

Good Intentions: Nine Hot-Button Issues Viewed Through the Eyes of Faith

Charles M. North and Bob Smietana. 2008. Chicago: Moody Publishers. ISBN: 978-0-8024-3462-3, \$13.99.

Reviewed by John Stapleford, Moody's Economy.com

Good Intentions is an engaging and fun read. It is another contribution to a group of books that represent the counterintuitive thinking that emanates from the application of economic logic and analysis to life issues. It contains a potpourri of topical essays that demonstrate that economists just do not think like normal people.

The most prominent in this genre is, of course, *Freakonomics* (“why do drug dealers still live with their moms”). The list includes *Freedomnomics* (“affirmative action in police departments leads to higher crime rates”), *The Undercover Economist* (“foreign investment reduces air pollution”), *Nudge* (“why people spend more time picking out a new TV than choosing a retirement investment strategy”), and *Naked Economics* (“the good news about Asian sweatshops”).

Good Intentions differs from this group in two ways. First, it integrates Christian ethics with the economic perspective. Second, it is not as academic.

The authors' central Christian principle comes from *Kingdom Ethics* (Stassen & Gushee, 2003) which asserts that “all material goods ... including the most basic—food—must be viewed as God's good gifts, divine provision for all humankind” (cited on p. 20). The goal of Christian economics, therefore, is to get God's gifts into the hands of as many of God's people as possible. While the use of the phrase “God's people” is problematic (everyone? the chosen?), the authors' additional guiding principles do help to give structure and boundaries to how the distribution process is to occur. They are presented as follows: “Every one deserves a fair shake. Everyone works. God wants people to prosper—to be able to make a living. Some people, for a number of reasons, will fall behind and lose the means to make a living. God wants those people to be restored, so they have access to the means of making a living” (pp. 20-21).

I assume that “fair shake” correlates with Amartya Sen's equal access to the means of individual development, but the authors do not elaborate. Clearly the authors agree with Calvin that work is ordained by God, brings dignity and purpose, and may unashamedly bring prosperity. And it is the obligation of Christians to care for those persons whom “for a number of reasons” are not able to cut the “work or don't eat” (2 Thess. 3:10) mustard.

It is very helpful that a clear statement of the Christian principles applied throughout the essays is articulated. However, as throughout the essays as well, documentation is not provided. In the case of the Christian principles there are no references to supporting Scripture or theological foundations. The same deficiencies apply to the economic content. The book has no table of contents, no table of tables, no table of figures, no index, no footnotes, and the bibliography is found in a separate website (hidden away in “classroom resources”). Many of the tables and figures do not cite any sources. One table source reads “author’s calculations based upon variously publicly available data” (p. 204). Chapter one is probably an introduction but is not labelled as such.

I attribute the majority of these deficiencies to poor editing. My book experience is with the editors at InterVarsity Press. Those folks would never let me make a factual statement without a citation and have even tracked down my sources to check their veracity. My footnotes and table sources have to be comprehensive so that persons who would disagree with my conclusions can check the original sources and decide for themselves. This seems like a bare minimum for any book to be used in an academic setting.

Some of the responsibility, of course, lies with the authors. Most particularly, unlike the books listed above, most of the authors’ analysis-based insights are from newspaper and magazine articles, working papers and books rather than refereed journals. Having been raked over by anonymous and knowledgeable journal referees, I tend to view journal articles as better vetted and more reliable than other sources. For example, the authors, based upon a *New York Times Magazine* article by Helen Epstein, assert that the most effective preventative for the spread of AIDS in sub-Saharan Africa is abstinence. Epstein is the accomplished author of *The Invisible Cure: Why We Are Losing the Fight Against AIDS in Africa*. She describes herself, however, as a writer of literary non-fiction, primarily memoir, biography, and well-documented journalism. She is not published in professional journals.

Nevertheless, the book is absorbing and thought provoking. In the first chapter, besides laying out their guiding Christian principles, the authors use various examples to drive home the point that good intentions are more likely to succeed if combined with the tools of economics. Christians are encouraged to move beyond “is it righteous,” and to apply the critical thinking and analysis provided by economics. Examples of the failure to do this are HIV policy in Africa, the impact of job-security laws on birth rates throughout Europe, Krispy Kreme, and Veggie Tales.

The second chapter takes on the concept of greed vs. community, a great source of discomfort for Christians. The authors note that, based

upon *The Theory of Moral Sentiments*, Adam Smith believed that greed, in most instances, would be constrained by the reluctance of individuals to engage in actions that hurt others. It is noted that greed is self-interest run amok, unconstrained by morals. Starting with the wonderful life of Delories Williams, an inner city black woman who elevated the sights of young persons through her church based Academic Excellence program, chapter three makes an important statement about the interface between human capital and hope. Economists believe that people are rational; if they appear to be making irrational decisions (e.g., dropping out of high school) it is because they face constraints in their circumstance of which we are just not aware. A major calling of the church is to bring hope (a spiritual asset) to those who have lost it and are making short-run decisions that are irrational in the long-run.

Chapter four provides an overview of poverty and alternative poverty programs. It reminds the reader of the Christian's obligation to the poor, and of the importance of evaluating the effectiveness of alternative poverty remedies through both sound analysis and a Christian spiritual framework. Chapter five compares the Bono/Sachs "show me the money" approach to international economic development to the Easterly bottoms-up approach which, as Christians should, recognizes the worth and wisdom of the poor in the development process. Chapter six explores the good and the bad of Wal-Mart and concludes that Jesus might shop at Wal-Mart because he was poor.

Ben and Jerry are used as a launch pad in chapter seven to examine the issue of CEO pay. It is explained that over half of CEO pay is now tied to stock options, as this is one effective way to resolve the principal-agent dilemma. Chapter eight explains how the outsourcing of labor-intensive jobs to developing countries derives from comparative advantage and that in the long run, despite some less than perfect labor conditions, free trade makes these countries better off. The next chapter reaffirms the conclusions of research on the first great wave of immigration to the U.S. that immigrants do not take jobs from natives but actually contribute to economic growth, ultimately increasing the size of the economic pie. The uncomfortable Bible mandate to welcome the alien is recognized.

Chapter ten points out that zero pollution is actually not the optimal level of pollution when viewed through the economic lens. The authors note that the rising standards of living generated by capitalism have ultimately led to cleaner environments. Chapter eleven addresses the continual concern of SUV and pickup truck owners over the price of gasoline (remember that Charles North lives in Waco!). The relatively flat real price of gasoline

over the years is used to demonstrate that the market does work. The European answer of higher gas taxes may cause urban assault vehicles to be abandoned and reduce auto emissions, but, at the same time, will give government more money to spend.

The final chapter highlights how God's laws can lead to better lives for individuals and society. Commitment to marriage results in greater happiness, more productive and educated children, less domestic violence, and more satisfying sex. Not surprisingly, the authors present their own family-friendly index for all the states without citing sources or explaining the individual index components (e.g., how educational quality is measured).

The book's epilogue uses the parable of the Good Samaritan to point out that good intentions (i.e., the priest and the Levite) are sterile unless translated effectively into reality (e.g., the Samaritan, Delorries Williams).

Despite the lack of the appropriate academic underpinnings, students will enjoy *Good Intentions*. As a Christian economist, I would love to see the good intentions of the authors taken completely "to the house." It would be wonderful to have a second edition of the book with a table of contents, complete footnotes (including reflections from the authors), detailed sources on all tables and figures, and a printed bibliography. The book's website is helpful, especially with the discussion questions and study guide, but the last "news" update is February 2008, and the last blog entry is September 2008.

Regardless, the counterintuitive thinking presented in the current edition adds to the growing body of engaging books that demonstrate how economics marches to a different drum ... and that economists have rhythm.

References

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