

Niels Kærgård, ed.

*Market, Ethics and Religion: The Market and its Limitations**

Cham: Springer, 2023. viii+303 pp.

George Gotsis

National and Kapodistrian University of Athens

This edited volume focuses on examining the ethical limitations of market mechanisms, based on the interaction between religious and economic ethics in the social history of northern Europe after the Protestant Reformation. Not infrequently, religious concepts such as compassion, humility and forgiveness have been employed in various discourses, underlying holistic philosophies that denote how spiritual virtues provide a nonsecular legitimization of capitalism, its historical origins, and its institutional framework.¹

Not infrequently, religion is perceived as inimical to a rational conception of social life; thus religious beliefs are viewed as a source of conflict, as well as an impediment to the pursuit of human fulfilment. Others, however, tend to consider religious convictions as an appropriate foundation for virtue and human dignity in the economic sphere.² This stream of reasoning focuses on a variety of issues: moral limitations of market functioning, ethical restrictions in shaping economic incentives, and the cultural embeddedness of religious norms in regulating society. Among this very group, certain scholars appear critical of the operation of markets, arguing that market mechanisms result in a concentration of economic power, thus generating morally unacceptable forms of historically entrenched distributional inequalities. The book under consideration provides a nuanced synthesis of different viewpoints, capitalising on contributions drawing on both the social sciences and the humanities. Contributors in this volume analyse these issues through different methodological lenses, applying various theoretical approaches to economic ethics and embracing distinct normative ideals.

The edited volume comprises three parts, namely: economics of the market, religion and the market, and case studies on the normative limitation of the market. The first part includes five chapters commenting on arguments for and against the market economy and discussing moral and cultural constraints of market functioning. Contributors explore basic assumptions in mainstream economics: externalities, environmental pollution, distributional inequities, rationality, self-interest and public welfare.

The book starts with an introduction to behavioural assumptions and value judgments in economics. In chapter 2, Agnar Sandmo explores the implicit assumptions

underlying market models, while in chapter 3 Peder Andersen discusses the ways through which market failure is conceptualised in economics. The following three chapters explore more specific problems related to economics and the social order, embedded in interdisciplinary approaches that are often disregarded by proponents of formalised economic models. In chapter 4, Hans Aage argues that economics has elaborated on a consistent theory of the market economy, yet the latter is subject to exogenous constraints stemming from environmental issues, cultural discrepancies, historically framed forms of alienation and cross-regional divergence in income distribution. This perspective is expanded in the next chapter by Peder J. Pedersen, who raises the fundamental question of whether happiness can be an integral part of an economic analysis that encompasses the necessary variables to assess the importance of excess income in generating subjective well-being, a core issue in the economics of happiness. In the last chapter in this part, Tomáš Sedláček examines the ambivalent relation between religion and economics. He thus investigates the complex interplay between economic ethics and the Christian ethos by stimulating and rejuvenating a fruitful debate over the historical origins and the evolutionary trajectories of capitalist institutions.

This following part includes eight chapters centred on religious attitudes towards the market economy. This section does not comprise all major religions insofar as it focuses on belief systems typical of Western European societies: Lutheran Christianity, the Catholic Church and Islam. Svend Andersen in chapter 7 discusses Lutheran social ethics in a comprehensive manner. The author draws on prominent German theologian Ernst Troeltsch's *Die Soziallehren der christlichen Kirchen und Gruppen*, first published in 1912. He then provides an account of Luther's social and political ideas which significantly differ from Troeltsch's perception of Lutheran social ethics. Philip Goodchild in chapter 8 contends that the modern rationalisation process culminates in the construction of abstract models, generating impersonal economic processes that discredit or repudiate human praxis. Entrenched in a theology of money, economic rationalisation generates four fundamental illusions: an illusion of objectivity, an illusion of liberty, an illusion of wealth and an illusion of reality (128).

In the following chapters Niels Kærgård employs a historical perspective to summarise earlier debates on Christianity and market economy in a Danish context. The first concerns a profound debate in the 1870s between two preeminent theologians in Denmark, Hans Lassen Martensen (1808–1884) and Ditlev Gothard Monrad (1811–1887), on the appropriate Christian attitude to the market. The one was highly critical of market distributional inequalities, while the other had no clear intention of participating in economic affairs, adopting a sharp demarcation between Christian discourses and economic arguments. Some prominent members of Danish society participated in the debate, namely the politician and poet Carl Ploug (1813–1894), and the philosopher Harald Høffding

(1843–1931). In the second, Kærgård investigates Danish philosopher K.E. Løgstrup's social ethics and raises the question of whether such a view poses an alternative to the prevailing homo economicus assumption of agents displaying self-interested behaviour.

In chapter 11, Ole Jensen assesses mankind's relation to biodiversity, challenging dominant anthropocentric interpretations of biblical narratives according to which humanity was afforded a primary right to exploit nature, securing an allegedly advantageous position in the cosmos. In this respect, man is both *cooperator Dei* and accounted for *creatio continua*, thus embedding stewardship of nature in a context of planetary responsibility (168–69). In an entirely different vein of reasoning, Peter Lüchau in chapter 12 introduces a sociological description of the interrelationships between religious and political attitudes in the contemporary Danish population and extrapolates the conclusion that the current influence of religious beliefs on political and moral values in Denmark seems to be rather insignificant.

The last two chapters in this section focus on non-Lutheran attitudes to social issues. Else-Britt Nilsen in chapter 13 summarises the Catholic Church's economic ethics grounded in Catholic social doctrines, and Jakob Skovgaard-Petersen in chapter 14 reviews Islamic attitudes to market phenomena in the light of this religion's intellectual history. More specifically, Catholic social teaching encompasses a vast array of moral theories involving humane and ecological dimensions. According to Catholic social teaching, economic activity must be dictated by the fundamental principles of the inherent dignity of the human person, the preponderance of the common good, and an emphasis on solidarity and subsidiarity, dictated by the virtues of social justice and altruistic love (194). The Muslim countries in their turn are facing the intrusion of an advanced capitalism, which obviously poses an impediment to the revival of earlier historical indigenous traditions of social thought (205).

The contributors in part 3 place an emphasis on the normative limitations of market mechanisms, highlighting some ethically questionable practices. For instance, trade with human organs and sexual services is intrinsically deemed an unethical occupation. In chapter 15, Kirsten Halsnæs and Thomas Ploug employ a Kantian perspective on commercial surrogacy as exemplifying the ethical aspects of trade in human body parts and address the contradiction between market logic and ethical traditions. In this vein of ethical reasoning, exploitation of the needy is vehemently denounced; profit maximisation is perceived as an indulgence to avaricious behaviour that is intrinsically antisocial, as well as detrimental to the pursuit of fairness. The ongoing debate on stakeholder capitalism or the historical framework of *Gemeinschaft* versus *Gesellschaft* indicates the importance of market regulation.

Similar concerns underly the case for sexual services, epitomised in chapter 16 by Hanne Petersen. Some Western European countries pose serious constraints on the access to such highly lucrative markets, while others allow for an almost unrestricted operation of such markets. The author underscores the trend towards commercialisation of

intimate life evidenced in fiction, film and popular culture. This trend is subject to the constraints of religious morality, human rights protection and feminist equality claims, all of which oppose a neoliberal discourse which legitimises commercial sex as a mere outcome of individual choice. In chapter 17, historian Martin Schwarz Lausten summarises the late sixteenth-century controversies on the operation of credit markets. The era of Denmark's transition to the Lutheran faith witnessed an ardent early modern debate between theologians and supporters of economic pragmatism who, refuting Aristotle, claimed that it was legitimate for traders and businessmen to charge interest on loan contracts (248).

The following chapters reflect a shift to secular concerns. Jørn Henrik Petersen in chapter 18 assesses the Scandinavian welfare state performance in the light of historically forged bonds of solidarity. After explicitly referring to the social connotations of teachings advanced by the Catholic Church, the Evangelical Church in Germany and the Presbyterian Church in the United States, the author appears to have "no doubts that Lutheran Christianity proclaimed during centuries has become part of Danish secular religion and, therefore, influenced the structure of the Danish welfare state" (265). Then, Jacob Dahl Rendtorff in chapter 19 explores corporate social responsibility embedded in a set of ethical considerations. Cultural values affect the quest for business legitimacy and the republican conception of corporate citizenship, thus demarcating the scope of economic rationality. Corporations are viewed not only as profit maximising entities, *but primarily as corporate citizens exhibiting societal commitment*, by endorsing cosmopolitan ideals. This type of citizenship is the cornerstone of responsible agency because it designates a concept of responsibility comprising historical, ethical and cosmological awareness of the impact of corporations on society (280).

The last chapter of this volume handles issues concerning the climate crisis, viewed through the lenses of intergenerational justice. Kirsten Halsnæs and Niels Kærgård in chapter 20 highlight the cultural divide between market and ethics, wondering whether market mechanisms resolve sustainability problems in a situation in which countries have plausible reasons to indulge in free riding.

In sum, the volume under consideration reflects an interesting attempt at demonstrating the ethical limitations of market economies. This overall endeavour deserves further attention, especially with respect to contributions to this volume intended to study religion in a commodity-oriented society, without reducing religious ethics to an ideological apparatus akin to a neoliberal agenda that serves to reinforce the neo-conservative ideology of late capitalism. Markets are not sites of apolitical action because markets actively engage actors in ways that are historically and morally formative.³

Not unexpectedly, this book draws on Jesus' criticism of the exploitative structures in Roman Palestine, as well as on the critical perspectives inaugurated in Gospels' narratives.⁴ Equally importantly, this project is reminiscent of R.H. Tawney's economic

ethic, which holds that market morality, social ethics, and politics are intertwined. The insightful ideas advanced in this volume underscore the historical entwinements between unrestrained capitalism and rampant inequality, placing an emphasis on capitalism's opposition to market morality, and demonstrating the convergence between religious and secular humanist critiques of markets. The views advocated in this book fit those of O'Brien and Noy, who adduce valuable evidence to support the claim that social marginalisation and religious commitment are not necessarily entwined, nor positive views of science unconditionally imply liberal political preferences.⁵ Watkins contends that Christianity, Islam, Judaism and, to a lesser extent, Hinduism still shape the ethos of participants within money markets.⁶ This suggests that religion affects individual worldviews, which in turn influence business cultures.

Lutheran Christianity is thus differentiated from Protestant sects, insofar as certain puritan attitudes appeared inimical to liberal values.⁷ For instance, McCarragher convincingly argues that people of seventeenth-century New England inhabited an enchanted universe in which they developed a "Puritan social gospel" embedded in a covenant theology that culminated in a communalistic capitalism,⁸ which eventually subsided into a "gospel of capitalistic enchantment".⁹ This explains why references to Weber's Protestant ethic are scarce and disparate throughout this book (34, 86, 139, 270, 274), apart from a brief account of religious sociology of Islam (198–99, 201, 204–5, 207), based on "The economic ethics of the world religions", which appeared in 1920. It's worth nothing that, more than one century after the publication of Weber's *Protestant Ethic* in 1904/5, the book retains its intellectual appeal, despite the ensuing criticism it encountered.¹⁰ The Protestant idea of work as a "calling" reflected an inherently ethical imperative enacted by a secular economic motivation that served as *one potential* moral foundation of the subsequent historical development of the market economy.

* This review is an integral part of EU Erasmus+ Project Ethics4Challenges (E4C): Innovative Ethics Education for Major Technological and Scientific Challenges.

¹ Edward Wray-Bliss, *Neoliberalism, Management and Religion: Re-examining the Spirits of Capitalism* (London: Routledge, 2019).

² See, for instance, Ulrich Hemel, "Politics of Dignity: A Bridge between Public Theology and Economy," in *Public Theology Perspectives on Religion and Education*, ed. Manfred L. Pirner, Johannes Lahnemann, Werner Haussmann and Susanne Schwarz (New York: Routledge, 2019), 107–18. Also, Deirdre Nansen McCloskey, "The Liberty of the Will in Theology Permits the Liberated Markets of Liberalism," in *Democracy, Religion, and Commerce: Private Markets and the Public Regulation of Religion*, ed. Kathleen Flake and Nathan B. Oman (London: Routledge, 2023), 110–35.

³ Christina McRorie, "Markets as Moral Contexts: An Account based in Catholic Theological Anthropology," in Flake and Oman, *Democracy, Religion, and Commerce*, 162–76.

⁴ Edmondo F. Lupieri, "Businessmen and merchants will not enter the places of my Father": Early Christianity and Market Mentality," in *Money as God? The Monetization of the Market and its Impact on Religion, Politics, Law, and Ethics*, ed. Jürgen von Hagen and Michael Welker (Cambridge University Press, 2014), 379–413, <https://doi.org/10.1017/CBO9781107337695.022>.

- ⁵ Timothy L. O'Brien and Shiri Noy, "Traditional, Modern, and Post-Secular Perspectives on Science and Religion in the United States," *American Sociological Review* 80, no. 1 (2015): 92–115, <https://doi.org/10.1177/0003122414558919>.
- ⁶ James Simon Watkins, *Religion and the Global Money Markets: Exploring the Influence of Christianity, Islam, Judaism and Hinduism* (Cham: Palgrave Macmillan, 2022).
- ⁷ Sarah Drakopoulou Dodd and George Gotsis, "Labour is Holy but Business is Dangerous: Enterprise Values from the Church Fathers to the Reformation," *Journal of Enterprising Culture* 15, no. 2 (2007): 133–63.
- ⁸ Eugene McCarraher, *The Enchantments of Mammon: How Capitalism became the Religion of Modernity* (Cambridge: Harvard University Press, 2019), 112–15.
- ⁹ *Ibid.*, 117.
- ¹⁰ Peter Ghosh, "The Protestant Ethic and the Spirit of Capitalism (1904–5/1920)," in *The Routledge International Handbook on Max Weber*, ed. Alan Sica (London: Routledge, 2022) 145–57. See, also, Thomas Sokoll, "The Moral Foundation of Modern Capitalism: Towards a Historical Reconsideration of Max Weber's 'Protestant Ethic'," in *Moralizing Capitalism: Agents, Discourses and Practices of Capitalism and Anti-Capitalism in the Modern Age*, ed. Stefan Berger and Alexandra Przyrembel (Cham: Palgrave Macmillan, 2019), 79–108, https://doi.org/10.1007/978-3-030-20565-2_4.