more and more different every day, not only during times of economic crisis but even during times of economic success. During the economic boom of the 1990s, an increasing number of people did not experience the lifting of the tide, not only globally but at home in the United States as well. Downturn had already become a permanent reality for many even before the economic fallout that began in 2008, which is the worst since the Great Depression of 1929. The first seven years of the new millennium showed no real increase for the working-age population, whose real income remained below its year 2000 level.[1] Downturn for working people—whose wages were systematically repressed and whose benefits were slashed—was one basis for economic successes at the top. The other basis was a bubble economy that was less and less in touch with actual economic performance, as in the stock market, or with real values, as in the housing market.[2]

The economic fallout of 2008 had global implications on a scale never before seen in history. "The crisis today is spreading even faster [than the Great Depression] and affects more countries at the same time," noted Pascal Lamy, the president of the World Trade Organization (WTO). Lamy warned that this could lead to political unrest on a large scale.[3] The situation was so severe that even Thomas Friedman, a longtime supporter of globalization, who continues to maintain great faith in the free market, concluded: "We are going to have to learn to live with a lot more uncertainty for a lot longer than our generation has ever experienced."[4]

Not all are affected equally, however. While the absence of rising tides is the reality for more and more of us—it has been estimated that the global economy lost as much as 40 percent of its value by 2009—the tide keeps rising for some and remains stable for others. According to *Forbes* magazine's 2008 annual report on the four hundred wealthiest Americans, who each have assets in excess of $1.3 billion, the assembled net worth of the group rose by $30 billion to $1.57 trillion from the previous year, which is "only 2%," according to the report.[5] There were some changes at the top as some people's wealth was negatively affected by market performance; others, however, have seen tremendous gains. In addition to continued economic growth, economic policy—based on mainline economic theory—plays a role here as well, as the Bush administration's tax cuts benefited those four hundred wealthiest individuals the most. In 2006, the last year for which tax data are available, the wealthiest only paid 17.2 percent in taxes, down from 22.9 percent in 2001.[6] Author Tom Hertz identifies the following trend: "The middle class is experiencing more insecurity of income, while the top decile is experiencing less. From 1997–98 to 2003–04, the increase in downward short-term mobility was driven by the experiences of middle-class households (those

earning between $34,510 and $89,300 in 2004 dollars). Households in the top quintile saw no increase in downward short-term mobility, and households in the top decile ($122,880 and up) saw a *reduction* in the frequency of large negative income shocks." The median household was no more upwardly mobile in 2003–2004, years when the gross domestic product (GDP) grew, than it was during the recession of 1990–1991.[7]

The result is that the gaps between the very wealthy and the rest of the population keep increasing, a situation that has all sorts of consequences that are often overlooked. What is overlooked most frequently is that these gaps are not primarily about income levels as such; looking at numbers often leads to this misperception. These gaps are ultimately about differentials of power and influence, because big money equals big power in the current economic system. Such power and influence determine who gets to shape the world, who gets recognized, and whose ideas count. But such power also determines matters of life and death. Most of us remember stories of Black Tuesday—the day the stock market crashed on October 29, 1929—about investors committing suicide. The downturn of 2008 and 2009 had its death toll as well, which even led to the creation of a new word—"econocide"[8]—although this time the deaths were kept more secret and made fewer headlines. The difference in that situation was that, while investors were once again committing suicide at alarming rates, common people increasingly did so as well. Sometimes they killed not only themselves but also their families. Calls to the National Suicide Prevention Lifeline were at a record high, up more than 25 percent in one year! A clinical psychologist in Beverly Hills, California, reported getting calls from businessmen with suicidal inclinations, a first in her eighteen-year career. These people, it appears, felt guilt and shame because they blamed themselves for not noticing sooner what was going to happen.[9]

In this context of a widening gap between rich and poor, abject poverty is and remains a challenge, and it kills more people. I have addressed it in many previous publications, and, as one of the genuine life-and-death issues in a globalizing world, we must never forget about it. But it is becoming clearer now that abject poverty is only one part of the problem, as many more lives are ruined by economic difficulties across the board. Life-and-death struggles are no longer just a matter for the poorest of the poor. What is going on in the economy affects more and more of us in negative ways—exactly at a time when economic issues reach ever further into our lives and affect us ever more deeply on every level of our being, from the emotional to the intellectual and the religious. Economist Steve Keen is right: "Economics is too important to leave to the economists."[10] The same could be said for matters of religion and theology, and this insight is writ large when the two fields overlap.

It is surprising that many people still do not seem to be aware of the seismic shifts that have been taking place. While nobody can overlook these mounting economic crises altogether, many maintain faith in the rising tide despite ever-more severe downturns. Keeping with the habitual time lag in the religious world and with a certain neglect of real-life issues, theologians and church people may well be the last ones to notice. Even more surprising, however, is the fact that for the longest time, many top economists and politicians did not seem to be much concerned about the long-term downward spiral that affects so many people either, and it remains unclear whether they have understood the severe nature of the problem yet. Oddly enough, there seems to be a time lag in the economic professions as well, combined with a peculiar neglect of real-life issues that at times rivals the religious world. An example are tax cuts to the wealthy—the most cherished economic and political tool of recent decades—which are still supported by many economists, despite the fact that there is little indication that they have benefited the economy and despite evidence that these policies have contributed to economic crises, since money saved at the top was often not invested, as expected, but hoarded.

Religion and Economics

In recent years, a great deal of research has been done around the globe showing the stunning connections and parallels between religion and economics. Pointing out these parallels, which have gone mostly unnoticed in mainline theology and economics,[11] does not imply a negative judgment on either discipline, as if the existence of religious underpinnings would make economics less serious or less scientific by default or as if economic interests would automatically disqualify religious thought. Pointing out these parallels merely places matters in a new and broader perspective and challenges us to investigate further what is still mostly hidden. In this new perspective, basic questions arise: On which authorities, powers, and energies do we rely? What is it that gives us ultimate hope, shapes our desires, and provides reasonable levels of stability?[12] Such questions are not always easy to address because the answers usually lie below the surface, in the realms of what might be called the "economic unconscious" and the "religious unconscious."[13] The next big challenge for theologians and economists will be to study these unconscious realms. In times when the global economy is moving from one slump to the next, having reached new low points, and when even the top economists do not really seem to know what to do except to plug the most glaring holes and to fill in the widest gaps, perhaps these matters will get more of a hearing, with a chance to bear fruit.

The basic question for an engagement of religion and economics today is whether we have perhaps relied on the wrong authorities and powers. This question should first be posed in terms of abstract theoretical matters but in terms of the practical consequences of contemporary economics—and particularly in terms of the constant and growing inequalities of rich and poor, which prevent more and more people from living decent lives. The economic fallout that began in 2008 serves as the starkest reminder yet that these inequalities can no longer be played down in the usual ways, either by insinuating that the gap between rich and poor might be the problem of only a few who occupy extreme positions on either end of the spectrum or by arguing that this gap is only a temporary one that will eventually close by itself. While the lower end of the spectrum has always been populated by large groups of people both globally and locally, this particular crisis hit home with a vengeance, as it pulled down even many of those who previously felt safe in the middle. Moreover, the sinking feeling that there may be no rising tide is no longer just related to growing economic hardships during times of recession. Economic inequalities, both global and at home, persist and grow not only during times of economic stagnation, but increasingly during times of economic growth as well. The so-called trickle-down theory, according to which wealth accumulated at the top inevitably trickles down, could not be corroborated even during the economic boom of the 1990s. When the global economy has produced growing wealth, this wealth has not even moved laterally, for the most part. If anything, economic production has aggregated into a flood of profit and wealth upward.[14]

Latin American economists and theologians were among the first to demonstrate the link between economics and religion: Franz Hinkelammert, an economist working in Costa Rica, and Hugo Assmann, a theologian working in Brazil, have published extensively on this matter. Jung Mo Sung, a Brazilian theologian, has developed some of these matters further in more recent publications.[15] European authors, both economists and theologians, have made their own contributions on this topic, most of them writing in German and some in English.[16] One of the pioneering texts in the United States was written by theologian M. Douglas Meeks.[17] Unfortunately, many of the critical studies are not available in English.[18]

But the case for the close relation of religion and economics has also been made by economists in the United States. John Kenneth Galbraith, for instance, has noted that neoliberal laissez-faire economics is built on theological grounds.[19] Robert Nelson, a professor of economics at the University of Maryland, has argued that economics now functions as religion. In two books, Nelson has shown the connection of religion and the free-market economy.[20] Reflecting on his experiences as an economist in the U.S. Department of the

Interior, Nelson points out that the main job of the chief economists was not to provide formal economic calculations, but to preserve key economic values and actively promote those values in politics through collaboration with politicians.[21]

Summarizing the assessment of an international group of religious scholars from different world religions, theologian Paul Knitter has concluded that contemporary economics can be perceived as a religion, since the dogma of the free market must be believed "with a trust that looks like blind faith." He finds the traits of a religion in the widespread impression that the authority of economics is unquestionable and often even infallible, and in the assumption that the current system is the only one that is viable. If the market is, thus, a religion, Knitter concludes, it needs to enter into a dialogue with other religions.[22] Such a dialogue would, no doubt, be worth considering. But, as with any dialogue, we will have to wonder whether it can be truly mutual if one side holds considerably more power than the other. More importantly, given that there are problems not only with current economic thought but also with religious thought, we need to go beyond a dialogue in order to develop a critique that cuts both ways.

While key economic positions are normally not presented in explicit theological terms—economists make few direct references to God, for instance, when they present their arguments—there are some efforts to do so. One of the most prominent supporters of a self-proclaimed "Christian theology of economics" in the United States is Michael Novak of the American Enterprise Institute. Though he disclaims a direct relation of theology and economics, he finds close connections between his conception of God and the direction that economics should take. According to Novak, Christian theology is relevant to economics because the incarnation of Jesus Christ challenges us to accept the world as it is and not to expect the reign of heaven on earth.[23] In other words, the economic status quo should not be challenged since this is the way God intends things to be. The logical conclusion is that God sanctions the current embodiment of the free-market economy.

Theological justifications of the economic status quo are usually not that blunt. It is more common that the connection between God and the free-market economy is simply presupposed without much reflection. The basic principles of economics rest on a deep-seated implicit theology, and, thus, they remain largely unchallenged. There is a chance that this implicit theology becomes more open during times of economic difficulties and growing economic hardship, but there is also a countervailing phenomenon since repression runs high in times of trouble. Consequently, this implicit theology is pushed further underground in some cases, and the beliefs on which it is based harden.

Economics appears to be closely related to such implicit theological perspectives, which are actively at work even in times of crisis. In the midst of economic fallout, the study of economic indicators often takes a back seat to reflections that are less solidly rooted in analyses of what is going on. No matter how bad the crisis, economists appear to hold on to an almost limitless faith in the reality of unstoppable progress that will follow seemingly inevitable depressions. When the floor fell out of the economy in 2008, for instance, this faith did not necessarily cancel out arguments for the need for economic stimulus and bailout, but it framed them. Even some of the most ardent defenders of stimulus and bailout never lost their faith in the free market, as we will see. Hope, even in the midst of the most severe economic crises, is thus built on the faith that things will eventually get better and that the reign of free-market economics will be reaffirmed. Due to the firm belief that things will get back on track in due time and that stimulus and bailout will not be needed indefinitely, even the economic assumptions of the Obama administration do not depart fundamentally from the past. As a result, economic hope resembles what might be called an otherworldly perspective, which is a perversion of the notion of transcendence.

This hope in the otherworldly reality of economic flourishing and success often covers up the role of severe failures that contribute to economic decline and hardship. For all the recent calls to limit their salaries, CEOs of large corporations, for instance, are still not substantially challenged, except in cases of crude moral failure or grotesque malfeasance. Even key figures in the world of free-market economics, such as Alan Greenspan, the well-known former chairman of the U.S. Federal Reserve Board, are held relatively blameless in the current economic crisis. While Greenspan has become the subject of some critique, it is rare that he is challenged in ways that would even remotely match the tremendous levels of praise that he has received in the past. In the 2004 elections, some sought to hold President Bush accountable for the economic crisis, but most people, including many of those most economically challenged, did not perceive the weak U.S. economy to be the fault of the government, its policies, or its leaders. In the 2008 elections, the state of the economy was more central, but, although President Bush's approval rating was extremely low, there was little clear assessment of the impact of his administration on the state of the economy. Neither his policies of economic deregulation, of noncompetitive government contracts in Iraq and New Orleans, of tax cuts to the wealthy, nor the tremendous economic costs of the Iraq war were much debated in public as causes of the full-blown economic crisis at the end of his second term, as faith in the self-healing powers of the economy prevailed in most quarters. Note that the economic costs of the Iraq war substantially exceed any other government

expense: while the Obama administration has been criticized for planning to spend up to $1 trillion for economic recovery, the cost for the Iraq war will come to at least $3 trillion.[24]

The administration of President Obama does not seem to be interested in entering into debates that might challenge otherworldly economic hopes either; while it follows a slightly different approach in economic matters that will be discussed in more detail below, it does not seek to discredit the deeper assumptions on which the U.S. economy rests. This lack of debate of implicit theological principles and assumptions enhances and augments the problem of otherworldliness, which is a negative sort of transcendence that shapes up as a lack of connection to the real world. In this context, the insight of theologian M. Douglas Meeks that economics apparently cannot exist without some sort of divine or otherworldly sanction of its norms is corroborated.[25] For most economists and many theologians, the statement, "God bless America," with all the undertones of triumphalism that have been added in recent years, might easily be extended to mean, "God bless the American economy."

The intensity of the entanglement of religion and economics in the United States is perhaps harder to imagine for those living elsewhere. In Europe, for instance, great care is taken not to refer to matters of religion and transcendence in public in any way, let alone to God. Even most of the European churches are careful in this regard. When talking about economic matters, for instance, they rarely refer directly to images of God; they tend to refer instead to general moral premises and values, which they believe to be commonly acknowledged by everyone. One of the debates in European economics is whether the free market-economy is a merely formal mechanism of distribution, which can be dealt with through mathematical and statistical calculations, or whether the free-market economy is guided by other factors, such as, for instance, an implicit set of values that cannot be considered to be purely economic.[26] Nevertheless, even in Europe and other secularized places, economic theories appear to be based on certain embedded and unquestioned conceptions that push beyond mere sets of values and tend to assume a transcendent or quasi-divine reality, whatever it might be called.

The processes of economic privatization—an important aspect of free-market economics—may serve as an example. When the German Postal Service was privatized at the beginning of the 1990s, the shape of the new postal system did not emerge primarily from empirical observations and analyses of the local markets. Instead, management consultants from the U.S.-based corporation McKinsey and Company were flown in to promote universal ideas on matters of privatization. Their task was not to assess the German business situation, but to spark the imagination of their German

counterparts through the promotion of concepts that were transcendent in the sense that they would apply independently of time and space. Universal economic values like deregulation and cost cutting were far more important in this process than economic analyses and studies; those values determined both the questions that were raised and the answers given.

More is at stake, however, than just the question of the role of values versus the role of empirical study and mathematical calculation in economics. There is a theological component at work even in Europe, as the following example will demonstrate: during an earlier period of decline in 2002, the German *Handelsblatt* reported that the incomes of the board members of the thirty largest companies rose, despite severely falling values of their stocks. The Daimler-Chrysler Corporation set the record at the time: the incomes of its thirteen board members rose by 131 percent, while the corporation lost 39 percent of its value in the stock market.[27] This phenomenon, which used to be challenged earlier in Europe than in the United States, cannot be explained if economics is ruled by purely mathematical and statistical calculations. Do the laws of the market, which are often referred to when the salaries of workers are cut, not apply to the upper levels of the economic world? Is there no competition at these levels from other competent business leaders who might do a similar or even better job for considerably less money? While standard economic calculations do not seem to apply at the highest levels, there is even more at stake than the question of specific sets of economic values. What is at stake here are not just values but what is of ultimate value or, to use Paul Tillich's descriptor of God, what is of ultimate concern. Here, we are entering the realm of the theological, going beyond the question of ethics or moral values. Questions of ultimate concern are theological questions.

It might be added that salaries of CEOs have decreased in recent years. In 2006, the average CEO made 364 times more than an average worker in the United States, down from over 500 times a few years earlier. However, there is another number that is perhaps more telling and much less known. The difference between the salary of an average worker and the top twenty private-equity and hedge-fund managers in the United States is in a different league altogether: on average, members of this latter group earned 22,255 times the pay of the average worker.[28] Such astronomical ceilings do their part to maintain high CEO salaries. Yet, at stake is not just the current plateau of salaries but the overall trends. During the previous decade, CEO salaries, when adjusted for inflation, have risen 45 percent, and worker pay only 7 percent; the minimum wage has gone down 7 percent in real terms in the same time frame.[29] It is hard to explain these differentials in terms of basic economic principles like the relation of supply and demand. Deeper values and concerns are at work here—indeed approaching ultimate concerns.

Economics with the Soul of a Church

In the United States, there is, however, a more existential level at which religion and economics are related. In the "nation with the soul of a church," as G. K. Chesterton described the United States in a different context, religion plays a special role. Unlike their European counterparts, large numbers of U.S. residents believe in God—as many as 92 percent, a recent survey by the Pew Forum on Religion and Public Life tells us. Of those 92 percent, 71 percent believe with absolute certainty.[30] Such deeply engrained religious attitudes cannot possibly be confined to matters of religion alone. Those who see religion as a private matter fail to understand how strong beliefs and convictions bleed over into other areas of life. Key components of life can never easily be compartmentalized, despite myriad efforts to do so, and, in the United States, religion is one such key component.

One of the core concerns of this book is the sense that people approach economics in much the same way as they approach religion. People who have been conditioned by their religious leaders to believe what they are told without the opportunity to question tend not to question what they are told by their economic leaders either. In other words, people who are used to accepting religion on the basis of a kind of blind faith tend to take economics on blind faith as well. Moreover, in our current situation, the relation of religion and economics is shaping up differently from the relation of religion and politics. While religious people are sometimes encouraged by their religious leaders to question political leaders, such questioning does not apply to economic leaders for the most part. One exception to this rule might be economic leaders who fail on moral grounds. At present, the principles of mainline economics are mostly taken for granted by religious communities, presupposed as part of the way things are, and virtually never discussed in critical fashion.[31] In other words, the ideal of the separation of church and state or church and politics has no parallel in the separation of church and economics. There is no debate about why church and economics or religion and economics might need to be separated.

Nevertheless, strong parallels between religion and economics exist, even if they are mostly hidden from view and located in the unconscious. Assmann and Hinkelammert have pointed out, for instance, that the rise in power of religious fundamentalism in the United States coincides with the rise in power of a sort of fundamentalism in economic matters.[32] But even outside the world of fundamentalism, it seems as if the deeply engrained religiosity in the United States takes shape in the spirit of economics as well. In the United States, there is generally a stronger faith in economic principles and in the way economics works than in Europe. This attitude has proven attractive to many others outside of the United States, as well, and one can

only wonder what role this parallel between faith in religion and in economics plays in regions of the world that are often described as "developing" and where Christianity is currently growing. Does the perceived success of U.S. economics mirror the success of U.S. religion? Even the Europeans, despite their more secular disposition, have often admired such blessed assurance in some respects, if only in secret. It is not an accident that Europeans have been fond of hiring U.S. management consultants whose strength lies in holding strong convictions about universal economic principles and beliefs, rather than in the concrete and down-to-earth analysis of local economic phenomena. Today we know that the results of such faith-based economics have been a mixed blessing and have led to economic disasters, including the most severe global recession in history.[33]

There is another striking parallel between religion and economics. Just as there is generally very little public awareness of alternative approaches to the organized religion of particular faith traditions, there is very little public awareness of alternative approaches to the world of economics. In the popular mind, judging not only from widely accepted standard portrayals of the media but also from innumerable personal conversations, Christianity is a fairly uniform entity, and so is economics. As Beverly Harrison observed almost twenty years ago, "While some may mourn the loss of a consensual 'public philosophy' in this society, the truth is that there is hardly any public dissent—even in the academy—regarding the theoretical and practical paradigms that underlie policy prescriptions and diagnoses of American political and economic woes."[34] While there may be somewhat more dissent at the moment, a great deal of consensus on the basics remains. Christians, for instance, tend to assume that when they hear other Christians talk about God they basically mean the same thing. This is why it is so easy for politicians to talk about God and be supported by religious people for it. Likewise, when Americans talk about the free-market economy and about capitalism, they assume that this is one and the same thing all over what is sometimes called the "free world," including China. If they are made aware of differences—like, for instance, the much more generous vacation time of up to six weeks for workers each year in Europe, or a stronger social safety net that includes universal health care and even dental care—they are often confused and tend to conclude mistakenly that a situation that is so different from theirs cannot possibly be based on sound economics or, perhaps, that differences are due to other economic systems like socialism.

In this book, we will take a look at the overarching picture of economics that has been internalized by large numbers of people just as a certain picture of Christianity has been internalized. It is not that the myriad economic technicalities are unimportant, but, as Nelson reminds us, the task of the top economists is not to pursue small-scale technicalities and to crunch

numbers, but to keep the big picture before us—a task that resembles the self-understanding of most theologians. Economists are the ones who need to make sure that the overarching picture is clear and has sunk in, and that we do not veer from the path on which the economy has embarked. Nelson goes even further when he compares the role of economists to that of priests.[35]

With this kind of priestly support, the big picture that continues to be presented even in times of economic downturn is one of nearly absolute faith in the so-called free market. As German sociologist Dirk Baecker has pointed out, society truly started to believe in free-market economics, or capitalism, when the socialist alternative disappeared, and the capitalist structure of society no longer needed to be supported by ideological arguments. People now relate to the free market as they used to relate to spirits and gods of old, Baecker claims. One has no choice but to conform to them since their temper and their decisions cannot be controlled. In this situation, no critique is permitted, and things must be accepted as they are.[36] Adam Smith's notion of the "invisible hand of the market" is also in the background here, although that notion may not necessarily be invoked openly. Since the market assumes such a central role, anything that might interfere with it needs to be kept at low intensity levels, especially government intervention, international restrictions on trade, and organizations of people like workers and all others who are not initiated into the system at the higher levels. Faith in the market currently commands high levels of conformity, including the need to please. This is demonstrated by the fact that even in times of economic boom there is a constant worry that the market can be "jinxed" by anything, if only by a critical remark or a pessimistic statement.

The various economic positions that converge on the topic of the free market are sometimes brought together under the notion of "neoclassical economics," or, especially in Latin America, under the notion of "neoliberalism," due to the preference for laissez-faire economics. While these theories have been around for a long time, the Chicago School of Economics has been among their most influential defenders for the past three decades, emphasizing both economic freedom and minimal government interference based on a strong faith in the powers of the free market.[37] The strength of this faith is demonstrated by the fact that it is maintained even in situations of obvious failure and downturn. The market takes on a central role here that assumes transcendent qualities, as it is the ultimate guide not only for economics but also for politics.[38] The Chicago School, most prominently represented by the late Milton Friedman, began its global ascent when Margaret Thatcher was elected prime minister in Great Britain in 1979 and when Ronald Reagan became the president of the United States in 1980. Both politicians were admirers of Friedman's work and were close personal friends with him. Reagan himself notes the initial success and the connections: "America astonished

the world. Chicago school economics, supply-side economics, call it what you will—I noticed that it was even known as Reaganomics at one point until it started working—all of it is fast becoming orthodoxy. It's not just that Milton Friedman or Friedrich von Hayek or George Stigler have won Nobel Prizes; other younger names, unheard of a few years ago, are now also celebrated."[39] Since those days, economists who display strong faith in the market have become ever more influential in politics and public life, to the degree that it may not be an exaggeration to say that "the world has been remade in the economist's image."[40]

The idea of the free market is based on the simple idea of the interaction of buyers and sellers under the condition of scarce resources, which has assumed the status of a faith claim. The standard textbook definition is given by Paul Samuelson and William Nordhaus: "A Market is an arrangement by which buyers and sellers of a commodity interact to determine its price and quantity."[41] Faith in this market rests on the general assumption that it creates conditions of equilibrium, where supply and demand keep production and prices in balance, and that this arrangement invariably creates mutually beneficial results.[42] The market is thus the engine of happiness and balance, guaranteed by a *deus ex machina,* as it were: a god that functions automatically and can be trusted to arrive on the scene whenever help is needed.

One of the disagreements between mainline economists, debated with quasi religious fervor, is what part of this equation must be supported in times of crisis. During his tenure as president of the World Bank, Joseph Stiglitz, an opponent of neoclassical economics and the Chicago School, noted the agreement in a basic faith before pointing out the tension: After the end of the Cold War, "the ideological debates should be over; there should be agreement that while markets are at the center of the economy, governments must play an important role." The disagreement, according to Stiglitz, has to do with the role of government in creating a balance, but *"where that balance is may depend on the country, the capacity of its government, the institutional development of its markets."*[43] John Maynard Keynes, the father of the economic model from which neoclassical economics and the Chicago School sought to differentiate themselves, and whose theories are in vogue again to some degree with the Obama administration, argued that the economy would benefit the most when consumers (that is, buyers) had more money to spend. Consumers, especially when they are not wealthy, would spend these additional funds rather than save them, which would in turn stimulate the market. Neoclassical economics, represented for instance by supply-side economics, took the other position, arguing that the market would best be stimulated by tax cuts that favor producers and sellers. Supply-siders were often criticized, however, because they assumed that this could be done without cuts to government spending since increased economic output would "raise

all boats." The neoclassical approach of Friendman and the Chicago School, dubbed monetarism, focused mostly on monetary supply—arguing that the main economic challenge for the government would be to keep the supply and demand for money in equilibrium. Nevertheless, all these schools, the Keynesians included, agree that the free market will ultimately produce the happiness of all. This is where faith ultimately rests.

Market Fundamentalism

In recent years, the faith of supply-siders and monetarists—summarized as the belief in a market with as little governmental regulation as possible—has had the upper hand in shaping economic policy. The success of these approaches—and with that success, the validity of their faith—is now in question. Economist Steve Keen describes this success in the following words: "The global economy of the early 21st century looks a lot more like the economic textbook ideal than did the world of the 1950s. Barriers to trade have been abolished or dramatically reduced, regulations controlling the flow of capital have been liberalized, currencies are now valued by the market rather than being set by governments; in so many spheres of economic interaction, the government's role has been substantially reduced."[44] This reflects the key concerns of the so-called Washington Consensus, whose days are not yet numbered: "liberalization, stabilization, and privatization" of the market.[45] While the Keynesian alternative to this approach has gained new currency through President Obama's stimulus packages, Obama has made it clear that things will go back to normal after the recession. Even the nationalization of banks and other corporations that was briefly discussed can be no more than temporary: privatization remains the ultimate goal. Meanwhile, the Cato Institute has put out one-page advertisements in the nation's major newspapers challenging Obama's temporary move and stating that in order "to improve the economy, policymakers should focus on reforms that remove impediments to work, saving, investment and production. Lower tax rates and a reduction in the burden of government are the best ways of using fiscal policy to boost growth." The statement was signed by approximately 250 U.S. economics professors.[46] What is overlooked by these economists, of course, is that the economy crashed precisely at a time when this approach was followed in economics in its purest form ever. And since no reasons are given for why we should still follow a failed approach, this statement appears to be based precisely on the sort of blind faith that seeks to avoid questions and challenges.

Some have called this position "market fundamentalism," a term that is more than a caricature because it connotes the parallels with a sort of rigid

adherence to Christian faith that lacks consideration of changes in context or of the real needs and concerns of people. It should be noted also that, in this conception of the free market based on faith in the rules of supply and demand, workers play no role at all—an issue to which we will return in the next chapter. "Market fundamentalism," even in the judgment of investor and billionaire George Soros, "is today a greater threat to open society than any totalitarian ideology."[47] The problem, according to Soros, is that in this perspective markets are given too large a role: the market assumes a "magical quality," as if it really were able to produce consistently an equilibrium based on perfect competition.[48] Here we are back at the false transcendence of economics. What should give us pause is that despite a virtually ideal situation for the free market in the United States for the past twenty years, which was created and protected by those who fervently believe in it, things have hardly improved for large groups of people, and even fewer people are bound to profit from it in the future.

These various approaches all share a "hidden consensus"—we might call it an implicit faith—that Beverly Harrison identified almost twenty years ago.[49] There is a firm belief in the moral benevolence of the free-market system and private property, combined with a common acceptance among liberal, neoliberal, and neoclassical theorists that this is the only system that works. This system takes on quasi-divine and transcendent qualities when it begins to block any and all alternatives and challenges. Most adamantly rejected, of course, is any government intervention that is not unconditionally supportive of the market and that might question or challenge it. In this scenario, the only troubles with the market are seen as coming from efforts to regulate it, either by governments or by unions and other organized alternatives. Milton Friedman, in his Nobel Laureate speech of 1976, quotes British Prime Minister James Callaghan of the Labour Party: "We used to think that you could just spend your way out of a recession and increase employment by cutting taxes and boosting Government spending. I tell you, in all candour, that that option no longer exists, and that insofar as it ever did exist, it only worked by injecting bigger doses of inflation into the economy followed by higher levels of unemployment as the next step."[50] According to this position, the market is best left to its own devices. This is true even in cases where the market creates severe imbalances of its own, for instance, through monopolies. In the mind of another influential Chicago economist, Friedrich von Hayek, the creation of monopolies is less of a problem than antimonopoly intervention by the government.[51] Mainline economics is confident that the market will take care of the common good, and so the government's role is no longer the support of the common good itself, but to support the market which believes itself to be the provider of the common good. Whether

this is expressed explicitly or not, economics is thus believed to be closer to ultimate reality than politics, with the result that the role of politics is reduced to the service of the market.

Just as any regulative involvement of the government in the economy is rejected, any lucrative involvement of the government in the economic realm is rejected as well and made subject to privatization. This does not mean, however, that the place for government in economics is minimal. While economic gain is privatized, losses are typically socialized, as the bailouts of large corporations show. Even before the bailouts of 2008 and 2009, the government supported corporations either actively, through financial and other subsidies, or passively, through the easing of tax burdens. Faith in the market holds that this will lead to the greater good for all. And while there has been a significant political change from the Bush to the Obama administrations, the economic bedrock remains virtually the same. The hidden consensus maintains a strong emphasis on the freedom of the market, tied to the implicit faith that the market will not only take care of itself but of everybody else as well. Within the confines of this market, the laws of supply and demand are believed to work generally towards an equilibrium; one particular way in which this is supposed to happen is through wealth "trickling down," so that—shifting to another metaphor—a "rising tide will lift all boats." Today, a stronger sort of blind faith than ever is necessary to hold on to this system, and this blind faith will need to grow stronger yet in the future, since it is based on little evidence.

This discussion cannot be exhausted, however, by focusing on economics in a narrow sense. The free market is increasingly taking over other areas of life and has become second nature to us. The market regulates other relationships, as well, and gradually assumes a position of omnipresence, expanding the reach of its transcendence. Even personal relationships are now commonly treated in good market fashion as commodities, for instance, as people tend to assess potential partners and spouses in terms of how their market value compares to their own. For the wealthier members of society, it is not uncommon to divorce their aging spouses and marry younger and more attractive "trophy wives," but this is not just a problem at the top. The all-pervasiveness of the market affects all of us. The real reason for high divorce rates may not be so much the much-maligned lack of traditional values, but the growing commodification of all aspects of life that reaches deeper and deeper and does not spare even our most intimate relationships.

In addition, the proponents of the free market have argued for its efficiency in regulating political matters as well. Free-market arrangements are now often seen as the most democratic way of relating. The idea of large numbers of sellers competing for even larger numbers of buyers has, indeed, some democratic qualities, as no single person is in control and everyone has

some influence. This idea works best, of course, if all participants are seen as independent individuals, with none of them wielding substantially more control or power over the market than others. If the common tendency to concentrate power in fewer and fewer hands is not analyzed, democracy appears indeed to be the natural outcome when consumers are able to choose freely the products produced by individual sellers. In this scenario, the role of government is not merely to support the market but to eliminate, in the name of democracy, all critical forces that might threaten it. While the democratic qualities of the market do indeed need to be recognized, especially when compared to an older feudalist world where relationships and interactions were permanently fixed in hierarchical fashion, the neglected problem of the market is that it has produced another set of power imbalances that challenges not only economic distribution but democracy itself. What keeps us from noticing this is once again blind faith without concern for what happens in real life—especially in the lives of those who do not benefit from the economic system as it currently works.

Yet, this mystique of the market and its religious overtones begins to crack at the seams when it is taken into account that the worlds of small business and of big business are fundamentally distinct from each other. In the words of John Kenneth Galbraith: "The two parts of the economy—the world of the technically dynamic, massively capitalized and highly organized corporations on the one hand and of the hundreds of thousands of small and traditional proprietors on the other—are very different. It is not a difference of degree but a difference which invades every aspect of economic organization and behavior, including the motivation to effort itself."[52] Small businesses conform better to the commonly accepted view of the free market, and so it is this world that is usually presented to students of economics and to the public, while the world of big business remains under cover. As Galbraith has pointed out: "Economic education holds . . . that capitalism can best be understood by examining enterprises with little or no capital, guided by one or two people, without the complications of corporate structure and where there is no union. Part of its appeal is in the way it removes from the corporate executive all power, including the power to do anything wrong. It also has firm historical roots: economic life began with small firms, with small capital, each one under the guiding hand of a single master."[53]

Nevertheless, this is different from what happens in big business and the corporate world. This part of the economy shapes up differently, according to Galbraith: "It can hardly be doubted that General Motors will be better able to influence the world around it—the prices and wages at which it buys and the prices at which it sells—than a man in suits and cloaks."[54] What if the large corporation does not need to follow the classic ground rules of the free market slavishly, that is, the laws of supply and demand? This has

consequences not only for economics but also for the shape of politics and many other aspects of life, including religion. After all, a not-insignificant amount of success in the religious world is based on the corporate model as well—manifest, for instance, in the way megachurches operate by following established business rules.

At a time when we are dealing with multinational corporations that are large and powerful enough to make their own rules and which, thus, have little trouble bending the rules of the market to their advantage, the free market is becoming a tenet of belief that has less and less connection to reality. This is where the real problem of religion in our time surfaces. The following statement is strongly worded but hard to refute: "The profits of alert multinationals have much less to do with their efficiency and sensitivity to customer preferences than with their astuteness in lobbying, bribery, and mutually profitable alliances with the politicians of many countries. Everywhere they appear to operate as a mongrel blend of politics and economics, negotiating tax concessions, subsidies, protections against unions, sheltered markets, and allied benefits from local, regional, and national governments."[55] The various free-trade agreements often contribute further to the support of the strongest participants in the market rather than to the weaker ones. It seems as if no real alternative exists any more.

While we will take a look at these issues in more detail later, let us note the fact that both this standard approach to economics and the standard approach to theology are based on the same thing: belief in a transcendent fix. In one case, it is the market that will mysteriously bring happiness and prosperity—no matter how badly it may perform this function at present—and, in the other case, it is a divine entity that will eventually bring happiness and salvation—no matter how bad things might be at the moment. The two positions come closest together in what has been called the "Gospel of Prosperity," which is based on both theological and economic perspectives. This economic theology promotes the idea that if your faith in God is strong enough, you will continue to move up the economic ladder of happiness and prosperity.

In both theology and economics, the problem is compounded by the fact that there are congregations which embody these beliefs collectively, made up of those who have benefited from these beliefs and those who hope to benefit in the very near future, and who, thus, create a protective bubble around these beliefs. Those for whom the standard account of theology and economics works flock together; those for whom it does not work have two options: become a member and have faith without any evidence or stay on the outside. Those on the outside have two choices as well: one is to rebel against the system and to resist and resent it; the other is to despair of God and the world and to perceive oneself as damned without hope (theology) or as hopeless loser (economics).

How can this faith possibly be challenged? One challenge will increasingly present itself based on the lack of a rising tide for more and more people: as the economy produces fewer and fewer benefits for everyone, the Gospel of Prosperity will lead to mounting disappointment—the sort of disappointment that can only be avoided if things go reasonably well for a substantial number of people. The other challenge necessitates looking outside the bubble of the blessed—paying attention to people's lives, especially to those who are not part of the establishment. Looking at what is happening in real life and on its underside can function as control both for standard theology and for standard economics—both of which are in danger of worshipping otherworldly deities that never really have to prove themselves, even in the deepest crises of life. Only when these perspectives are taken into account can we begin to understand which gods, if any, may be worth respecting.

Religion, Economics, and Empire

A crucial issue that needs to be considered at the intersection of religion and economics is power, and the most severe embodiment of power is in the form of empire. The economy is where tremendous power is lodged today. This power is not limited merely to monetary issues or to the distribution of wealth: the power of the economy is all-pervasive and affects all areas of life. Relationships of power negotiated by economic means can be found, for instance, at the macrolevels of the political; the power lodged in global corporations has tremendous impact on politics both nationally and internationally. Relationships of power negotiated by economic means also impact us at the microlevels of the personal and even in our most intimate relationships; shaping our desires and branding our tastes is one of the declared goals of the advertising industry.[56] Economic relationships also impact the way we think and what we believe. Even religion can no longer pretend to operate in a vacuum, undisturbed by other forces. Such an understanding of the power of economics relates to my definition of empire as "massive concentrations of power which permeate all aspects of life and which cannot be controlled by any one actor alone."[57] While imperialism is indeed about money and power on the macrolevel—this is what we usually understand when we talk about empire—it also shapes us all the way to the core of our being.

Unfortunately, the myth of individualism, to which both mainline economics and mainline theology subscribe in their own ways, makes it hard for us to see the imperial aspirations of the free market. Individualism is the founding myth of the mainline—whether in economics or in modern theology—and it covers up both questions of power and of empire. To be more specific, individualism is the myth of the privileged and the powerful, who tend to see themselves as independent and autonomous, and who need to

convince themselves and others that their wealth and their success are self-made. This individualism has influenced many modern religious perspectives, especially where religion has been relegated to the private sphere, and has been sanctioned in recent times especially by the Gospel of Prosperity. Even when well-meaning religious leaders challenge individualistic attitudes, they still often presuppose that individualism is real. By admonishing people "not to be so individualistic," for instance, they overlook precisely that neither wealth nor power or privilege are ever based on individual accomplishment alone; wealth and power are always produced in close relation to others. More specifically, under the conditions of free-market economics, wealth and power are often produced on the backs of others in various ways. The myth of individualism therefore covers up the reality that those who made it all the way to the top are there not purely because of their own achievements but because they often had substantial help, and they know how to make use of others to their own advantage.[58] Likewise, the success of individual companies is never solely due to the exploits of individual managers, as we are often made to believe; no such success would be possible without the contribution of the workforce. Both economics and religion must, therefore, be understood in terms of relationships of power already in place. Only when this is seen can we hope to make a difference, which includes rearranging these preexisting relationships where necessary. Myths like individualism are among the most important points of connection between religion and economics today. Individualism is one of the pillars on which both mainline theology and mainline economics rest.

The notion of self-interest is related to the myth of individualism, and here is another pillar of economic power. Mainline economic theory holds that all relationships, with the exception of family relationships, are governed by the self-interest of independent individuals. Milton Friedman himself can be seen making this point in an interview with Phil Donahue, which is now posted on the Web. Friedman begins his comeback to a challenge by Donahue with the statement that "the world runs on individuals pursuing their separate interest."[59] Such self-interest is often sanctioned religiously as an inevitable expression of fallen human nature or human sin. At the same time, this self-interest never becomes a real problem because it is redeemed by the activity of the market. The market magically transforms self-interest into the common good. Assmann and Hinkelammert find the "dogmatic core of a new orthodoxy" here, according to which self-interest is transformed from being the private vice of those who hold economic power into a public virtue. Mainline economists all agree on this blanket endorsement of self-interest, whether they are neoclassicists, Keynesians, or neoliberals.[60] Self-interest is never further investigated in this context, and the self-interest of the butcher, the brewer, or the baker to which Adam Smith refers (noting

that we expect our dinner not from their benevolence but from their concern for their own interest)[61] appears to be no different from the self-interest of the colonizer, or the self-interest of the leadership of multinational corporations powerful enough to sway the course of whole nations. An odd reversal results from this assessment: those who pursue their own self-interest, even if they command large amounts of capital and wield quasi imperial power, are now seen as humble servants, while those who have no power in this system are seen as conceited, jealous, and perhaps even arrogant.[62] Assmann and Hinkelammert draw the conclusion that there has never been a religion that has been so deeply supportive of human self-interest and desire as the current religion of economics.[63] We will come back to this issue—suffice it to note here that the now-common understanding of self-interest in terms of radical individualism cannot even be found in the work of Adam Smith, himself, who, working in another time and another place, still understands self-interest in relation to the cohesiveness of a community.[64]

The connections of economics and empire, often sanctioned by religion, need to be kept in mind throughout the discussions in this book. In my recent book *Christ and Empire,* I have laid the foundation for this argument, noting that empire today shows itself most clearly in terms of economics. My notion of the "postcolonial empire" serves as a reminder that empire today is no longer based on the establishment of colonies and colonialism, best embodied in recent history by the British Empire. That the postcolonial empire is based on economic power was true even during the years of the administration of President George W. Bush, despite an aggressive foreign politics that did not shy away from war as an extension of the political. The Iraq war, for instance, did not result in the establishment of another colony but in production-sharing agreements that allowed U.S. companies to extend their power more firmly in new territories and to reap the profits of Iraqi oil. Empire rooted in economics will be even more important in the foreseeable future, and it will be an often invisible factor in the softer U.S. politics, both foreign and domestic, for which so many of the world's citizens hope. In this sense, we can agree with John Maynard Keynes's statement that "the ideas of economists and political philosophers, both when they are right and when they are wrong are more powerful than is commonly understood."[65] Economics is indeed too important to leave to the economists.

The flexibility of this postcolonial economic empire must not be underestimated, as it appears in many different shapes and forms. During recent years, a more pronounced authoritarianism has made a comeback as CEOs and other economic leaders once again claimed more unilateral top-down power just like the top politicians of the Bush administration. During the 1990s, by contrast, the notion of teamwork and the idea that "everyone can be a leader" were celebrated.[66] We should expect to see more of these ap-

proaches in the future as authoritarian models are once again losing some currency. At the same time, we must not forget that this softer approach still bears the traits of empire and has a long history, going back to early modernity and even to the sixteenth-century Spanish priest Bartolomé de Las Casas, who rejected the harsh models of imperial conquest only to embrace milder forms of colonialism.[67] These somewhat softer forms of empire, which are more typical for economic forms of power, are eerily reflected in the shrewd observation of colonizer Cecil Rhodes that British "imperialism was nothing more than philanthropy plus five percent."[68]

The postcolonial empire has become leaner yet meaner than any empire before. Economic models of lean production have blazed the trail, cutting out anything and anybody who is not absolutely necessary for getting the job done and ratcheting up the pressure for those who remain. No active domination or brute force is necessary, nor any official system of conquest and slavery. The postcolonial empire has finally caught up with an old insight of Adam Smith, the intellectual father of capitalism. Smith had little appreciation for the colonial enterprises of his own Britain in the eighteenth century. He realized that these efforts were too grandiose and too cumbersome, too expensive and too inefficient, with too little payoff.[69] Viceroys, governors, massive bureaucracy, extensive standing armies of clerks and soldiers are not necessary to make a profit in a free-market system. The important thing, of course, to keep in mind is that by giving up colonialism we have not given up the differentials of power on which the empire rests. If anything, these differentials of power have grown, but, since they have become less visible, both mainline religion and mainline economics often overlook their existence and, thus, tend to endorse them by default.

Empire is the mindset which sets the frame for much religious and economic thought. When thinking of a deity, the common response is to look up, either to the heavens or to high places of power and privilege. And even if the deity is envisioned as close and familiar, the hope is often that it will lift us up and introduce us to higher levels of power and privilege. Popular Christian images of what awaits the religious in heaven—like royal crowns and streets of gold—illustrate my point. When thinking of economic matters, the common response is to look up once again, this time not directly to the heavens but to the top floors of the corporate headquarters where the experts of high finance dwell, including the most prominent and successful investors like Warren Buffet, the most prominent and successful leaders of business like Bill Gates, or high-ranking officials like the head of the Federal Reserve Board, Ben Bernanke—although the latter has not yet achieved the oracle-like qualities of his predecessor, Alan Greenspan. We commonly hope and expect that economic matters will lift us up to higher levels of power and privilege, at least in the long run. The so-called victory of capitalism that

was so enthusiastically celebrated in the 1990s raised many hopes in this regard. In addition, the future of those of us who are invested in 401(k) retirement plans depends on faith in this uplifting as well.[70]

Those expectations and hopes are now profoundly challenged by severe economic downturns which were thought to be confined to the past. Therein lies an opportunity for the critique of empire. If the economic bubbles are bursting all around us, can the religious ones be far behind? A deregulated economy has been allowed to produce an imperial bubble where the stock market, the housing market, and the lending sector built forms of power that were more and more disconnected from real values and real life. For over a decade, economic power based on the value of stock has risen often without direct connection to performance indicators—a situation I have interpreted elsewhere as one of the key elements of the postmodern situation.[71] Housing and mortgages have followed this trend as well, laying the foundation for severe economic crashes. Adjustable-rate mortgages, often used in subprime lending, were based on a belief in the "rising tide that lifts all boats" through housing values, salaries, and easy refinancing—beliefs that not only did not materialize for the majority of the population, but collapsed in drastic fashion. Organized religion may be lagging behind in terms of its own experience of a crash, but for too long it also has operated in a bubble. Its promises of power and success materialized in bubbles, such as in the relative safety of places like traditional middle-class Christian congregations during times of economic balance or boom. Outside of these special conditions, mainline religion is often of little help, as promises of power and success cannot be kept—a reality that is bound to sink in for more and more middle-class congregations as they struggle with economic downturn. Seen in this light, it is perhaps not surprising that in the United States neither religion nor economics have yet encountered the massive sort of critique that is typical in other parts of the world. This situation is likely to change, however, as both theologians and economists will encounter more and more doubts and questions as the rising tide fades.

It is the purpose of this book to formulate some of these questions and critiques ahead of the curve and, thus, to formulate some challenges to the powers that be. These questions need to be raised not simply because of recent dramatic failures, however, but because of the subject matter itself. The failures remind us that too often our common understandings of both religion and economics are out of touch with real life. This state of being out of touch and the tendency to create bubbles both in economics and religion are not harmless. They are signs of empire insofar as they are efforts to control all aspects of life and to create the impression that there is no alternative to the status quo. In addition, empire is the effort to orient all of life so that it conforms to the wishes and interests of those who occupy positions

of power and privilege; the creation of bubbles where less and less attention needs to be paid to real-life experiences is the best example.

The good news, however, is that empires are never able to exert absolute control. As the ambiguities and ambivalences of empires are explored, resistance begins to build, and the alternatives become clearer. This is the reason for formulating questions and critiques: not to get bogged down in the past or in the present, but to develop clearer ideas of alternatives that have been available all along and that are available now, and to get an idea of what is to come. Most people are unaware that there are alternative visions and realities that exist both in religion and economics. They also forget that empire is not natural. A world where the power and wealth of some keeps expanding at the expense of others is not our only option, although this is what not only economists but also theologians often believe. In such a world, the trickling down of wealth would indeed be our only hope.

Under the auspices of the postcolonial empire, the standard accounts have been so dominant that alternatives have been repressed. Yet, alternative visions and realities have deep roots and a long history. It is no accident that the early Christians were considered to be atheists in the Roman Empire. The reason for this judgment had to do with the fact that they embodied a critique of dominant religion that looked up to the heavens and which expected to find gods of power and privilege that resembled those persons who held power and privilege in the Roman Empire. To be sure, the Romans had no problem with other religions and their gods in general. Their pantheon was full of gods, many of them imported from other parts of the world, including Egypt. The problem was that this Christian God would fail to match the expectations of the gods of empire and did not resemble those persons who held power and privilege—after all, the Christian God's son was considered to be a troublemaker; he suffered and was executed as a political rebel in the manner reserved for such people: death by crucifixion.

Dead Ends and Alternatives

At the end of this chapter, a few comments are in order about what this book is not trying to do. In this book, there will be no suggestion that religion will be able to solve the problems of economics from the outside. In a world where economics has become all-pervasive and one of the main engines of empire, religion needs to understand first of all that it has become part of the problem without being aware of it.[72]

Furthermore, in this book there will be no suggestion that the economy and economic reflection can be fixed by promoting moral values as distinct from economic values. Too often the debate of economics and religion is

reduced to issues of morality—for instance, when greed is identified as the culprit in economics. As a result, individual CEOs and business leaders are condemned as greedy.[73] This approach is doubly problematic, as it neglects the real structures of the economy, and it sets up a false alternative. Even the most powerful CEOs need to act according to the dictates of the market, so the main problem is not a lack of personal moral values but the particular values produced by the market; that is, the ethics of the market. In this context, business ethics may well help in cases of blatant violations of the ethics of the market, which led to the collapse of corporate giants like Enron and WorldCom. In some cases, business ethics might even offer a critique when the free-market system goes out of balance; for instance, in the case of exorbitant salaries of CEOs. Business ethics is of little help, however, when it comes to the question of who benefits from the structures of the current economy and its embedded values, and who does not. Like the moral notion of greed, notions of jealousy and envy are not helpful either. All these notions cover up the systemic problems and lead to solutions that help maintain the status quo. One example, the common suggestion simply to let go of the values of the market, is particularly unrealistic because anyone who lets go in a competitive market will be gone. Tinkering with individual values without addressing the logic of the system as a whole will not help us here.

Merely repeating moral imperatives will not get us very far, and neither will the overuse of words like "ought" and "should." This is a common problem with religious thinkers, exemplified, for instance, by Chandra Muzaffar, who builds his response to economics on the obligation of religious people to put into practice their values, principles, and ideas. Emphasizing basic religious values, like interrelatedness, he argues that "this way of thinking means that the rich should help the poor and the strong should extend a hand to the weak, for the sake of the former."[74] Muzaffar's position is stronger than that of many other religionists because he recognizes the importance of self-interest of the rich (helping the poor is done for the sake of the rich)—a topic that is too often simply rejected out of hand as immoral. But Muzaffar's argument depends on the frequent repetition of the word "should." The following sentence further exemplifies the problem: "We should try to translate some of the values and principles in our universal moral ethic into institutions and policies."[75] The real question at this point is: Why is this not happening? For some reason, the moral imperative is never strong enough; people have all kinds of good intentions but are not able to carry them out. A systemic problem requires a systemic answer.

Finally, this book is not about integrating economically disadvantaged people back into society. This is the most common solution that is suggested when economic discrepancies are identified. Liberals and conservatives in

both politics and religion agree on this point, although they disagree on the methods with which such reintegration can be achieved. Conservatives focus on individual ethics, encouraging economically disadvantaged people to get their act together, to get more education, to get a better job, and to conform to the expectations and demands of the system. Liberals, on the other hand, argue for more systemic approaches by which to reintegrate those who have fallen through the cracks of the system, including the provision of a robust social safety net.[76] To be sure, the social programs that grow out of these liberal efforts can be lifesavers for those at the very bottom who would not be able to survive without some measure of integration. The problem, however, is that in both conservative and liberal camps the deeper question is neglected: What accounts for the fact that there are economically disadvantaged people in the first place? This question can be neglected as long as the existence of disadvantaged people can be declared to be an anomaly. But such neglect is no longer an option when the ranks of the disadvantaged keep growing exponentially, even in the United States, and when more and more members of the middle class are joining these ranks. The existence of economically disadvantaged people is clearly not the exception but the rule. The challenge, therefore, is not first of all how to integrate all these people back into the system that has spit them out, but how to address the system that produces these problems in the first place. In order to address this challenge, we need to begin to pay attention to the real-life problems of those who are cut off by the system; these problems might be compared to the symptoms of a disease. The first step, however, must not be the effort to cure these symptoms. We need to let them guide us where no conservative or liberal has gone before: to the core cause of these problems.[77]

The only way to make progress on our topic, then, will be to bring religion and economics into conversation in such a way that the tensions and power differentials are worked out in light of the real-life problems of those who do not benefit from the system. The Christian concern for the least of these—for the ever-growing number of those who are reduced to the status of the "least" (no one occupies that status naturally or by sheer accident!) and whose lives are crushed by the current system—will help us dig deeper and hopefully unearth alternatives and a different reality altogether.

British Prime Minister Margaret Thatcher famously used to remind people that "there is no alternative" to capitalism. By this statement, she referenced the economic idea that unregulated free markets would be the solution for everything. That this position has been accepted with little challenge for the past thirty years is one of the most telling signs of pervasiveness of empire in our own time, and of the essentially religious nature of a free-market ideology that promotes blind faith. Yet, there are alternatives, as this

book will argue. The intersection of religion and economics is not just part of the problem but also might become part of the solution, insofar as it can help us identify some of these alternatives.

There are big changes taking place in both theology and economics, which are unfortunately still too often overlooked. Sometimes this is no accident, as the status-quo representatives of these fields do not find it easy to deal with alternatives, and instead actively suppress them. Yet already in 1998, economist David Prychitko reported that the "status of economics as a *science* itself, and its potential as an a priori, value-free theory, is in dispute." In a volume edited by Prychitko, a group of economists reexamines the basic presuppositions of the field.[78] A whole new slate of questions will now have to be examined, beginning with questions of history, context, the existence of power differentials, the concentrations of power that distort the equilibrium of the market, and the belief in the effectiveness of its "invisible hand." Unfortunately, these issues rarely appear on the radar screens of mainline economists and theologians. None of this can be seen, however, without dealing with real pressures, of which the current economic crisis is only the tip of the iceberg. Perhaps Keen's insight not only for the field of economics, but also for the field of theology when he states that "for economics to change, it appears that things have to 'go wrong' on a global scale, in ways which the prevailing theory believed was impossible."[79] Things have now gone wrong on a global scale to an extent that none of the mainline experts were able to foresee.

In sum, I argue that whether we can find alternatives and reconfigure the interrelations of economics and religion depends in large part on a return to places similar to those where the initial insights of the pioneers of economic and religious alternatives were forged: places of great pressure. In this context, the contribution of theological and religious reflection to the further development of economics and the tremendous powers that it represents, is not primarily that of providing another set of ideas or a new state of mind, but of finding glimpses of an alternative reality. The best chances for this to happen are in places where the pressures of the economic and ecological status quo become unbearable, and are therefore being challenged. The different religions will be able to offer alternatives—not where they represent the smug symbols of regulated religiosity and moral values (the kinds of things that are easily commodified by the commercial spin doctors' efforts at re-enchantment), but where they draw on the irrepressible energies emerging out of the undercurrent of their own traditions and strengths as they have developed and continue to take shape in the midst of the pressures of life as a whole. In this book, we will explore the specific contributions of Christianity, but other religions have their own contributions to make as well.

Economics, as it is practiced today, has a tendency to create its own reality that is often aloof to the struggles of real life. The same is true for theology. We need to make sure that economics and theology deal again with the "reality that hurts"[80] and out of this experience give fresh thought to the alternative realities that might save us all. The rest of this book is dedicated to the search for genuine alternatives in a world of growing pressure and suffering.