

Introduction

The present study investigates the interaction between theology and economy in the writings of four political economists—Hugo Grotius, John Locke, Adam Smith and Thomas Malthus—who are commonly grouped with the founding “fathers” of “economics.” If, as Ben Fine and Dimitri Milonakis argue,¹ the discipline of economics constituted itself through a process of individualization, de-socialization, and de-historicization, we would like to add to this the process of de-theologization, as also an important step in the dialectic of reduction and universalism that is crucial to economics imperialism. For Fine and Milonakis, “economics imperialism” refers to the application of supposed universal criteria derived from classical and neoclassical economics to all aspects of human existence, including the choices people make in relation to religion. That is, religion too is a marketplace, and human beings as economic animals make rational choices in light of what they regard as their own benefit. In the process of reduction and universalization, the specific and limited nature of the economic theory in question is effaced. These

1. Dimitris Milonakis and Ben Fine, *From Political Economy to Economics: Method, the Social and the Historical in the Evolution of Economic Theory* (London: Routledge, 2009); Ben Fine and Dimitris Milonakis, *From Economics Imperialism to Freakonomics: The Shifting Boundaries between Economics and Other Social Sciences* (London: Routledge, 2009); Ben Fine and Dimitris Milonakis, "From Freakonomics to Political Economy," *Historical Materialism* 20, no. 3 (2012): 81–96.

limitations appear when one investigates not only the social and historical context of its emergence, but also the biblical and theological nature of those earlier debates. Our task here is to focus on this final element, namely, the way the Bible and theology indelibly stamp the theories in question.

We have decided to focus on four of the key theorists rather than offer a grand sweep characteristic of what is known as the “History of Economic Thought” (HET).² These histories inevitably either lead up to Adam Smith, or begin with his work and then follow his successors, thereby marking him as both the culmination of a preparatory phase and the inaugurator of a new tradition. We opt to place Smith within this continuum rather than designate him as a beginning or end of a particular tradition. But why do we focus on these four? It enables us to dig deeper into their work, to explore the crucial deployments and rewritings of the myth of the emergence of private property, labor, if not the free market itself. Thereby, we are able to investigate with some patience their engagements with the Bible and the myths they derive from it, especially how they struggle to force new theories of economic activity and human nature from biblical narratives that resist such theories.³

2. One of the most sweeping of such efforts is that of Viner, or rather the snippets that appeared of a project he was never able to complete. He runs all the way from classical Greece to thought of the 1960s, thereby replicating the myth of classicism and the grand narratives characteristic of economic theorists such as Smith. The effect is both to universalize the specific forms of economic behavior peculiar to capitalism and to exclude or sideline significant contributions, including Marxists and Calvinists. Jacob Viner, *The Role of Providence in the Social Order: An Essay in Intellectual History* (Princeton: Princeton University Press, 1972), 22; Jacob Viner, *Essays on the Intellectual History of Economics* (Princeton: Princeton University Press, 1991).
3. Others may have made the list, such as John Stuart Mill, but his self-proclaimed “Religion of Humanity” in its hand-wringing liberal form offers little in the way of intense struggle, by which we mean the effort to wrest a new story of human nature and economic activity from the traditions he inherited. To be sure, his thoughts on communism and the stable state of society are perhaps the best parts of his work, but they fall short of a serious engagement with communism. Hobbes might also have been worthwhile to discuss, especially since he argues that human beings left to their own devices do not obey the laws of nature. Rather, they are given to the desires for safety, gain, glory, and power, thereby engaging in continual warfare with one another. For that reason, they need a strong, authoritarian government to keep them

Thus, in the chapter on Grotius (1583–1645), we identify his Arminian (or Remonstrant) theology and the constituent role it plays in his interpretation of the Fall. Keen to avoid the imputation of evil to God and to assert the freedom of the will for each individual, Grotius effectively minimizes the effects of the Fall on human nature. As a ruling class ideologue in the United Provinces (Netherlands) during the first capitalist commercial empire, he shares their abhorrence at the central doctrinal point of Calvinism that all one's works, achievements, wealth, and power count as nothing before God. This effort to tame the Fall provides the necessary preconditions for what is arguably the first version of the myth of capitalism—a myth that constructs a story of the origin of private property out of an original common, as well as the growth of law, states, and commerce. That myth also provides Grotius with a means for arguing that the seas cannot be private property, for they have never met the criteria he has invented. Grotius also provides an excellent example of the constitutive limitations of the doctrine of liberalism, particularly in the way he shows how slavery is entailed by private property.

From Grotius we move to Locke (1632–1704), who develops the myth further on the basis of his own effort to limit the effects of the Fall. For Locke, the Fall pertains only to mortality, which enables him to sidestep the other curses relating to labor and property. However, the Fall continues to trip up Locke as he outlays both his principles of human nature (freedom and equality) and his myth. In order to trace the Fall's deft ability to trouble Locke's efforts, we focus on both of his treatises on government, since the first treatise's detailed

in line. In the state of nature, man's life was "solitary, poor, nasty, brutish and short" and was engaged in a "war . . . of every man against every man." The government may be democratic to a limited extent, but Hobbes preferred absolute monarchy. He focuses on human nature and government, with little in the way of economic thought. Already in the 1950s, Levy was able to summarize Hobbes's economic thought in a few pages. Aaron Levy, "Economic Views of Thomas Hobbes," *Journal of the History of Ideas* 15, no. 4 (1954): 589–95.

biblical engagements (especially Genesis 1–3) provide the basis for his famous myth of property in the fifth book of the second treatise. Like Grotius, Locke provides clear examples of the logic of exclusion found in the universal claims of liberalism, particularly in terms of children, the state of nature, and ethnocentrism.

Grotius and Locke may have provided early versions of the myth of capitalism, but Adam Smith (1723–90) is really the preeminent myth-maker and storyteller. Not content with a single myth, he develops two: a foundation myth and a grand narrative. While the former seeks to justify his assertions concerning human nature (that human beings naturally truck, barter, and exchange, and that self-interest leads to greater social benefit), the latter universalizes the chronic particularity of Smith's ideas concerning capitalism and the free market. Beyond those myths, we also explore his penchant for vignettes, fables, sayings, moral tales, and parables. But does the Fall make its presence felt in Smith's writings? At first glance, he seems to have left it behind; yet at a deeper, narrative level it recurs—not merely in the construction of myths but also in the tension between narratives of difference and those of identity, between those stories that need to narrate a passage from a different state in the past to those that assert that the past was largely the same as the present. We close by observing that Smith's ambivalence concerning religion enables both theological and secular readings of his rambling works.

We close our in-depth analyses with Thomas Malthus (1766–1834), not least because he troubles any clear narrative of the secularization of economic thought after Smith. Malthus is one of the few with a decidedly strong doctrine of evil. Obviously, this means that the Fall is once again crucially important, especially when one studies the Malthus's sermons (he was a priest in the Church of England). With this in mind, we analyze closely his essay on population, especially the first edition with its stark observations

concerning the goodness of God that turns into evil. For Malthus, God's gifts of procreation and the impulse to work for our subsistence lead inevitably to misery and vice through overpopulation and inadequate food. That Malthus shies away from the full implications of his argument is made clear through the subsequent editions of his essay on population, where he asserts the role of moral sanction on restricting the drive for sex. His backpedaling only serves to highlight the possibility that God may be responsible for both good and evil. All of these issues appear in his half dozen efforts to retell the myth of capitalism. Although Malthus dabbles with a myth of progress, he clearly prefers a myth of regress, with its increasingly dire outcomes that result from the growth of human societies and economies. Yet Malthus's chronic racism—which he shares with Adam Smith and indeed John Locke—is once again the clearest indication that liberalism's universal claims are far from universal.

Thus, the central themes that appear in the following studies include the importance of the biblical Fall (to the extent that the early economic theories of capitalism were wrested from the text of Genesis 1–3), the importance of myth,⁴ the theorists' near-obsessive deliberations concerning human nature, and the systemic limitations of liberalism and its claims to freedom. However, given that a number of recent studies deal with matters concerning religion and economics, we would like to point out what this work is not.

First of all, we do not undertake a study of economic theology, by which we mean the spate of studies that emphasize moral and social justice issues. For the most part, these studies are written by theologians of a mildly left-wing persuasion seeking to critique capitalism and its ravages. While we are in some sympathy with the

4. Of all the works we have read, only Sedlacek notes the mythical nature of economic theory, although he prefers to speak of an underlying metaphysics of economics, which he seeks to trace throughout human history. Tomas Sedlacek, *Economics of Good and Evil: The Quest for Economic Meaning from Gilgamesh to Wall Street* (Oxford: Oxford University Press, 2011).

general tenor of such works, we remain suspicious of ethics as an elite discourse.⁵ That is, given the very way ethics first appears in the oft-cited work Aristotle, especially *The Nicomachian Ethics*, it continues to be determined by the ruling class assumptions in which he framed his treatment.⁶ Second, we are not engaged in adding to the arsenal of neoclassical economic theory, using religion as a way to understand the psychological and motivational factors that the traditional *homo economicus* fails to answer.⁷ Third, we find the efforts by those who are inspired by a radically conservative agenda (often known as radical orthodoxy) to be quite wayward. This emphasis may appear in a weak form, making the unremarkable point that economic theory is

5. Albino Barrera, *Market Complicity and Christian Ethics* (Cambridge: Cambridge University Press, 2011); John Cobb, *The Earthist Challenge to Economism: A Theological Critique of the World Bank* (New York: Macmillan, 1999); Philip Goodchild, *Capitalism as Religion: The Price of Piety* (London: Routledge, 2002); Philip Goodchild, *Theology of Money* (Durham: Duke University Press, 2009); Stephen D. Long, *Divine Economy: Theology and the Market* (London: Routledge, 2000); David Loy, "The Religion of the Market," *Journal of the American Academy of Religion* 65, no. 2 (1996): 275–90; M. Douglas Meeks, *God the Economist: The Doctrine of God and Political Economy* (Minneapolis: Fortress Press, 1989); Max L. Stackhouse, *God and Globalization*, vol. 4, *Globalization and Grace* (Philadelphia: Trinity Press International, 2007); William Schweiker and Charles Matthewes, eds., *Having: Property and Possession in Religious and Social Life* (Grand Rapids: Eerdmans, 2004); Robert Wuthnow, "New Directions in the Study of Religion and Economic Life," in *The Handbook of Economic Sociology*, eds. Neil J. Smelser and Richard Swedberg, (Princeton: Princeton University Press, 2005), 603–26. By contrast, McCloskey offers a cloying study that attempts to defend and perfect capitalism and its attendant ideologies, again on ethical grounds. Deidre N. McCloskey, *The Bourgeois Virtues: Ethics for an Age of Commerce* (Chicago: Chicago University Press, 2006).
6. Aristotle coined the term itself as *ta ethika*, from *ethos* or custom, habit, and the status quo. However, these ethics are not for the lowly: "The utter vulgarity of the herd of men comes out in their preference for the sort of existence a cow leads." Aristotle, *The Ethics of Aristotle*, trans. J.A.K. Thomson (Harmondsworth: Penguin, 1955), 30. See further Roland Boer, *In the Vale of Tears: On Marxism and Theology V* (Leiden: Brill, 2014), 245–86.
7. Bradley Bateman, "Presidential Address: Reflections on the Secularization of American Economics," *Journal of the History of Economic Thought* 30, no. 1 (2008): 1–20; Bradley Bateman, "In a Space of Questions: A Reflection on Religion and Economics at the Beginning of the Twenty-First Century," *History of Political Economy* 43, no. 2 (2011): 389–411; Bradley Bateman and H. Spencer Banzhaf, eds., *Keeping Faith, Losing Faith: Religious Belief and Political Economy* (Durham: Duke University Press, 2008); Kelly Johnson, "Whose Economics? Which Religion? Comments on Brad Bateman's 'In a Space of Questions,'" *History of Political Economy* 43, no. 2 (2011): 417–22.

based upon unexamined moral and ideological assumptions or that economics and religion may be loosely analogous.⁸ It may also appear in a distinctly reactionary form, arguing that “revealed religion” is the basis of economics.⁹ Finally, we are clearly opposed to any form of economics imperialism, which approaches the study of religious belief, behavior, and institutions from an economic, market, or “rational choice” perspective.¹⁰

One question remains: why “Idols of Nations” as our title? Since Adam Smith most likely drew the title of *Wealth of Nations* from Isa. 61:6,12 (and 60:5), we consider it apropos to draw upon the Bible for a title that presents an opposing view. Thus, we found that the psalms and prophetic texts also speak of the idols of nations. Jeremiah 14:22 asks, “Can any idols of the nations bring rain? Or can the heavens give showers?” But Ps. 135:15 comes straight to the point: “The idols of the nations are silver and gold, the work of human hands.” In other words, the development of classical economics identifies

8. Duncan K. Foley, *Adam's Fallacy: A Guide to Economic Theology* (Cambridge: Belknap, 2006); Robert Nelson, *Economics as Religion: From Samuelson to Chicago and Beyond* (Pittsburgh: Penn State University Press, 2001); Robert Nelson, "What Is Economic Theology?" *Princeton Seminary Bulletin* 25, no. 1 (2004): 58–79; Sedlacek, *Economics of Good and Evil: The Quest for Economic Meaning from Gilgamesh to Wall Street*.
9. Paul Oslington, "A Theological Economics," *International Journal of Social Economics* 27, no. 1 (2000): 32–44.
10. Robert Barro and Rachel McCleary, "Religion and Economic Growth," *American Sociological Review* 68 (2005): 760–81; Roger Finke and Rodney Stark, *The Churching of America, 1776-1990* (New Brunswick: Rutgers University Press, 1992); Lawrence Iannaccone, "The Consequences of Religious Market Structures: Adam Smith and the Economics of Religion," *Rationality and Society* 3 (1991): 156–77; Lawrence Iannaccone and Rodney Stark, "A Supply-Side Reinterpretation of the 'Secularization' of Europe," *Journal for the Scientific Study of Religion* 33 (1994): 76–88; Rachel McCleary, ed. *The Oxford Handbook of the Economics of Religion* (Oxford: Oxford University Press, 2010); Rachel McCleary and Robert Barro, "Religion and Economy," *Journal of Economic Perspectives* 20, no. 2 (2006): 49–72; Lionel Charles Robbins, *An Essay on the Nature and Significance of Economic Science* (London: Macmillan, 1935 [1932]); Larry Witham, *Marketplace of the Gods: How Economics Explains Religion* (Oxford: Oxford University Press, 2010); Wuthnow, "New Directions in the Study of Religion and Economic Life," 615–18; Lawrence Iannaccone, "Introduction to the Economics of Religion," *Journal of Economic Literature* 36, no. 3 (1998): 1165–95. For current research on this approach, the reader may consult <http://www.thearda.com/asrec/index.asp>.

not so much the sources of the wealth of nations but rather provides—unwittingly—a theory that seeks to justify the idolatry of the nations which worship the work of human hands.