

ethicists, and theologians who work on normative aspects of financial institutions and practices will find this book relevant to their projects.

The book's motivation is its weakest point. Although the authors claim their "book is not concerned with the global financial crisis as such," they clearly use that event as the hook for the reader (6). Their explanation is that the "moral failure" of financiers explains the financial crisis, which anchors their discussion of alternative finance in the traditions of Judaism, Christianity, and Islam (6). But this explanation simply does not work. Financiers are always profit-hungry, willing to do whatever they can to increase their bottom line. But financial crises are not regular events; rather they are extraordinary events that only occur in very specific circumstances. If greed explains financial meltdowns, those meltdowns should happen much more regularly. But they do not. Well-read economists, who know from the literature on financial crises that "moral failure" is an untenable explanation (even if financiers *do* exhibit serious moral failings), will use this as an excuse to ignore what the authors have to say. This is unfortunate, since their discussion of finance in the Abrahamic traditions is interesting for many other reasons.

In conclusion, the authors have written a useful survey of Jewish, Christian, and Islamic finance. Economists interested in ethical and religious issues will find their work edifying. I doubt the book has much value as an input into positive (explanatory) economics, but the moral perspective it offers is worth engaging nonetheless.

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Of Labour and Liberty: Distributism in Victoria 1891–1966

Race Mathews

Notre Dame: University of Notre Dame Press, 2018 (410 pages)

Race Mathews argues, "Political democracy in the absence of economic democracy is a fragile construct." This phrase encapsulates the central idea of distributism. Widespread ownership of property is indispensable to a free society. Distributism accepts this principle and takes it further: The stake workers have in the enterprises that employ them should extend to a share in their ownership and management. Except in small businesses, employees should become co-owners. Communities should try to provide the services they need—banking, insurance, housing, consumer goods—cooperatively, so that ownership, work, the benefits, and any profits remain with them. They should try to develop local businesses, industry, and farming cooperatively. The attributes of local participation, shared responsibility, cooperative independence, and initiative that distributism emphasizes in the economic sphere are the same qualities for effective citizenship in the political sphere. They are also cultivated for a similar purpose: to ensure that concentrations of wealth and power do not destroy the freedom of individuals and their prospects of flourishing.

Mathews knows the history of distributism and the range of enterprises it has generated in different countries. He also understands the reasons why some of these enterprises have

failed after periods of impressive success. Like many other social movements, they begin with energy, commitment, and a belief that the world can be different. Success inevitably requires formalization of operations, and growth requires more institutional structures. Bureaucracy begins to supplant enthusiasm and participation, and membership becomes a passive formality. The enterprise gradually becomes a system taking precedence over its original inspiration. Mathews provides a case study of Catholic credit unions in Victoria, which gradually bureaucratized and then secularized in an attempt to shore up “credit unionism” as an end in itself, “rather than as a means of transitioning to a more just and equitable social order” as envisaged by Catholic social teaching. He argues that the cooperative movement centered on Mondragón in Spain has avoided this cycle because of the priority given to the formation of members and leaders through study groups, practical initiatives, and training in self-government and self-management. Distributism depends on what is in effect continuous schooling in practical citizenship and participation.

Distributism’s antecedents lie in late-nineteenth-century Christian social reform. Different forms of advocacy on behalf of workers and farmers affected by rapid economic and social change were “consolidated and codified” by Pope Leo XIII in *Rerum novarum* (1891), the foundation of modern Catholic social teaching. The encyclical inspired British distributism and the writings of Belloc and Chesterton. It also inspired Joseph Cardijn, a Belgian priest who founded the Young Christian Workers movement (YCW). Both strands would be influential on Australian distributism. Mathews esteems the approach of Cardijn, which emphasizes formation—“the inculcation of an informed Catholic conscience and consciousness”—offered by workers to other workers in their workplace to build up a more Christian society through a range of small local initiatives, which in Australia also extended to the establishment of cooperatives and credit unions.

Cardinal Henry Manning in England championed the rights of workers and the poor as an essential part of Christian life, and influenced both the writing of *Rerum novarum* and the rapid dissemination of its ideas. His involvement with unions and the role he played in resolving the London dock strike in 1889 set a powerful example for other bishops, and Mathews describes how this was taken up by Cardinal Patrick Moran of Sydney, whose defense of unions and workers remains one of his major legacies. The other great prelate Mathews discusses is Archbishop Daniel Mannix of Melbourne, who also encouraged Catholics to be active in strengthening Christian influence in modern society, including in politics. Distributism became one manifestation of this activity for social reform, which was captured under the name Catholic Action.

Since the Second Vatican Council, the idea of Catholic Action has been superseded by a broader idea of the lay apostolate. In the 1920s, however, Pius XI defined it as participation by ordinary Catholics (“lay people”) in the apostolate (the mission to take the Christian message to the whole world) of the bishops. This gave Catholic Action the character of organized activity under the mandate of the bishops, although it gradually came to encompass others forms of lay activity, undertaken with or without a mandate from the bishops. A key question for Mathews concerns how distributism, with its long history and good standing in Australia, came to be “erased from the nation’s political

agendas and public consciousness” as if it had never existed. His answer centers on the conflict over what Catholic Action meant, particularly in relation to political activity.

In 1938 the bishops created a secretariat for Catholic Action, which over the following years established groups fostering formation and activity among workers (YCW), students, farmers, and Catholic girls. The deputy director of the secretariat, Bob Santamaria, was one of the great Catholic laymen of Australian history. He was also a deeply divisive figure in the church and in politics, and Mathews’ account reflects this. Soon after taking on this role, Santamaria was asked by Labor party figures to help fight communist takeovers of unions. Separate from his work at the secretariat, but with the backing of Archbishop Mannix, Santamaria established an organization (“the Movement”) and recruited Catholic workers and unionists from the parishes for this task. In 1945 the Movement was renamed, endorsed, funded, and placed under the supervision of the bishops, making it “no longer a lay body but an arm of the church.” The success of the organization—which worked in secret and without publicity—in wresting control of unions from communist leadership was Santamaria’s greatest contribution to Australian life. However, the unions also played a major role in determining the policies of the Labor party, and fears of Santamaria’s ambitions and influence, through the unions the Movement controlled, precipitated a disastrous split in 1954 that kept Labor from power nationally for decades. The recriminations and bitterness—in politics and the church—lasted even longer.

The bishops were also divided over the extent to which the church had become involved in a political party, and how to continue the work in the unions against communist influence. The matter was submitted to Rome. The bishops were directed to avoid involvement in political parties and unions, and to focus on forming “the social and moral conscience of Catholics.” This was a vindication for the nonpolitical groups in Catholic Action such as the YCW, which argued that involvement in politics should be avoided and influence exercised only informally and indirectly. The toll taken by this dispute, however, was too great. The idea of Catholic Action had been compromised, and the bishops were focused on restoring unity. As a result, while the YCW’s creation of cooperatives and credit unions expanded rapidly during the 1950s, resourcing from the church was insufficient to manage the increased administrative burden and to provide the requisite formation for members and leaders. Active support from the church slowly ebbed in the 1960s and the YCW was unable to recruit enough people to continue the work according to its original inspiration. While credit unionism flourished into the mid-1990s in Australia, the YCW cooperatives had become moribund by the 2000s.

Mathews is deeply committed to distributism, and deeply regrets its disappearance from Australian politics and economic debate. His discussion of the contest over Catholic Action and its consequences for distributism is absorbing, but whether responsibility for its failure and disappearance can be attributed mainly to Santamaria and the diversion of Catholic Action into politics, as the book argues, is unclear. The impact of “the Split” on the church was enormous, but other factors were also coming into play at this time: rising prosperity, increased mobility, a slow drift away from religious practice and other forms of community participation, especially formal membership-based participation, and

the revolution started by the pill. The generation of 1968 had a very different outlook. Strangely, the reforms of the Second Vatican Council probably did not help distributism, as lay leadership was diverted onto school and parish boards. The impact of these larger political and sociological factors on distributism after the 1950s is not canvassed in the book. The focus on Santamaria and the Movement tends to overshadow what was happening in the meantime among the YCS and the other movements: What was the quality of their leadership? How engaged were their members? How effective were their organizations? Did the formal connection with the bishops hinder or help these different forms of lay activity? Mathews tells us a good deal of this story, but the book leaves the reader with a feeling that there is more to know.

It is the mark of a good book to provoke further questions and a wish to know more. Mathews opens up a fascinating local story of distributism, placing it in its broader context. He makes a learned and heartfelt argument for its promise in a time of growing concentration of wealth and power and increasing marginalization of workers, families, and local communities. *Of Labour and Liberty* brings back into focus some critical questions about the economy and the community in a free society that we need to recover in our difficult times.

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The European Guilds: An Economic Analysis

Sheilagh Ogilvie

Princeton and Oxford: Princeton University Press, 2019 (645 pages)

Jean Baptiste Colbert loved them. Adam Smith hated them. The French Revolution abolished them. Napoleon crushed them. Pope Leo XIII nostalgically praised them. Modern labor unions descend from them. Contemporary scholars disagree about them. What is it about guilds that has occasioned such wildly varying reactions over the years? Cambridge University professor of economic history Sheilagh Ogilvie answers this question and many others in her recent work *The European Guilds: An Economic Analysis*. Surveying the institution of the guild, Ogilvie does not so much present a history of European guilds as much as a sustained analysis of how they worked and how effective they were, giving us, in the classic evaluation framework of *1066 and All That*, an evaluation of whether they were a Good Thing or a Bad Thing, and why it all should matter to us in the twenty-first century.

First, a few words about Ogilvie's methodology. There have been guild or guild-like organizations existing for millennia, in cultures as widely ranging as ancient Egypt, medieval China, and the nineteenth-century Ottoman Empire, but for the sake of focus, Ogilvie confines her study to the guilds of Europe, from their origins in the eleventh century to their last days in the nineteenth. As with any historical analysis, particularly one involving the European medieval period, sources can be maddeningly limited. This is particularly true for European guilds, as the researcher does not just want compilations of their statutes,