Book Reviews

Games in Economic Development

Bruce Wydick. 2008. Cambridge: Cambridge University Press. ISBN: 978–0–5216–8715–7, $33.99 (paper).

Reviewed by Christopher B. Barrett, Cornell University.

Economists have traditionally focused on technological change, human and physical capital accumulation, or both, as the engines of economic development. The economic models that underpin this canonical approach typically assume anonymous and costless transactions, perfect information, constant returns to scale, and thus unique dynamic equilibria. In this engaging new volume, Bruce Wydick offers a provocative alternative vision of economic development—e.g., that the principal differences between rich and poor communities originate in institutional heterogeneity that leads the former towards cooperative, high-return outcomes while burdening the poor with frequent coordination failures and Pareto inferior equilibria. His argument is not overtly radical; he merely aims to demonstrate how modern game theory can shed useful light on a wide range of phenomena that help explain persistent poverty. But the overall message is refreshingly provocative; in his view the constraints that trap so many people in grinding poverty are associated less with technological or material shortcomings than they are with human dysfunction. In a fallen world, people suffer unnecessarily. The institutional arrangements of society must serve as a check on the excesses of human self-interest if people are to enjoy and maintain higher standards of living.

This message merits attention. Wydick's argument starts with the premise that human interactions are the foundation of virtually all production, exchange, and consumption behaviors. Thus economists should use analytical tools designed for the study of human interaction: those of game theory. The core intellectual challenge of development economics is to explain why historically unprecedented plenty co-exists with abject poverty, often contemporaneously within the same communities or countries, and what interventions might help the poor majority attain the living standards of the fortunate minority. This challenge can be usefully conceptualized as a game with multiple equilibria in which low productivity, risky and costly exchange, and meager consumption are predictable outcomes when the rules of the game—defined by informal social norms, legal institutions, or both—do not guide people toward the high-level equilibria that predominate in high-income countries. Wydick

quite effectively presents a range of important economic phenomena—technology adoption, civil war, political corruption, access to credit and insurance, and natural resource degradation—through this lens.

The book begins with a chapter that develops Wydick's claim for the usefulness of game theory for understanding poverty and development problems. He makes the standard economic argument that incentives and expectations matter. But Wydick taps into a rich vein of recent research that highlights how social, psychological, and political considerations—not just material interests—shape those incentives. He also peeks into the black box of expectations, emphasizing the concept of strategic interdependence, that one's incentives are shaped by others' behaviors such that the rules that guide interactions—institutions in North's (1990) formulation—ultimately influence the human outcomes we observe. The feedback between micro-level behaviors and the macro- and meso-level institutions that both shape and are shaped by individual behaviors offers a powerful means of understanding why governments, markets, and communities are simultaneously weak in places characterized by widespread persistent poverty, a phenomenon Brent Swallow and I termed "fractal poverty traps" (Barrett & Swallow, 2006).

The second chapter, supplemented by a brief appendix at the book's end, introduces the structure and solution concepts of a few basic games—battle of the sexes, hawk-dove, prisoner's dilemma, stag hunt, trust—that become the workhorses of the subsequent, topical chapters. The material is highly engaging and accessible, a far cry from most game theory texts.

Chapters 3–12 then tackle a sequence of interesting economic phenomena, employing and extending the game theoretic concepts introduced in the book's first thirty-two pages. Chapter 3 talks about coordination games, both at the macro-scale, such as the "big push" theory commonly associated with Rosenstein-Rodan (1943) and much later formalized by Murphy, Schleifer, and Vishny (1989), in educational investments by individual families, and the matching of capital and labor, as in the well-known models of Kremer (1993) or Rodrik (1996). Chapter 4 focuses on rural development and natural resource degradation, drawing heavily on the work of political scientists Elinor Ostrom and Robert Wade and geographer Jared Diamond.

Chapters 5–7 turn to material that has long been standard fare in development microeconomics courses: risk management and informal insurance arrangements (Chapter 5), agrarian contracts guiding the allocation of land and labor in agricultural production (Chapter 6), and savings and credit arrangements in the presence of information

asymmetries (Chapter 7). Wydick quite effectively conveys the essence of the sophisticated—and often quite complex—formal models at the cutting edge of the scholarly literature with simple normal form games.

Chapters 8–12 then move into areas of considerable current scholarly activity, where economists have begun drawing heavily from cognate social science disciplines to study social learning and technology adoption (chapter 8), property rights, governance, and corruption (chapter 9), conflict and violence (chapter 10), social capital (chapter 11), and the political economy of trade and development (chapter 12). These chapters, along with chapter 4, impress the reader with Wydick's fluency in the methods and models of leading researchers from a range of disciplines. Even very experienced economists can learn a good deal from these chapters and the insights they bring from scholars whose work is less well known by mainstream economics researchers today.

The greatest virtue of this volume, besides its innovative and provocative perspective on development economics, is Wydick's wonderfully clear and entertaining prose. *Games in Economic Development* is a remarkably quick and engaging read for an applied game theory text. And even though it primarily employs analytical (rather than empirical) arguments to make the case for a game theoretic understanding of development challenges, the book relies only on basic algebra, which makes it quite manageable for undergraduates and non-technical readers. Wydick very effectively pushes intuition over mathematical formalism, attacking even complex topics—e.g., information cascades, neighborhood effects, multiple mixed strategy equilibria, the dynamics of evolutionary games—in a highly accessible manner. Even the sixteen page appendix relies only on algebra as it offers slightly more depth on the game solution concepts used in the games Wydick employs. By seamlessly integrating important arguments from political science, psychology, and sociology, Wydick underscores the fuzzy boundaries among the social sciences today and the multiple scales of analysis at which we witness the ubiquitous tension between human competition and cooperation. This volume could serve as a good text for undergraduate or master's level courses in development economics or even in applied game theory.

ACE members should take particular interest in *Games in Economic Development*. Wydick teaches at a Catholic institution, the University of San Francisco, is very open about his faith, and devotes a long section of chapter 11, on social capital, to an explicit discussion of the role religion plays in guiding human behavior and in economic development. At a still-deeper level, however, this book is ultimately about the complex

nature of human transgression and transcendence. With the right rules and motivations, we can check our sinful excesses and even serve the greater good; without good rules and norms, however, chaos and misery too often prevail.

As a matter of personal taste, the volume is thinner on empirical evidence and includes more examples from modern, wealthy societies than I would have liked for a text on economic development. The few exercises included at the book's end are lightly developed; they seem more an afterthought to help position the book as a course text than a carefully developed element to help students deepen their understanding of the core material. But these are mere quibbles. *Games in Economic Development* offers a lively, provocative and extremely thoughtful work that could helpfully transform the instruction of development economics. I highly recommend it.

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The Persistence of Poverty: Why the Economics of the Well-Off Can't Help the Poor

Charles Karelis. 2007. New Haven: Yale University Press. ISBN: 978–0–300–12090–5, $28.00.

Reviewed by Tim Essenburg, Bethel University (St. Paul, Minnesota).

Charles Karelis, a philosopher, asks why we observe poverty-prolonging and -worsening behavior in wealthy countries such as the United States, by many who are themselves poor. In the first six chapters he argues that microeconomic theory (the economics of the well-off) cannot (fully) help the poor because it always assumes diminishing marginal utility (DMU). The final two chapters cover the implications of his theory for public policy and economic justice. As such, *The Persistence of Poverty* will interest many readers of this journal for at least four interconnected reasons—its focus on poverty (one way we demonstrate our faith in God is by our concern for the poor), its emphasis on microeconomic theory, its policy suggestions, and its reflections on economic justice.

Central to Karelis' argument is the idea of DMU, itself intertwined with the intended readership, "generalists and specialists" (p. xiii). Therefore I begin here. Generalists are college-educated and lack graduate level training in economics. This audience likely will be more receptive to the argument. However, many economists (specialists) will raise a theoretical objection. Let me explain. Starting with Bentham, Karelis traces the evolution of utility theory through Gossen up to the marginalists, including Jevons and Marshall, who utilized some form of cardinal utility and argued that maximizing utility necessitates the "equimarginal allocation" of goods based on DMU (p. 53). Karelis understands that contemporary consumer theory uses convex indifference curves and budget constraints to explain utility maximization. This is acceptable. But he will lose economists when he states that DMU and convex indifference curves imply each other. Given that Karelis is a "generalist," the confusion is understandable. At least some college-level economics texts explain the convexity of indifference curves in terms of DMU.[1] Graduate microeconomic theory makes no reference to DMU because utility functions are assumed to be ordinal with convex preferences (Mas-Colell, Whinston, & Green, 1995; Varian, 1992). If one suspends graduate-level microeconomic theory for the sake of a "generalist" view (which includes the notion of DMU), Karelis has something worth considering. And so I will proceed with Karelis's notion of poverty.

Arguing that "people generally feel a need to participate in their society … a need that cannot be easily satisfied at resource levels far below the median," Karelis defines poverty as having "insufficient material resources to meet all basic needs," inclusive of physical and nonphysical needs, where needs are culturally determined at a specific point in time (pp. 3, 4). Given this understanding, "poverty is bound to be a source of unhappiness," but more importantly "poor people are [considered] unhappy *on balance*" (p. 5, emphasis in original). They are "miserable," living in a stressful condition and looking for "relief" from the "evil" of poverty (pp. 6, 67, 73). Following his definition of poverty, Karelis introduces five poverty-prolonging and -worsening behaviors that are divided into two categories: 1) work/income-related (not working much for little pay, not completing more years of school, misusing alcohol, and taking risks with the law) and consumption smoothing (not saving for the rainy days). Although careful to state that these behaviors are not unique to the poor, he argues that the poor disproportionately display these behaviors.[2] Karelis then asks why a rational poor person would choose to engage in these behaviors when doing otherwise presumably leads to relatively large gains in marginal utility. But first I will look at Karelis' review of current poverty theories.

According to Karelis, microeconomics explains poverty-prolonging and -worsening behaviors in terms of external barriers and/or internal dysfunctions. External barriers include opportunity constraints (e.g., insufficient employment opportunities), atypical preferences (e.g., "runners" and "footsoldiers" in a drug gang, Levitt and Venkatesh, 2000) and perverse incentives created by public policy (e.g., effective marginal income tax rates of TANF and EITC recipients). Though valid for some situations, Karelis finds them wanting for the general case of millions of poor people. This leaves the internal dysfunction explanation. Poor people must have a psychological dysfunction, such as apathy (e.g., indifference to work or education due to clinical depression), fragmented self (i.e., a person experiences alienation between the contemporary and future self and therefore does not engage in consumption-smoothing choices), and/or weakness of will power (i.e., what the Greeks termed "*akrasia*"). These, too, are considered and found helpful in some specific cases, but not as a general theory for the type of poverty under discussion. Unconvinced that external barriers and/or internal dysfunctions explain the general case, and appealing to the "metaprinciple of parsimony," Karelis introduces his own account, along with implications for public policy and economic justice (p. 46).

DMU and increasing marginal utility (IMU) are the foundations of the present theory. Karelis makes his case by referencing examples from

"common experience" and by use of a three-fold taxonomy of goods (p. 68). Pleaser goods always "cause positive experience[s]" and are characterized by DMU (p. 73). Reliever goods "reduce pain, unhappiness, or misery" (e.g., poverty), and are characterized by IMU. As an example of a reliever, Karelis offers bee stings. Bee stings bring pain, unhappiness, and misery. And importantly, the first sting brings the greatest pain and misery, with subsequent stings diminishing with respect to each other. This implies that "dabs of salve" (a reliever good) bring increasing marginal relief or benefit (p. 68). Finally, dual-citizenship goods are "relievers at low levels of consumption and pleasers at high levels of consumption" (p. 74). The most important examples of dual-citizenship goods that meet basic needs—and relieve the misery, unhappiness, and stress of poverty—are "food, shelter, clothing, transportation, leisure, and opportunities to take part in community life," where a culturally-determined sufficient level separates the reliever and pleaser ranges of these basic goods (p. 74).

The idea that poor people stand to gain the most from additional work/ income-related and consumption-smoothing behaviors is mistaken because it rests on a faulty assumption that the poor operate in the early range of pleaser goods alone, where marginal utility gains are large and decreasing. Karelis argues that the poor operate exclusively in the early range of the reliever goods. Here the poor accrue small gains in relief from marginal increases in work/income-related and savings behavior. This leads to the bold claim that "poor people engage disproportionately in the poverty-prolonging and poverty-worsening behaviors *because they are poor*—and rational" (p. 82, emphasis in original).

If Karelis is theoretically correct, what are the public policy implications? First, "poverty-causing conduct on the part of poor people is not self-limiting" (p. 132). The issue is not behavior per se, presumed to be rational, psychologically functional, and fundamentally without external constraints. The problem is the condition of poverty itself (misery, stress, unhappiness). Second, "relieving poverty can initiate a virtuous cycle" of increased work/income-related and savings behaviors, by moving poor people, via income transfers, from the reliever to the pleaser range of dual-citizenship goods (p. 133). Taking the case of work, Karelis states that because the poor are in the reliever range (IMU), the income and substitution effects from an increase in the wage rate (income transfers) will be complementary—higher pay results in more work (a political preference of the non-poor) and more income (desirable because it moves people away from poverty). A politically feasible policy change might be to increase EITC benefits. Similar analyses are made with respect to education, savings, and criminal behavior—desired behaviors will require

larger net marginal benefits than are currently available.

Karelis concludes with a chapter on economic justice, searching for a balance between "need-proportional justice and market-defined justice" (p. 162). Adopting a utilitarian framework, "which not everyone accepts as the highest moral principle," Karelis notes that the "practical upshot in the particular case of the United States is surely that the optimum balance … is closer to pure need-justice than is generally appreciated" (pp. xiv, 163). This is so because according to Karelis's theory of poverty, income transfers to the poor positively affect income-generation and savings behavior.

The chapters on poverty will pique the interest of many. Many of us have been asked "What can be done to reduce poverty?" Answers are motivated by various theories, themselves having (at least some) empirical validation. Christian economists, no less than others, are interested in "getting the theory right." My guess is most of us reference some form of an external constraint and/or an internal dysfunction framework to explain poverty. But what if other poverty cases (even the general case) are better explained by rational behavior in response to the misery of poverty? We have here a new (poverty wedded to IMU) "generalist" account of poverty-prolonging and -worsening behavior. Karelis' theory adds to my ability to make plausible sense of my unscientific observations arising from more than fifteen years living in a high-poverty neighborhood. By his own admission Karelis thinks empirical testing will prove challenging for at least two reasons: 1) poverty always implies "poverty in place *x* and time *y*," even within a particular country, and 2) the distinction between reliever and pleaser "depends partly on the psychology of the consumer" (pp. 9, 175, endnote 9).

Although no faith-based organization (FBO) examples are given, I surmise that Karelis would advise FBO's that offer services to lower-income households to see poverty as misery and desirable behaviors as a positive function of income in the pleaser range. Reducing poverty-prolonging and -worsening behavior, should this be a goal of FBO's, will likely shift the emphasis from quantity-based charity (number of individuals or families served) to quality-based development (families no longer exhibit poverty-prolonging or -worsening behaviors). Christians likely agree with Karelis in tying income transfers to work, not simply because "at least they are working" but also because work affords people greater opportunities to evidence their God-given creative capacities and stewardship responsibilities.

Unlike the poverty chapters, the chapter on economic justice, limited to a utilitarian framework, disappoints. A more fruitful discussion, based on Karelis's definition of poverty, might raise concerns for participative and contributive forms of social justice. Furthermore, with his emphasis on having income sufficient to participate more fully in society Karelis highlights the issue of income distribution, yet another topic of social justice to be considered.

The Persistence of Poverty offers a thought-provoking theory of poverty, itself highlighting the role of income distribution below the median, and a helpful tripartite taxonomy of goods. Although I am skeptical that we have here a general theory, I hope specialists give this generalist theory appropriate consideration.

Endnotes

1 Pindyck and Rubinfeld (2009, p. 96) explicitly and Kaufman and Hotchkiss (2006, p. 49) implicitly explain convex indifference curves in terms of DMU.

2 What is important to show is that the poor disproportionately engage in these behaviors. Few would argue that impoverished people, as a group, do work less for less pay, complete fewer years of education, and save less. More contentious is Karelis's assertion that poor people are more likely to misuse alcohol and take legal risks (see pp. 21–25). He notes that the poor have higher rates of binge drinking and smoking, both of which adversely affect earnings and/or increase health costs, thus adversely affecting net income. But his explanation regarding taking risks with the law is less persuasive.

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Being Consumed: Economics and Christian Desire

William T. Cavanaugh. 2008. Grand Rapids, MI: Eerdmans, ISBN 13: 978–0802845610, $12.00 (paper).

Reviewed by John Larrivee, Mount St. Mary's University.

On the way back from the hardware store, while buying grass seed and some bales of hay, I was scanning for a country station when I came across "You've Got to Fight for Your Right to Party" by the Beastie Boys. In it, the band captures the revolutionary sentiments of that repressed class, the unprecedentedly rich and indulged modern teenager, urging them to the barricades to assert, against their loving but domineering parents, that most basic right: to party. I am assuming they were not talking freedom of assembly to form representational political groups.

There it is. A generation so spoiled that the only thing they have to revolt over is parental disputes about hair length and drug use while at home, and so out of control of their own urges to consume that they want to fight for them. Perhaps William Cavanaugh is right: our market system has consumed us, reducing us to the status of animals living for consumption and blind to any higher purpose than our stomach (Phil. 3:19).

And then the song was over (thank Heaven) and I returned to my search. Passing over a Christian station, I got to a country one just in time to catch "Jesus Take the Wheel." This leads to the question: how is it that country music has managed to become popular with such songs, just megahertz away from Megadeth—that "out of the same [electronic] mouths come blessings and curses (James 3:10)?"

Cavanaugh would likely explain "Jesus Take the Wheel" as the market simply catering to a religious taste for music, a mass provision that relativizes the religious to the point of another personal preference. But this misses a critical dimension *by failing to consider where the "taste" came from and why it continues to exist in the richest, most market saturated country on earth*. The U.S. stands out in its religious practice. Why do so many people in America (in contrast to other countries both poor and developed, market and non-market, etc.) want to hear, write about, and worship Jesus even today? In not addressing this, Cavanaugh exemplifies an error common to the analysis of markets: failure to recognize successes in markets or failures in non-market systems hinders accurate assessment of the extent to which problems are due to capitalism, or to other—cultural, philosophical, or policy—factors. This also illustrates a more tragic point: how so many critics misdirect so much of their scarce time battling

markets when they could be so much more useful in building the kingdom of God by opposing the vastly more corrosive philosophies of nihilism and relativism.

Being Consumed is divided into four chapters: what constitutes true freedom in the market, attachment and detachment in consumption, globalization and the tension between the local and universal, and the Eucharist as an alternative model of consumption. Each raises good points from a Christian perspective challenging modern economic thinking. First, although by the term "free" economists typically mean "autonomous individuals free from state intervention," the Christian understanding of freedom (e.g., described by Augustine) is freedom to pursue the true ends to which one is called, being no longer the slave of one's own preferences. Second, Cavanaugh claims that we change goods so often that we have become detached from specific goods, but attached to the very process of stimulating desire. Third, he worries that globalization creates a distorted combination of universal and particular. Globalization simultaneously spreads some preferences everywhere (e.g., McDonalds) yet multicultural juxtaposition and rapid change imply that everything is relative, that there is no universal, even Jesus. This is contrary to the combination of Christ as particular yet universal and with people's need for particular communities and traditions in which to grow. The final section on the Eucharist describes how, unlike physical consumption in which we transform what we consume into our bodies, in consuming the Eucharist, we are transformed, taken into the body of Christ, and come to care about others in the body of Christ.

Alas, the book does not stop there. Unfortunately, from these helpful theological observations Cavanaugh draws weak or misleading connections to poorly understood economic phenomena (the usual uncritically examined litany of sweatshops, child labor, fair trade, worker satisfaction, advertising, the race to the bottom of environmental and labor standards, advertising, etc., and of course Wal-Mart), and to propose ineffective or unnecessary solutions to them. The problems are not with the theology, but with the combination of the inappropriate stretching of theological ideas to applications for which they were not intended, and (as arguments against straw men) mischaracterizations of the free market that are not needed for a Christian defense of the market system. In addition, the theology is then brought to service critiques of the market for cases in which the circumstances are either not as bad as described or not as supposed; moreover, this theology is used to support solutions unlikely to be effective. Furthermore, much of this misleading analysis is driven by a general hostility to markets combined with an overemphasis on the idea

that economic practice/action matters for the formation of the person, a good principle that becomes counterproductive when we fail to consider the limits of how much individual practices actually do matter in the circumstances, relative to other actions or the role of ideas.

Take his case of freedom. Cavanaugh asserts that people are not free even in "free markets" because firms manipulate preferences of customers with advertising, and exploit workers by offering low pay and poor working conditions. Nowhere does he engage actual evidence about the extent of either. For example, his case of GM as poster child for manipulative ad power is not exactly helped by the $40 billion it lost in 2007. Similarly, much consumption is neither for oneself nor connected with ads (e.g., the hay and grass I bought). Unexplored is the possibility that personal identity (e.g., as a child loved by God regardless of the brand of clothes, car, grass seed, or hay) may affect the efficacy of crass appeals to image. Similarly, people in communist countries, "freed" from advertising, were notoriously materialistic, while, as Arthur Brooks (2006) demonstrates in *Who Really Cares*, market friendly/government skeptical devout Christians in America, consuming a lot with their large incomes, nonetheless manage to give the most time and money in service to the needy and society.

The same inadequate consideration hinders his analysis of worker freedom in pay and working conditions. Greater efficiency of markets has freed most workers in developed countries from the oppressive conditions he describes, and is doing the same in other countries following that path. Yes, many egregious examples exist which can and ought to be stopped. But such statements as "The consumer's pursuit of low, low prices at Wal-Mart means low, low wages for the people in Asia who make the products we buy" (p. 94) ignore the reality that wages in those countries are driven more by low, low alternative opportunities and efficiency, than Wal-Mart's compensation. And it is particularly shocking to cite Asia as the example, given that Asian countries which pioneered the cheap labor strategy for entry into world markets (Hong Kong, Japan, etc.) ended with high, high wages, while communist governments in Asia killed 60–70 million to build worker paradises that never materialized (not to mention that they imprisoned millions more in actual slave labor camps). Only since abandoning such socialist and communist dreams to help labor have they begun to lift the masses out of poverty, including hundreds of millions of people in India and China alone. Nor does Cavanaugh recognize that Wal-Mart itself is likely reducing poverty in the world faster than any other single entity ever.

On the other hand, consider one of the practices he suggests to deal with the problems he mentions: getting to know producers with fair-

trade products and community-supported agriculture (CSA): "avoiding the middleman, they personalize the food" (p. 87). Apparently, what the middleman does is not personal or production. "In this encounter, the person is seen as another self and another Christ, the universal in the particular" (p. 87). CSA "sets prices to ensure a sustainable living for farmers, who are otherwise subjected to the vagaries of the market" (p. 87). As opposed to the vagaries of government policy or luck? And what of the middlemen grocers? Does their income matter? And if their income does, and everyone else's does, we are back to efficiency. And sure, getting to know your farmer and farm hands may be nice, but is this particular means of seeing the universal Christ really the best use of my efforts and scarce time? Why precisely will this teach Jesus as universal so much more effectively than an alternative like teaching Sunday school or running a Bible study? Why should this economic arrangement trump spreading the Gospel as the strategy for coming to know others, particularly those closest to us: as our families, friends, co-workers, church members, fellow volunteers, etc. or God himself?

Moreover, the understandable but idealistic drive to know producers also clashes with Cavanaugh's desire to reduce poverty: he fails to perceive the tension between poverty reduction and personal connection. Poverty reduction will only happen via efficiency increases, and in many cases these will require production scales sufficiently large that getting to know the producer is no longer feasible. And once one is forced to realize this impossibility, the excessive attachment unravels: if not feasible in some industries, then in which ones, or why at all? I will not have time to know everyone, so it would seem natural to focus on those God has placed most directly in my life and wait for heaven to get to know the rest. Otherwise, I will sacrifice those closest to me in a quixotic attempt to get to know others more distant. If for the gift mentality is critical to have a sense of God's gift to us, and I agree with Cavanaugh that it is, why is this so much more critical in our economic arrangements (where it is difficult and less natural) than in our families, churches, volunteer or social lives—all places in which the gift mentality would be vastly more apparent, natural, and easy to build up?

Cavanaugh's discussion of the Eucharist is undermined by his simplistic misrepresentation of scarcity and the invisible hand. According to Cavanaugh, the focus of economics on addressing scarcity appears to contrast with the abundance of the Eucharist. From there, Cavanaugh argues that faith in the invisible hand results in the presumption that via the market, my consumption will provide for the needs of others, thus I do not have to consider them.

Sorry, but scarcity is not an invention of economics. And the fact of scarcity in the material dimension in no way detracts from God's capacity materially or His abundant provision spiritually. A better interpretation may be that recognition of the inadequacy of the material world induces us to look to the spiritual?

Thus Cavanaugh's book presents a harmful series of misrepresentations, because it results in too great an emphasis on economic arrangements and underestimates the importance of spiritual needs and of religious values and ideas themselves as contributions. First, despite there being in a section on the Eucharist, by "needs" the Cavanaugh means only material needs, not spiritual needs such as coming to know God directly. As with the rest of the book and the writings of so many theologians today, Cavanaugh never engages how aggressive secularism, driven by anti-religious elites, might be a problem in hindering people from coming to know about God and His provision for the material and spiritual dimensions of our lives.

Second, of course believing "the market will care for others thus I do not have to" is bad, as is "the government will take care of others thus I do not have to." But then the problem is not the market, but an unreflecting confidence in any institution that undermines my concern and vigilance regarding the needs of others. On the other hand, rising productivity enables more people to better provide for themselves, thus meeting the concerns of subsidiarity and personal responsibility. The more market efficiency gains enable some of my brothers and sisters to earn a living on their own, the more I can focus my efforts on the material needs of those who remain, or the spiritual needs of all. If anything, Brooks's evidence indicates that overconfidence in government action is more problematic than overconfidence in the invisible hand. If so, perhaps encouragement of religious practice might be a more effective way of meeting needs, spiritual and material, than new economic arrangements; this is something a theologian could do especially well.

Ultimately, Cavanaugh appears to commit the very fallacy John Paul II warned was at the heart of the socialist error: placing excessive faith in economic relations alone to provide for material justice and meaning in the absence of a theological vision of what it means to be human. This theological grounding may be what Cavanaugh intends, but he fails to consider what happens as people no longer care for the theology. Benedict XVI gets at this by criticizing the current "dictatorship of relativism," which closes off public debate to theological input, consideration of spiritual needs, or the importance of a grounding of meaning. As more and more Christians (and others) absorb a secular framework for interpreting

the world and living their lives, this undermines their capacity to integrate a Christian worldview materially and spiritually.

In this way *Being Consumed* oddly twists John Paul's argument. It misapplies theological principles to argue for specific economic relations, without considering spiritual needs and without ever mentioning the extent to which the Gospel itself might be the most important part of the solution to the challenges of the modern economic order, and that this Gospel is under attack by non-economic forces. Besides not helping materially, the economic solutions Cavanaugh offers as applications of his theological interpretations will mean little if the faith behind those theological principles is eroded by aggressive secularism. In what way does community supported agriculture in a no-longer-believing Europe help its participants to see the universal Christ or see others as members of His body? Sadly, many theologians seem to be spending more time on the economics than on defending the Gospel from these philosophical threats.

Why does this happen? Because many believe the economy to be a bigger problem than secularism. *Being Consumed* demonstrates this quite well. It is no wonder that a person so captivated by idealistic notions of seemingly wholesome (but ineffective) economic relations, so unaware of successes in markets and failures in other systems, so excessively negative about current circumstances, might think the economy is the biggest problem today.

This is precisely the error Nobel laureate Robert Fogel was getting at when he wrote (for the U.S. now, but with more general lessons in mind) "failure to recognize the enormous material gains of the last century, even for the poor, impedes rather than advances the struggle in rich nations against chronic poverty, whose principal characteristic is the spiritual estrangement from the mainstream society of those so afflicted" (Fogel, 2000, p. 3). Contrast theologian Cavanaugh's assessment of the economy and society and his suggestions with Fogel's recommendations. Fogel, the economist, argues that the greatest needs for people today are for the principles and values of religious groups, not alternative economic arrangements: "The most serious threats to egalitarian progress—certainly, the most intractable forms of poverty—are related to the unequal distribution of spiritual (immaterial) resources" (p. 3). Fogel worries that the focus on unfairness in the material dimension and the economy is not only misplaced, it fosters the very consumerism Cavanaugh criticizes by emphasizing only material well-being to the exclusion of considering how virtues and philosophical ideas themselves matter. Blaming the economic

order without sufficient attention to the spiritual dimension will "promote consumerism [but] will solve neither the problem of spiritual deprivation nor the profound alienation of neglected youths" (p. 3).

This is where Christian economists can make such a big difference today. I believe that quantifying the extent to which markets are materially just and affect the social/cultural/spiritual order will help us to realize that philosophical trends, not markets, are the biggest enemy we face today. Perhaps this will free up many people better trained for that battle to reallocate scarce resources to a more appropriate mix of economic *and* philosophical criticism.

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Human Goods, Economic Evils: A Moral Approach to the Dismal Science

Edward Hadas. 2007. Wilmington, DE: ISI Press. ISBN: 1–933859–27–X, $22.00 (paper).

Reviewed by Roger D. Johnson, Messiah College.

There are numerous books offering insights into the normative dimension of economics, but they tend to approach the issue by identifying specific and often seemingly isolated points of intersection between morality and economic policy. This book is uniquely ambitious in that it attempts a ground-up rebuilding of economics from an explicitly normative and pre-modernist foundation. Economists weaned on the presumptive dichotomy between positive and normative economic analysis will naturally reject the entire project as inherently flawed from its inception. Nevertheless, there are significant rewards in this text for readers open to expanding their understanding of the normative dimensions of economic analysis and policy. It may even inspire some individuals to explore the considerable wealth of Catholic social teaching as it has been applied to the field of economics. Those who press on to read this work in its entirety will be challenged at one point or another to re-evaluate some of their foundational suppositions, even if they remain unswayed by the author's efforts.

I admittedly began my reading of the book with a guarded optimism, hoping that Hadas would be successful, but at the same time aware that the very loftiness of his agenda almost guaranteed that it would fall short and disappoint even the most sympathetic reader. After systematically laying out the basis for his criticisms of the prevailing economic orthodoxy and the basis for constructing a normative framework, the book does in fact ultimately seem to falter when it comes to delivering a cogent and methodologically workable framework. The derived arguments and principles lose their cohesiveness at the precise point where one hoped that some concrete, real world applications would be developed. Readers unfamiliar with Catholic social teaching, moreover, will likely find themselves suddenly thrust into unfamiliar waters with little preparation or documentary support to help orient them to this theological tradition. Despite these flaws, Hadas does push the envelope in his attempt to provide an internally coherent and comprehensive normative framework that goes beyond the implicitly individualistic and materialist approach that he attributes to economic orthodoxy.

The preface to the book is worth reading as it gives a good sense of what motivates the author to attempt to undo what he sees as the modernist agenda of segmenting morality and economic analysis. The articulated aim of the book is “to combine economics with philosophy and theology” (p. xvii). Along the way insights are also drawn from the field of sociology. What appears between the lines is a lament that economists have lost the pre-modernist vision of studying economics for the purpose of improving human welfare, and have sunk to the level of studying economics out of pure intellectual curiosity and/or for the purpose of pursuing individual success in a market economy. Prompted and guided by Catholic social teaching, Hadas proceeds to argue for the need to reshape the framework of economic analysis to “center on two aspects of the human condition: labor and consumption” (p. xvii). Explaining the rationale for this is the agenda of the first seven chapters of the book.

The first three chapters, while noting some strengths and insights of the existing orthodoxy, constitute an assault upon the materialist “reductionism” which he perceives to be inherent in both orthodox and Marxist methodologies (pp. 15–16). Given the author’s admitted limited training in economics, there are some inevitable distortions or misrepresentations that occur in terms of the relationship between utilitarianism and modern economic methodology. A more cogent, extensive, and less rhetorically strident presentation of many of these criticisms can be found in Hausman and McPherson (2006). Hadas goes beyond Hausman and McPherson, however, specifically attributing these failures to a modernist “flawed anthropological construct of human nature” (p. 17), and then proceeds in Chapter 4 to ferret out the broader intellectual and sociological implications of this flaw. Drawing upon observed conflicts, which he attributes to the modernist’s approach, he then identifies in Chapters 5 through 8 some correctives that can be derived from elements of pre-modern approaches. Hadas recognizes some inherent problems even within these pre-modern approaches, and identifies those elements in this tradition which need to be modernized or supplanted in order to effectively reconstitute a morally based approach to economics. Beginning with a revised articulation of the relevant dimensions of human nature, he proceeds to examine the following areas: a) economic methodology, b) the essential subject matter of economics, and c) the concept of the “economic good” or end toward which society strives.

The author introduces Chapters 9 and 10 on “economic goods” with the observation that they constitute the “intellectual center” of his work. In these chapters Hadas explicitly draws upon Catholic social thought to lay out a hierarchy of “economic goods.” The structure of his argument

is founded upon establishing a dichotomy between the external goods (ends) outlined in Chapter 9, versus the internal goods (means) outlined in Chapter 10. His list of external goods, in descending order of importance, is as follows: 1) life, 2) health, 3) freedom, 4) community, 5) beauty, and 6) comfort. The central premise of these chapters is that existing economic methodology has effectively inverted the legitimate ordering to focus on "means" at the expense of the "good." He thus cogently notes that "[Economic] Efficiency is always an instrumental good, so its value depends entirely upon the final good that is being served" (p. 153). Chapters 11 and 12 then parallel the previous two chapters by developing the concepts of "internal and external economic evils," suggesting again that existing methodology has subverted and distorted our understanding of "evil." Admitting that the ordering of "evils" is more difficult to maintain, Hadas tellingly observes that both modern liberals and conservatives have underestimated the power of "economic evils" (pp. 164–165).

For readers not steeped in the Catholic tradition, Chapters 9 through 12 present a considerable hurdle as they may constantly struggle to reconstruct on their own the particular supporting rationales. Unfortunately, many of the rationales are neither well documented within the body of the text, nor fully developed. The desire to streamline the analysis may have played a part in constructing these chapters, but this constitutes a significant problem even for those who might find themselves willing to intuitively accept the offered hierarchies. Having been forewarned, these readers might consider familiarizing themselves with this tradition prior to their reading of Hadas. There are a large number of useful primers, and Long (2000) is an example of one such potential resource that provides a sense of the historical dimension of Catholic theological dialogue. Individuals familiar with the long historical evolution of Catholic tradition will feel quite comfortable with this discussion, however much they might quibble about some of the particulars, or the failure to integrate important supporting documentation.

The next four chapters then successively explore the application of the concepts of economic goods and evils to the previously delineated areas of human labor and then consumption. Chapter 14 discusses the sociological and psychological dimensions of human labor, followed by a chapter on the typology of labor. The next two chapters on consumption follow the same pattern. Unfortunately these four chapters seem to only reiterate his prior arguments rather than significantly advance his agenda. The subject matter of the final chapter is then posed as a question: "What Should We Talk about Now?"

As noted previously, this final section is the point at which the book

falters in delivering on its stated agenda. The arguments simply become too convoluted and difficult to follow as it falls back into the pre-modern/sociological framework without directly connecting to the mode of argument employed in modern economics. The overall analysis is also hindered by seemingly random and isolated switches throughout the text between the uses of "classical liberal" vs. "orthodox economics" to describe the author's intended foil. This project could have been brought to a more successful closure if the author had specifically structured this final section in a manner that interfaced with the type of arguments put forward in basic principles of economics texts. As is true for all academic disciplines, introductory level texts frequently provide the point at which academicians attempt, often surreptitiously, to inculcate into students their own particular disciplinary values and world view. In response to the question posed by the title to the last chapter, my perception is that this would have been a far more successful work if Hadas had taken this alternative tack rather than pressing on within the constraints imposed by his own methodology. Despite its shortcomings, *Human Goods, Economic Evils* is a valuable read if for no other reason than for the challenge it offers to conventional economics and its presumed objectivity.

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Hope in Troubled Times: A New Vision for Confronting Global Crisis
Goudzwaard, Bob, Mark Vander Vennen, and David Van Heemst. 2007. Grand Rapids, MI: Baker Academics. ISBN: 978–0–8010–32480–6, $19.99 (paper).

Reviewed by Adel S. Abadeer, Calvin College.

Hope in Troubled Times makes a great contribution towards an understanding of the embedded roots of ideologies that have immense destructive capability, even in the twenty-first century. This book provides remarkable surveys of modern ideologies in terms of their attributes, stages, devastating outcomes, and built-in demise. The authors survey examples of ideologies such as Communism, the French Revolution, Nazism, and Apartheid. The authors then discuss current ideological trends related to identities (e.g., Islamism and Zionism) and those related to economic prosperity and security. They also examine international relations to see if they display aspects of violence from economic, financial, and political perspectives.

The book is divided into four parts: setting the stage, contemporary ideologies in action, ominous spirals, and hope awakening life. The authors criticize the existing modes and methods of intervention as one of the contributing factors to the perpetuation of problems. Thus, they emphasize the need to explore new forms of intervention that truly address the root causes of these problems instead of treating their symptoms with policies. In the foreword, Nobel Laureate Desmond Tutu shares the hope of the authors, a hope rooted in Gods' justice, forgiveness, mercy, and love: "If Apartheid can fall in South Africa, then ideologies of identity, materialism, and security can end too" (p. 11).

In the first part of the book, The authors discuss the existing persistent problems of global poverty, worsening environmental destruction, rising national and global insecurity, the unpredictability and volatility of financial markets, and the failure of existing policies and interventions to solve them. They underscore the notion that in the pursuit of goals such as prosperity, cultural identity, and protection, regardless of their costs, society becomes obsessed by these ends. Such "means to the end" start to function as idols or gods. The authors provide a remarkable analysis of the elements and stages of ideologies and the relative vulnerability of people and societies to fall into worshiping these human-made gods and idols, in which enemies of the ideologies are sacrificed, not because they represent evil, but because they oppose the overreaching end of the ideology. The

authors also discuss how legitimate goals such as the survival of cultural identity, the pursuit of material wealth, and security against outside attacks can turn into ideologies. They also highlight the changing nature of idols from historically static objects into dynamic contemporary idols, such as technology. As modern societies expect technology to supply more luxury and prosperity, they put technology on a pedestal, as if technology possesses a life of its own to end disease, poverty, war, and suffering. The authors review six phases of full-fledged ideologies: the conviction that a radical change is required; the reorientation of society according to the fundamental pattern of the end (the end justifies the means); the reconstruction of a new society to align with the all-encompassing objectives; the domination of the means by coercing their users to participate; the terrorization of the newly idolized ideology—e.g., concentration camps and mass deportation for Nazism and the gulag for Communism; and finally, the dissolution of the idol, where the goals of the ideology conflict with reality to the extent that its defenders cannot prevent its demise.

The second part of the book (chapters 4 to 6) highlights three types of ideologies: first, ideologies that are deeply embedded in identities and accompanied with religious elements, such as the Afrikaners' Apartheid ideology in South Africa, the emerging features of Islamism ideology to revive the Islamic identity and protect it against the Western modern secularization, and the Islamism-Zionism ideological conflict in the Middle East, in which the Jews seek to preserve their country, and the Islamists seek nothing less than an Islamic Palestine and the elimination of the state of Israel. Second, there are ideologies embedded in the pursuit of material progress and prosperity, accompanied with the rise of socioeconomic paradoxes such as the persistent presence of poverty in rich countries, increasing stress and burnout due to time pressure, and environmental destruction. The authors do a remarkable job in explaining the tension between dynamism and preservation. "Inevitably, in a world where society crowns dynamism king and compels people, the environment, and culture to adjust solely in the direction dictated by dynamism, paradoxes emerge" (p. 91). The authors describe how societies can elevate good institutions, such as markets, into artificial saviors, where freedom becomes freedom to act in one's own interest, still within laws and contracts, regardless of the harm done to others. Instead of societies controlling markets, markets now control societies and politicians. And thirdly, there are ideologies related to guaranteed security and freedom, referring to excessive militarization, even after the end of the Cold War, and replacing international laws with the law of self-protection at any price. Countries are compelled to develop

and advance their weapons so that the progress of weapon technology determines the strategy. The authors use examples of the current military interventions in Iraq and Afghanistan, in which the weapons used by and against U.S. troops are mostly U.S. produced, and are used by people whom the U.S. supported in earlier military conflicts (e.g., Saddam Hussein and Osama Bin Laden). These ideologies, according to the authors, are still active in our world, where the means become independent of the ends, reaching the status of gods, and are capable of much destruction.

The third part of the book highlights escalations in the resource, financial, and moral vulnerabilities that accompany contemporary ideologies. This section addresses how globalization sets the stage for the formation and progression of ideologies, and the byproducts of globalization that negatively affect environment and culture. The authors share their doubts about the validity of applying money, markets, and improved technologies—the gods of Western progress—to solve these global problems, highlighting how increasing material progress in the West acts as a parasite on the growth possibilities of other nations and people, and serves a primary cause of the vulnerability of the world's environment. In addition, Western material growth contributes to the erosion of cultural diversity, where people belonging to minority cultures can become deeply wounded by the malice or oppression foisted on them by a dominant culture. Such wounds can cause them to transform the preservation of their identity into an absolute end.

The authors do a remarkable job of illustrating the intertwined influence of military, political, financial, economic, and cultural powers, using clear examples of the webs of influence and interactions among these powers to serve the interest of an ideology. Vicious cycles of impoverishment demonstrate the dire position of poor countries, given their debt problem and externally imposed adjustment programs.

The last part of the book focuses on sources of hope for a future that is free of ideologies and false gods, emphasizing the active presence of the Spirit of God as a comforter, advocate, defender of all innocent victims, and destroyer of every persecution. The authors utilize Biblical symbols to illustrate this hope, such as the cross and the morning star. The authors suggest three guidelines: to widen one's view and scan the whole horizon, not just a part of it; to deal with the roots of problems rather than their symptoms; and to ensure mutual benefits of growth, instead of some (rich) countries gaining at the expense of others (poor countries). They also highlight the vision of building an economic life in which economies (rich and poor) should be able to grow and flourish

together as trees in one garden, where rich countries create space for poor ones to grow while maintaining their specific cultures, and minimizing environmental degradation and other negative byproducts. Moreover, the authors recommend the reclamation of the Biblical meaning of peace and justice, the application of the year of Jubilee, the use of non-governmental organizations and other peaceful means to defuse tension and conflict, and the reallocation of inflated defense budgets towards non-military security tools to defeat the ideology of guaranteed freedom.

In general, the authors offer a commendable analysis of roots, elements, and outcomes of destructive ideologies that should be considered in planning for proper interventions against ideologically related problems that challenge the world. Nevertheless, some questions and observations demand feedback and counter arguments.

First, the authors evaluate markets, technology, and globalizations against normative standards that mostly serve to highlight their shortcomings. Their normative recommendations fall short of being explicit as to how to apply them in a world that is still fallen, where government and corporate corruptions, rent seeking, moral hazard, and opportunistic behaviors are embedded in everyday life, which may distort the utopian economic life proposed by the authors. In addition, the authors' recommendations generally lack needed economic (cost-benefit) analysis, instead leaning heavily on the normative side. Fallen practices will have their place on earth until the fulfillment of God's promise and the total defeat of evil. The acknowledgement of progress should not be ignored for the sake of highlighting persistent problems or ideologies. These problems do not invalidate the concepts of democracy, market capitalism, and freedom. The problems described in the book are mostly byproducts of unregulated and undetected human fallen behaviors and tendencies, as mentioned above. The authors' own recommendations are not immune to these tendencies and practices in a fallen world.

Second, the authors do not provide a much-needed analysis of the sub-Saharan African region that is associated with several internal and regional conflicts (including wars and genocides), social fractionalization, and government corruption. Further studies of internal institutional corruptions and failures (Fafchamps, 2004; North, 2000; Platteau, 1994), and the typical misuse and appropriation of foreign aid by corrupt governments in many of these countries, are required to examine and treat the roots of their problems, instead of treating the symptoms.

Third, the authors overlook the major ongoing improvement of the state of living for billions of people, especially the poor, according to reliable economic and social indicators, such lower illiteracy, longer life expectancy, lower child mortality, longer schooling years, eradication of many diseases, more freedom, and the empowerment of women. These are examples of direct outcomes or byproducts of free markets, democracy, economic prosperity, and globalization (United Nations, 2008), and embedded hopes and optimism associated with them (Bhagwati, 2004; Sachs, 2005). The two most populous countries in the world, India and China, are showing promising signs of growth, inclusion in global markets, and absence of the cultural or moral vulnerabilities and conflicts. More poor countries are following their examples.

Reformed Christian thought accepts the reduction, rather than complete eradication, of the evil of poverty, ideologies, and violence, as a measure of success in a world with built-in vulnerabilities that penetrate all spheres, after the fall. Moreover, in a fallen world, international interventions—e.g., the World Bank and the International Monetary Fund—are not immune from negative side effects, which should not invalidate their good primary effects. The evaluation of the policies of these international agencies should be based on a thorough cost-benefit analysis.

Fourth, the authors offer a typical Eurocentric perspective based on problems and ideologies of the West, overlooking ideologies in other parts of the world, especially in the Islamic world and sub-Saharan Africa, which in turn, is likely to yield partial recommendations, at best. The authors do not address the stubbornness of embedded internal cultural, social, and religious instruments, especially in collectivist problem-ridden societies, such as some Islamic and sub-Saharan African countries.

Lastly, the authors tend to treat certain ideologies and conflicts, such as Islamism and the Palestinian-Israeli conflict, as politically sensitive issues that should be approached with immense caution. In contrast, they seem more comfortable in criticizing the West, especially U.S. perspectives, responses, and interventions. This unfortunate imbalance does not help the cause of deciphering ideologies—e.g., Islamism, and the Islamist-Zionist conflict—and the authors' hope of freeing the world from existing ideologies. A comprehensive analysis should evaluate all valid claims, including the claims of embedded violence in both Islamism and Islam, to reach a better and genuine understanding, and to avoid reducing ideologies to just extreme fronts, such as Al Qa'ida or Hamas.

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Religious Perspectives on Business Ethics—An Anthology

Thomas O'Brien and Scott Paeth, eds. 2006. Lanham, MD: Rowman & Littlefield. ISBN: 978–0–7425–5011–7, $36.95 (paper).

Reviewed by Carter Crockett, Business Consultant.

The editors of this anthology state that this book "has its genesis in the struggle of professors at DePaul University to find suitable textbooks that bridge the divide between the fields of religious studies and business ethics." It will be instructive for those interested in this anthology to be aware of the origin of this project. The struggle that O'Brien and Paeth compiled this anthology to address is that of teaching undergraduate business ethics courses within the religious studies department of a Catholic institution of higher education. The solution that this anthology has been crafted to address has been tested, and found largely to fit the needs of institutions like DePaul University. As such, this text will likely be deemed appropriate for others insofar as their struggles resemble the struggles of these professors in this context.

This volume is "the first in a series on the topic of business ethics from a religious perspective," and is partially justified by the growth and influence of the field of business ethics. Since the early 1970's, business ethics has emerged as a scholarly field in its own right. The rapid growth of this field has been fueled by corporate scandals, a seemingly expanded array of competing interests affecting or affected by business, and the rising societal expectations placed upon business institutions in recent years. Prominent textbooks written to meet the needs of this new field have done so by highlighting these various issues and illustrating them using contemporary business case studies. The authors are motivated to supplement what they see as lacking in these texts.

The authors describe three distinct fields which converge in the standard business ethics classroom: business ethics, philosophy, and religion. Added to this challenge is their assessment that the average undergraduate student has limited understanding or experience in any of these fields, requiring instructors to rush through an excessive amount of information. As a former professor of business ethics for undergraduate students, I feel the editors of this volume have accurately described the multi-disciplinary challenge of teaching business ethics.

The authors of prominent business ethics texts often concede this multi-disciplinary challenge by focusing extensively on one of these fields: the applied realm of business ethics. The perceived wisdom has it that the cardinal sin in teaching business ethics is to provide theoretical

abstractions shorn of practical application and the authors of these texts know that the safest way to avoid this pitfall is to avoid dwelling on abstract philosophical matters and the controversy of religious views. As such, the prominent moral philosophies, theologies and philosophers are typically introduced briefly (if at all) in these texts before proceeding to a primary focus on the diverse array of business issues and applied ethics cases. As with O'Brien and Paeth, for years I found it necessary to supplement the content of these texts in order to provide the philosophical and religious perspectives they largely omit. Unlike O'Brien and Paeth, the vast majority of the complementary readings that I have introduced are in the field of moral philosophy. Partially, this is because the non-denominational liberal arts Christian college where I taught intends that such a course place an emphasis on philosophical perspectives. Still, these editors have put their finger on a real and pressing challenge facing business ethics teaching.

It seems to me that an excellent anthology is meant to do one or more of the following: offer a broad collection of diverse perspectives on a topic; provide a survey of quality, seminal work on a topic that will efficiently introduce the uninitiated; or offer common writing on a specific theme that extends the general topic in a particular direction. The authors make it clear this last objective is their chief concern, as they explicitly attempt to extend our understanding of the general field of business ethics in order to accommodate a religious dimension. As such, they assume the readers of this volume have pre-existing resources for understanding these three fields and are thus equipped to extend their foundational knowledge.

O'Brien and Paeth acknowledge the difficulty of using such a lens for viewing a business context that is commonly deemed secular. They also note that it is difficult to find business ethics scholarship written from a religious perspective. Still, I believe the authors underestimated (or ignored) some inherent challenges to their project. There are so many different (and oft-conflicting) religious perspectives; how could any one anthology adequately capture the chief claims of each? In a field that demands practical guidance, how could an anthology demonstrate the applicability or importance of religious tenets? This project seems to have resolved the first of these questions by focusing primarily on the Catholic Christian perspective, and the second question seems largely resolved by assuming their readers are already convinced of the relevance of their faith and will largely discern for themselves the best way to operationalize personal beliefs. I am not certain they have chosen the best basis on which to proceed.

The eighteen chapters (scholarly articles) featured in this anthology are divided into three distinct parts, each one meant to address one of

the three fields described above. Most of the first group of chapters offer views from various camps of normative philosophy (from Kantian deontology to Aristotelian virtue) written by business ethics scholars sympathetic to the relevance of a religious dimension. The second group of chapters is an eclectic bunch that seems intent on defending the value of Christian marketplace activity and introducing the conceptual strength of Confucianism, Zen Buddism, or a particular philosopher (Alasdair MacIntyre). The third group of chapters features a number of the common issues found in business ethics textbooks (e.g., sweatshops; environmentalism) as seen through the lens of various Christian and Catholic traditions (except one article which employs Judaism) and concepts the authors deem largely compatible with these traditions (e.g., covenant, community, accountability). The authors ambitiously set out to create an anthology that would help professors teach a business ethics course from a religious perspective. The difficulty of their task is revealed in that only about a third of the articles in their collection begin from such a perspective; the majority make their point by beginning with secular concepts and philosophies that admit some kinship with those featured in Christian traditions.

To the extent that efficient navigation is a primary virtue of any anthology, the authors have done a wonderful job. Perhaps one of my favorite features of this anthology is a brief article written by the authors titled "Using this Book in a Classroom Setting." In it, professors like myself are provided two tables that can helpfully facilitate navigating this 348-page volume for particular criteria including issue, idea, author, and chapter title. Paeth has also written some introductory material in order to help contextualize the discussion of business ethics and the place of religion in relation to it. Here the authors' bias toward Roman Catholicism is apparent in claims such as "perhaps the most influential statement on the relationship of religion to business ethics in the past twenty-five years has been the U.S. Catholic bishops pastoral letter, *Economic Justice for All*" (p. 26), an affirmation some Christians would challenge as parochial on theological and geographical terms. Still, this bias is less obvious in the selected chapters of this anthology than in the words of its editors. One of the chief contributions which the authors make to every article is in the form of an introductory abstract at the beginning and helpful discussion questions at the end. Since the average business ethics instructor is not likely to utilize all of the articles featured in this volume, these navigational and pedagogical aids should help instructors immensely in finding the most relevant material.

Unfortunately, I feel this work could have been improved in some

significant ways. This is partially explained by the first two of my stated criteria for an excellent anthology: the first regarding breadth and the second regarding the quality of the articles featured. There is already a fairly recent anthology, *On Moral Business* (Stackhouse, McCann, Roels, & Williams, 1995), available for professors seeking to apply faith to the ethics of the marketplace. *On Moral Business* has a bias toward a broad view of Christianity, yet thankfully the reader is informed explicitly of this on the cover. More importantly, *On Moral Business* offers breadth in the form of a wide range of philosophical and religious perspectives. It also goes quite a bit further in providing the reader with quality in the form of collected articles, many of which are seminal position papers that have stood the test of time. For most undergraduate professors seeking to infuse business ethics with a spiritual dimension, it seems this larger anthology will remain the standard.

In the type of anthology attempted here, I believe editorial bias should be either accepted or minimized, and more could be done toward the relevant application of material. If this is truly the first volume in a series, I believe O'Brien and Paeth should have positioned this as an anthology for the Catholic tradition they know best, and thus proceeded to more adequately serve the significant number of Catholic institutions that have for over thirty years been on the forefront of the emerging field of business ethics. Unfortunately, it is all too easy to perceive this volume as making a case for Catholic social ideas while proposing to do something much grander: adding a religious dimension to the study of business ethics. Subsequent volumes could attempt to do justice to other religious traditions (though less documented and accessible at present), written by their own adherents. There may well be scope at the end of such a series to provide a compelling anthology of seminal works from a diverse array of religious perspectives. An anthology on the rich frameworks of moral philosophy should also be compiled, and this may even provide the intellectual (yet secular) link for admitting a spiritual dimension in business. Finally, case studies and related writing could be another tool that these editors, and this series, could provide if they truly wanted to help professors bridge the gap between theory and practice, and theology and action.

Having taught business ethics at a Christian liberal arts institution, I can readily attest to the struggle these editors have described, and the need to ensure that spiritual or religious dimensions are represented in the discussion of business morality. As such, I believe there are valuable resources in this anthology I may use in future classes. However, I feel that in the present volume, too much breadth was sacrificed for the sake of

the editors' particular context and tradition, too few of the best available articles are represented, and too little was done to aid professors in making theology as practical as business. O'Brien and Paeth successfully highlight the challenge of teaching business ethics courses, but many of us will continue to find it necessary to address these challenges with different form and content than that provided here.

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