Market Complicity and Christian Ethics

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Market complicity is an issue of such importance in our society today that Jay Leno even jokes about it: “The Chinese Premier visited an American auto plant today and was shocked. He had never seen adults working in a factory before.” (No, it’s not very funny. Don’t write me to complain—write Leno.) But seriously, what obligations do we have as Christian consumers to abused workers who make our clothes and our electronic gadgets? Was Steve Jobs a hero for designing revolutionary communication devices, or a villain for having them made at the notorious Foxconn compound in China? Would the Catholic bishops be guilty of sin if they bought insurance covering contraception for their employees?

Rev. Prof. Albino Barrera, O.P., takes a hard line on this issue in this book. Market transactions, our purchases of consumer goods in particular, make us complicit in any and all harm that comes to anybody as part of the production process. This includes “hard complicity,” deliberate harm caused in the production process involving inhumane treatment of workers, fraud, deceptive marketing practices, and the like. It also includes “soft complicity,” involving both real and pecuniary externalities that arise as a result of the production process.

The author is a fully qualified economist as well as a theologian, so he is well aware of the objections that economists might raise. Consumers do not intend these harms. No single consumer can end them by refusing to buy. Consumers often lack the information needed to evaluate these harms and assess the alternatives. Barrera responds to this in several ways. He takes a rather hard line on the issue of consumer sovereignty, insisting that even when causation is over-determined, and the harm is accumulative, nevertheless each and every consumer is responsible. He employs the Kantian categorical imperative to argue that we cannot escape responsibility if our behavior would be harmful were many people to follow the same pattern. He points to historical examples of economic boycotts, protests, and sanctions that have had positive results, and singles out for approval the Fair Trade movement and the ethical investing movement.

I say Barrera takes a hard line, and he is aware of that, but he believes it is part of the Christian call to holiness. He writes, “Since Christian ethics has a much ‘thicker’ and stricter notion of the good than secular philosophy, we expect it to proscribe a much broader range of economic activities as morally unacceptable” (p. 115). But then, this is a man who
believes that “parents are responsible for their teenagers’ misdeeds” (p. 140).

Barrera believes that this strict standard should not frighten us, however. He writes, “We can afford a much lower bar (compared with law) for the attribution of moral responsibility or liability in Christian ethics because its enforcement is not as intrusive, as punitive, or as publicly ruinous as legal judgments often are” (p. 91). He could be referring here to God’s generous grace in forgiving our sins and shortcomings. We Protestants often have trouble letting go of our guilt, even with the assurance of God’s mercy. But here the author also raises old stereotypes of Catholic practices of penance.

As a Catholic theologian, Barrera casts his argument by beginning with natural law principles, material from conventional social ethics, and jurisprudence. Part I of the book uses these ideas to argue that indirect effects of economic behavior mediated through the market are nevertheless enough to establish moral guilt. We are not absolved by the fact that ones personal contribution to the problems is miniscule, and depends on many other people behaving the same way. However, he recognizes that the degree of guilt is correlated to the degree of responsibility for the harm done.

In Part II, the author distinguishes different types of complicity. Hard complicity involves enabling and benefiting from wrong actions, or participating in markets that create gratuitous harms. Soft complicity involves externalities that result from our economic choices. These can include real externalities like pollution, or pecuniary externalities, such as the harm that can come to some parties from changing prices. So yes, those of us with foreign cars are guilty of creating unemployment in Detroit. The difference is that with hard complicity, our responsibility is to try to end the offending practices. With soft complicity, we only need to mitigate the harm.

Chapter 9 fits these moral propositions into a theological framework based on God’s attributes of justice, righteousness, and love, and the power, freedom, and responsibility given to humans. In this chapter the author addresses biblical material concerning social ethics, and official church teachings, Protestant and Catholic, concerning the economy. His treatment of the biblical material is quite interesting. He points to a “zero-sum” mentality of scarcity as the foundation for the Bible’s apparent hostility toward wealth. In his view, the Bible means to overturn a system in which the wealthy class used their almsgiving as a way of maintaining their power in society and their control over the lives of the poor.

It is in this penultimate chapter, after much rather dry argument, that we glimpse the motivation of the book. The author writes,

Dialogical theories of responsibility prevent us from
using spatial or temporal distance as an excuse to walk away from our duties to one another. We care for the people with whom we exchange in this grand division of labor, even if we do not see them, or know them, or are far away from them. We do not treat them merely as trading partners or as suppliers or as potential customers; rather, we treat them as persons (p. 238).

This should have been an introduction to the work, rather than its conclusion. Chapter 10 summarizes the book.

As a Calvinist, I am also inclined to see evil everywhere I look. The only way to separate ourselves completely from a kind of passive complicity with evil is to live in a monastery, and that’s not part of our tradition. Even that will not help the evil that is within us all. But I do not believe I am responsible for questionable decisions made by business managers in companies I deal with. I think it is too easy to use “market forces” and “consumer sovereignty” as excuses for managers who make bad choices. They usually have enough market power to do the right things and charge the appropriate prices. Though Barrera is not writing a book on business ethics, these issues should have a place in a study of market complicity.

The author uses the ideas of bounded rationality and network externalities to argue that moral responsibility can become the economy’s default position if enough consumers are aware of these issues and shape their choices accordingly. I have a couple of problems with this. First, if there is a social consensus on right behavior that is nearly universally accepted, the economy will reflect that. But there will still be cases where economic change, particularly changing relative prices, will bring about economic harm, so this doesn’t solve Barrera’s problem with soft complicity. Second, it is unlikely that consumers can bring about responsible change simply by changing their own behavior if the ethos of the business community is that shareholder wealth is to be maximized at every opportunity. Business social responsibility doesn’t just happen, and at the present time, it is not especially common, contra Barrera (p. 217).

Boycotts and economic protests do sometimes work, but in order to work, it is essential that they have a political component. That is, it is not enough just for large numbers of people to quit buying the offending good. There also has to be organized communication with the decision-makers at the company. Demands must be made, negotiations must be undertaken, and mechanisms for accountability must be established. This involves a lot more work that just changing the weekly shopping list, and most people have limited resources for these efforts. (See Tiemstra 1975, 1979, 2003. For later work on boycotts, see Friedman 1999.)

I do not believe that the negative pecuniary externalities that come with economic change should be considered to be a species of sin for which
we need forgiveness. People will be hurt when the economy shifts. Often a greater good comes of this. It’s like suffering the pain of inoculation to avoid the greater harm of a case of the flu. Barrera is right that these costs of economic change should be minimized and spread more widely, but I don’t think that guilt is the proper frame of mind for accomplishing this task.

Though I do not find the argument of this book to be persuasive, it is nevertheless a careful and serious Christian study of an important and timely issue. It is animated by an admirable Christian impulse—love for all of our neighbors in the global economy, no matter how distant they are from us. It is an important book for economists with an interest in Catholic economic ethics.

References


